

HBL

ASSET MANAGEMENT LTD.
ایسٹٹ مینجمنٹ لمیٹڈ

AMC Rating : AM1 by VIS



HBL Pension Fund & HBL Islamic Pension Fund

HALF YEARLY REPORT 2022

For the Half Year Ended December 31, 2022

MOVING TOWARDS
EXCELLENCE

TABLE OF CONTENTS

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

CORPORATE INFORMATION

Management Company

HBL Asset Management Limited

Board of Directors (Composition as of February 13, 2023)

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

Audit Committee

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

Human Resource Committee

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

Risk Management Committee

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

Technology Committee

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

Company Secretary & Chief Financial Officer

Mr. Noman Qurban

AMC Rating

AM1 (Stable Outlook)

Legal Advisor

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

Website

www.hblasst.com

Head Office & Registered Office

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

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of HBL Asset Management Limited is pleased to present its report along with Financial Statements Report of HBL Pension Fund and HBL Islamic Pension Fund (the Funds) for the period ended December 31, 2022.

ECONOMIC REVIEW

Pakistan faced a challenging economic environment during 1HFY23 due to pressures on external account, delay in IMF program and rising inflation. Pakistan foreign exchange reserves came under severe stress during 1HFY23 as reserves held by SBP dropped to USD 5.6bn in Dec 2022 versus USD 9.8bn in June 2022, which translates into an import cover of less than 2 months. This was primarily due to huge debt repayments, reduced foreign flows amid challenging global economic environment and delay in receipt of IMF flows. However, reduction in Current Account Deficit (CAD) provided some respite which fell to USD3.7bn in 1HFY23 vs. 9bn same period last year (SPLY).

Pakistan currency also witnessed severe volatility during the period. PKR against the USD fell to as low as PKR239.6 as of Sep 22, 2022 as against PKR 204.32 in June 2022 due to fall in reserves. However, with administrative measures to keep currency in check, Pak Rupee appreciated against USD to close at PKR 226.3 as of Dec 30, 2022. Since then, the currency has started adjusting again as SBP reserves are continuously falling and the spread between interbank and open market rates had increased. With currency in the interbank market now moving closer to the open market rates, it is now likely that the workers remittances and export proceeds that were impacted due to the widening spread, will again start recovering.

On the monetary front, inflationary pressures rose as CPI inflation averaged 25% in 1HFY23 vs. 10% in SPLY. This was on the back of high commodity prices, floods impacting food prices, and supply chain disruptions due to import restrictions. Non-food and non-energy core inflation also rose with Urban and Rural Core inflation increasing to 14.1% and 17.4% in 1HFY23, respectively. Keeping in view rising inflation and worsening external account situation, SBP through its monetary policy cumulatively raised policy rate by 225bps to 16% in 1HFY23.

Large Scale Manufacturing (LSM) during 1HFY23 also saw decline of 3.7% driven by economic slowdown and import restrictions. This was driven by Cotton Yarn (-14%), Cements (-15%), Automobiles (-30%), and petroleum products (-11%).

STOCK MARKET REVIEW

Benchmark KSE-100 index during 1HFY23 declined by 3% with index closing at 40,420 points, whereas KMI-30 index during 1HFY23 declined by 1% with index closing at 68,278 points. The KSE-100 index after making CY22 peak of 46,601 points on April 15, 2022, index dropped to 40,420 points in Dec 2022, down 13% from peak. This drop can be attributed to 1) delay in ninth review of IMF. 2) sharp fall in foreign exchange reserves which raised concerns over likelihood of default, 3) rise in interest rates as investors switched to fixed income instruments, 4) Political uncertainty which kept market under pressure, and 5) import restrictions impacting listed companies profitability.

These uncertain economic and politic environment also had an impact on market traded volumes and value. Average traded volume and traded value was down by 36% and 45% to 219mn shares and PKR6.6bn, respectively.

MONEY MARKET REVIEW

SBP conducted four monetary policies during 1HFY23 where it raised policy rate twice in July 2022 and Nov 2022. Policy rates were raised by 125bps and 100bps in July and November, respectively. SBP highlighted 1) increasing inflation expectations, 2) high commodity prices, 3) deterioration in external account situation, and 4) reduced foreign flows due to challenging global environment, as key reasons for an increase in policy rates.

Owing to rising inflationary pressures and expectations of higher interest rates, secondary market bond yields saw an increasing trend in 1HFY23. Yields on shorter tenor 6M and 1Y TBills were up ~180bps to 16.99% and 17.00%, respectively. Similarly, longer tenor bond yields on average were up by ~190bps in 1HFY23 with 3Y and 5Y PIB yielding 15.64% and 14.61%, respectively. During 1HFY23, government against a target of PKR 10.7tn borrowed PKR 10.3tn. Similarly, government raised PKR 943bn through PIBs during 1HFY23.

In variable rate Ijarah Sukuk, government raised PKR 345bn during 1HFY23 against target of PKR 475bn. Similarly, through fixed rate Ijarah Sukuk, government raised PKR 19bn during 1HFY23.

FUTURE OUTLOOK

Pakistan again has reengaged with the global lender and have taken certain prior actions which is likely to result in revival of IMF program and release of funds under the program. These measures include hike in gas prices on average by around 40%, introduction of taxation measures of up to PKR 170bn and increase in power tariff. Revival of the IMF program will not only lead to the release of USD 1bn from IMF under the ninth review but will also lead to more inflows from other multi-lateral lenders. It is also expected that Saudi Arabia and China are likely to roll-over foreign debt to Pakistan in FY23 which will support foreign exchange reserves of the country.

Improvement in foreign flows is likely to reduce pressure on exchange rate and will also lead to reduction in import controls which is currently impacting the industry. This will increase confidence of global and local investors and is likely to bode well for Equity Markets that is trading at a historic low valuations with PE multiples of around 4x.

On the monetary front, increased taxation measures and adjustment in electricity/gas prices are likely to exert pressure on CPI. In FY23, average inflation is likely to clock in at 27-28%. Given these expectations, there are likelihood of a further increase in policy rate which we believe the market is already expecting as evident from the rising secondary market yields. However, inflationary trend is likely to ease considerably from 2HCY23 due to high base effect.

We remain positive on the Pakistan Equity Market outlook as the market is trading at an attractive PE of 4x and offering dividend yield of 10%. With IMF program likely to be back on track, economic fundamentals will move in right direction. Which will regenerate investor's interest in Equity markets.

Fund's Performance

HBL Pension Fund

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

The Fund as a whole earned a total and income of Rs. 54.02 million and Rs. 49.12 million respectively during the period under review. The fund size increased from Rs. 831.41 million as on June 30, 2022 to Rs. 845.78 million as at December 31, 2022 thereby showing an increase of 2% during the period under review. Performance review for each sub Fund is given below:

Equity Sub-Fund

During the period under review, the Equity sub-fund incurred a total and net loss of Rs. 1.32 million and Rs. 3.01 million respectively. The net assets of the Equity sub-fund was Rs. 52.74 million representing Net Asset Value (NAV) of Rs. 296.2827 per unit as at December 31, 2022. The Sub Fund yielded a negative return of 5.23% for the period under review. The Fund is invested to the extent of 85% in equities.

Debt Sub-Fund

During the period under review, the Debt sub-fund earned total and net income of Rs. 22.04 million and Rs. 20.52 million respectively. The net assets of the Debt sub-fund was Rs. 303.05 million representing Net Asset Value (NAV) of Rs. 254.8385 per unit as at December 31, 2022. The Fund yielded annualized return of 15.45% for the period under review.

Money Market Sub-Fund

During the period under review, the Money Market sub-fund earned total and net income of Rs. 33.30 million and Rs. 31.61 million respectively. The net assets of the Money Market sub-fund was Rs. 489.99 million representing Net Asset Value (NAV) of Rs. 222.3318 per unit as at December 31, 2022. An annualized return of 15.86% was earned by the Fund for the period under review.

HBL Islamic Pension Fund

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

The Fund as a whole earned a total and net income of Rs. 15.31 million and Rs. 12.05 million respectively during the period under review. The fund size increased from Rs. 343.34 million as at June 30, 2022 to Rs. 399.37 million as at December 31, 2022 showing an increase of 16%. Performance review for each sub Fund is given below:

Equity Sub-Fund

During the period under review, the Equity sub-fund incurred a total and net loss of Rs. 3.21 million and Rs. 5.15 million respectively. The net assets of the Equity sub-fund was Rs. 70.89 million representing Net Asset Value (NAV) of Rs. 329.9190 per unit as at December 31, 2022. The Fund yielded a negative return of 6.56% for the period. The Sub Fund is invested to the extent of 91% in equities.

Debt Sub-Fund

During the period under review, the Debt sub-fund earned total and net income of Rs. 9.87 million and Rs. 9.10 million respectively. The net assets of the Debt sub-fund was Rs. 190.15 million representing Net Asset Value (NAV) of Rs. 200.9388 per unit as at December 31, 2022. The Fund yielded annualized return of 14.37% for the period under review.

Money Market Sub-Fund

During the period under review, the Money Market sub-fund earned total and net income of Rs. 8.65 million Rs. 8.10 million respectively. The net assets of the Money Market sub-fund was Rs. 138.32 million representing Net Asset Value (NAV) of Rs. 195.6684 per unit as at December 31, 2022. An annualized return of 14.40% was earned by the Fund for the period under review.

Acknowledgement

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

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

On behalf of the Board of
HBL Asset Management Limited

Chief Executive Officer

HBL

Pension Fund

FUND INFORMATION

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

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE ASSET MANAGEMENT COMPANY OF HBL PENSION FUND

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **HBL Pension Fund** (the "Fund") as at December 31, 2022, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the condensed interim financial information for the six months period ended December 31, 2022 (here-in-after referred to as the 'condensed interim financial information'). **HBL Asset Management Limited** (the "Management Company") is responsible for the preparation and presentation of this condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

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

Other matter

The figures of the condensed interim income statement and condensed interim statement of comprehensive income, for the three months period ended December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2022.

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


Chartered Accountants

Place: Karachi
Date: February 24, 2023
UDIN: RR202210057wxNCYOcQP

HBL Pension Fund
Condensed Interim Statement of Assets and Liabilities (Un-Audited)
AS AT DECEMBER 31, 2022

	Note	(Un-audited) December 31, 2022				(Audited) June 30, 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) -----									
ASSETS									
Bank balances	4	3,926	131,411	391,731	527,068	3,321	229,087	358,775	591,183
Investments	5	45,930	166,745	92,000	304,675	127,901	60,896	37,522	226,319
Dividend and profit receivable	6	33	6,361	8,616	15,010	144	5,809	7,818	13,771
Deposits and other receivables	7	3,931	447	218	4,596	3,421	414	171	4,006
Total assets		53,820	304,964	492,565	851,349	134,787	296,206	404,286	835,279
LIABILITIES									
Payable to HBL Asset Management Limited - Pension Fund Manager	8	74	207	228	509	411	195	174	780
Payable to Central Depository Company of Pakistan Limited - Trustee	9	11	46	72	129	25	43	61	129
Payable to Securities and Exchange Commission of Pakistan		17	55	83	155	49	55	76	180
Accrued expenses and other liabilities	10	975	1,604	2,194	4,773	869	967	940	2,776
Total liabilities		1,077	1,912	2,577	5,566	1,354	1,260	1,251	3,865
NET ASSETS		52,743	303,052	489,988	845,783	133,433	294,946	403,035	831,414
PARTICIPANTS' SUB FUNDS (AS PER CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS)									
		52,743	303,052	489,988	845,783	133,433	294,946	403,035	831,414
CONTINGENCIES AND COMMITMENTS									
----- (Number of Units) -----									
NUMBER OF UNITS IN ISSUE	14	178,016	1,189,192	2,203,856	3,571,064	426,826	1,247,541	1,957,660	3,632,027
----- (Rupees) -----									
NET ASSETS VALUE PER UNIT		296.2827	254.8385	222.3318		312.6181	236.4216	205.8763	

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund

CONDENSED INTERIM INCOME STATEMENT AND TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	December 31, 2022				December 31, 2021			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
INCOME	(Rupees in '000)							
Dividend income	3,360	-	-	3,360	4,365	-	-	4,365
(Loss) / gain on sale of investments - net	(1,983)	(42)	(385)	(2,410)	(11,042)	(688)	70	(11,660)
Markup on bank deposits	197	13,052	20,632	33,881	145	3,734	8,809	12,688
Mark-up / return on investments calculated using the effective interest method	-	9,008	13,057	22,065	-	4,809	3,540	8,349
Net unrealised loss on re-measurement of investments classified as 'financial assets at fair value through profit or loss	(2,897)	20	-	(2,876)	(20,543)	(342)	(20)	(20,904)
Total (loss) / income	(1,323)	22,038	33,304	54,020	(27,075)	7,513	12,399	(7,162)
EXPENSES								
Remuneration to HBL Fund Management Limited - Pension Fund Manager	807	1,121	1,143	3,071	1,744	1,685	2,394	5,823
Remuneration to Central Depository Company of Pakistan Limited - Trustee	71	234	352	657	175	169	240	584
Annual fee - Securities and Exchange Commission of Pakistan	17	55	83	155	26	25	35	86
Auditor's remuneration	91	74	73	238	59	59	54	172
Settlement and bank charges	452	27	22	501	421	38	24	483
Other expenses	250	12	17	279	241	28	38	306
Total expenses	1,688	1,523	1,690	4,901	2,666	2,004	2,785	7,454
Net (loss) / income from operating activities	(3,011)	20,515	31,614	49,119	(29,740)	5,509	9,614	(14,616)
Reversal for Sindh Workers' Welfare Fund	11	-	-	-	3,040	1,501	923	5,464
Net (loss) / income for the period before taxation	(3,011)	20,515	31,614	49,119	(26,700)	7,010	10,537	(9,152)
Taxation	12	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation	(3,011)	20,515	31,614	49,119	(26,700)	7,010	10,537	(9,152)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	(3,011)	20,515	31,614	49,119	(26,700)	7,010	10,537	(9,152)

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund

CONDENSED INTERIM INCOME STATEMENT AND TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD FOR THE QUARTER ENDED DECEMBER 31, 2022

	December 31, 2022				December 31, 2021			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
INCOME	(Rupees in '000)							
Dividend income	1,435	-	-	1,435	2,618	-	-	2,618
Gain / (loss) on sale of investments -net	17,421	(47)	(357)	17,017	(12,705)	(1,006)	(2)	(13,713)
Mark-up on bank deposits	53	5,330	7,919	13,302	57	2,845	5,158	8,060
Mark-up / return on investment	-	5,780	9,754	15,534	-	1,936	1,713	3,649
Net unrealised (loss) / gain on re-measurement of investments classified as financial assets at fair value through profit or loss	(19,632)	428	-	(19,203)	5,209	559	4	5,772
Total (loss) / income	(723)	11,491	17,316	28,085	(4,821)	4,334	6,873	6,386
EXPENSES								
Remuneration to HBL Fund Management Limited - Pension Fund Manager	241	570	610	1,421	844	857	1,229	2,930
Remuneration to Central Depository Company of Pakistan Limited - Trustee	24	119	188	331	85	86	123	294
Annual fee - Securities and Exchange Commission of Pakistan	10	38	59	107	13	13	18	44
Auditor's remuneration	46	37	37	120	29	30	26	85
Settlement and bank charges	104	26	21	151	326	38	22	386
Other expense	250	12	17	279	132	19	28	179
Total expenses	675	802	932	2,409	1,429	1,043	1,446	3,918
Net (loss) / income from operating activities	(1,398)	10,689	16,384	25,676	(6,250)	3,291	5,427	2,468
Net (loss) / income for the period before taxation	(1,398)	10,689	16,384	25,676	(6,250)	3,291	5,427	2,468
Taxation	12	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation	(1,398)	10,689	16,384	25,676	(6,250)	3,291	5,427	2,468
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	(1,398)	10,689	16,384	25,676	(6,250)	3,291	5,427	2,468

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	December 31, 2022				December 31, 2021			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- (Rupees in '000) -----							
Net assets at beginning of the period	133,433	294,946	403,035	831,414	212,630	191,557	260,468	664,655
Issuance of units	10,933	75,787	228,149	314,869	20,006	24,996	42,564	87,567
Redemption of units	(88,612)	(88,196)	(172,810)	(349,618)	(9,300)	(19,461)	(21,107)	(49,868)
	(77,679)	(12,409)	55,339	(34,749)	10,706	5,535	21,457	37,699
(Loss) / gain on sale of investments - net	(1,983)	(42)	(385)	(2,410)	(11,042)	(688)	70	(11,660)
Net unrealised loss on re-measurement of investments classified as 'financial assets at fair value through profit or loss	(2,897)	20	-	(2,876)	(20,543)	(342)	(20)	(20,904)
Other net income for the period	1,869	20,537	31,999	54,405	4,884	8,040	10,487	23,411
Total comprehensive (loss) / income for the period	(3,011)	20,515	31,614	49,118	(26,700)	7,010	10,537	(9,153)
Net assets at end of the period	52,743	303,052	489,988	845,783	196,636	204,103	292,462	693,201
	----- (Rupees) -----				----- (Rupees) -----			
Net assets value per unit at beginning of the period	312.6181	236.4216	205.8763		433.3512	215.5798	186.9322	
Net assets value per unit at end of the period	296.2827	254.8385	222.3318		380.3569	223.4501	194.0714	

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund

Condensed Interim Cash Flow Statement (Un-audited)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	December 31, 2022				December 31, 2021			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note ----- (Rupees in '000) -----								
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income for the period	(3,011)	20,515	31,614	49,118	(26,700)	7,010	10,537	(9,153)
Adjustments:								
Net unrealised loss on re-measurement of investments classified as 'financial assets at fair value through profit or loss	2,897	(20)	-	2,877	20,543	342	20	20,904
Loss / (gain) on sale of investments - net	1,983	42	385	2,410	-	-	-	-
Dividend income	(3,360)	-	-	(3,360)	(4,365)	-	-	(4,365)
Mark-up on bank deposits	(197)	(13,052)	(20,632)	(33,881)	(145)	(3,734)	(8,809)	(12,688)
Mark-up / return from investments	-	(9,008)	(13,057)	(22,065)	-	(4,809)	(3,540)	(8,349)
Reversal for Sindh Workers' Welfare Fund (SWWF)	-	-	-	-	(3,040)	(1,501)	(923)	(5,464)
	(1,688)	(1,523)	(1,690)	(4,901)	(13,707)	(2,692)	(2,715)	(19,114)
Decrease / (increase) in assets								
Investments - net	77,091	(105,871)	(54,863)	(83,643)	(3,994)	37,243	105,210	138,459
Deposits and other receivable	(510)	(33)	(47)	(590)	(216)	(264)	(30)	(510)
	76,581	(105,904)	(54,910)	(84,233)	(4,210)	36,979	105,180	137,949
(Decrease) / increase in liabilities								
Payable to HBL Fund Management Limited - Pension Fund Manager	(337)	12	54	(271)	(20)	21	65	66
Payable to Central Depository Company of Pakistan Limited - Trustee	(14)	3	11	-	(1)	4	8	11
Payable to Securities and Exchange Commission of Pakistan	(32)	-	7	(25)	(28)	(24)	(11)	(63)
Accrued expenses and other liabilities	106	637	1,254	1,997	(6,089)	(493)	(901)	(7,483)
	(277)	652	1,326	1,701	(6,138)	(492)	(839)	(7,469)
Net cash generated from / (used in) operations								
	74,616	(106,775)	(55,274)	(87,433)	(24,056)	33,795	101,627	111,366
Dividend received	3,353	-	-	3,353	4,728	-	-	4,728
Mark-up received on bank deposits	315	15,837	22,082	38,234	153	2,754	6,667	9,574
Mark-up received on investments	-	5,671	10,809	16,480	-	5,448	3,150	8,598
Net cash generated / (used in) from operating activities	78,284	(85,267)	(22,383)	(29,366)	(19,175)	41,997	111,443	134,266
CASH FLOWS FROM FINANCING ACTIVITIES								
Amount received on issuance of units	10,933	75,787	228,149	314,869	20,006	24,996	42,564	87,567
Amount paid on redemption of units	(88,612)	(88,196)	(172,810)	(349,618)	(9,300)	(19,461)	(21,107)	(49,868)
Reallocation among sub-funds	-	-	-	-	-	-	-	-
Net cash generated / (used in) from financing activities	(77,679)	(12,409)	55,339	(34,749)	10,706	5,535	21,457	37,699
Net (decrease) / increase in cash and cash equivalents during the period								
	605	(97,676)	32,956	(64,115)	(8,469)	47,532	132,901	171,964
Cash and cash equivalents at beginning of the period	3,321	229,087	358,775	591,183	11,229	75,173	105,269	191,671
Cash and cash equivalents at end of the period	3,926	131,411	391,731	527,068	2,761	122,705	238,169	363,635

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund

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

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 HBL Pension Fund ("the Fund") was established under a Trust Deed, dated August 17, 2011, between HBL Asset Management Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a pension fund on October 05, 2011. The Fund was registered on September 08, 2021 with Assistant Director of Industries and Commerce (Trust Wing) Government of Sindh under Section 12A of the Sindh Trusts Act, 2020.
- 1.2 The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (the VPS Rules) through a certificate of registration issued by SECP. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.
- 1.3 The Fund is an unlisted open end pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds
- 1.4 The objective of the Fund is to provide individuals with a portable, individualised, funded (based on defined contribution), flexible pension scheme, assisting and facilitating them to plan and provide for their retirement.
- 1.5 The Fund consists of three sub-funds namely, HBL Pension Fund Equity Sub-Fund (Equity Sub-Fund), HBL Pension Fund Debt Sub-Fund (Debt Sub-Fund) and HBL Pension Fund Money Market Sub-Fund (Money Market Sub-Fund) (collectively the Sub-Funds). The investment policy for each of the sub-funds are as follows:
- The Equity Sub-Fund consists of a minimum 90% of net assets invested in listed equity securities. Investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 30% of NAV or index weight, subject to a maximum of 35% of NAV. Remaining assets of the equity sub-fund shall be invested in any government security having less than one year time to maturity, or be deposited with scheduled commercial banks having at least 'A' rating. Composition of the remaining portion of the investments shall be as defined in the offering document.
 - The Debt Sub-Fund consist of tradable debt securities with weighted average duration of the investment portfolio of the Debt Sub-Fund not exceeding five years. At least twenty five percent (25%) of the assets in the Debt Sub-Fund shall be invested in deposit with scheduled commercial bank (excluding TDRs) or government securities not exceeding 90 days maturity. Upto twenty five percent (25%) may be deposited with banks having not less than 'AA+' rating with stable outlook.
 - The Money Market Sub-Fund consists of short-term debt instruments with weighted average time to maturity not exceeding ninety days. There is no restriction on the amount of investment in securities issued by the Federal Government and deposits with commercial banks having 'A+' or higher rating provided that deposit with any one bank shall not exceed 20% of net assets of Money Market Sub-Fund. Investment in securities issued by provincial government, city government, government corporate entities with 'A' or higher rating or a corporate entity with 'A+' or higher rating or a government corporation with A+ or higher rating shall be in proportion as defined in offering document.
- 1.6 The Fund offers five types of allocation schemes, as prescribed by the SECP under VPS Rules, to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility & Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. The allocation to the Sub-Funds has to be done at the date of opening of contributor's pension account and on an anniversary date thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis.
- 1.7 VIS Credit Rating Agency has assigned management quality rating of 'AM1 (stable)' (June 2022:'AM2++') to the Pension Fund Manager while the Fund is currently not rated.
- 1.8 Title to the assets of the Fund are held in the name of CDC as the trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.1.1 This condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2022. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Fund's financial position and performance since the last financial statements.

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

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

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

3.1 The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year, ended June 30, 2022.

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

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

In preparing this condensed interim financial information, the significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended June 30, 2022."

3.4 The financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended June 30, 2022.

4. BANK BALANCES

	Note	(Un-audited)				(Audited)			
		December 31, 2022				June 30, 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)									
Savings accounts	4.1	3,926	131,411	391,731	527,068	3,321	229,087	358,775	591,183

4.1 This represents bank accounts held with various banks. This includes balances held with Habib Bank Limited (a related party), amounting to Rs. 0.30 million, Rs. 2.06 million & Rs. 0.72 million (June 30, 2022: Rs. 2.39 million, Rs. 228.74 million & Rs. 358.54 million) of equity sub-fund, debt sub-fund and money market sub-fund respectively. Profit rates on these accounts range between 10.00% to 19.12% (June 30, 2022: 5.50% - 17.55%) per annum.

5. INVESTMENTS

	Note	(Un-audited)				Audited			
		December 31, 2022				June 30, 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)									
Financial assets at fair value through profit and loss									
Listed equity securities	5.1	45,930	-	-	45,930	127,901	-	-	127,901
Government securities									
Market treasury bills	5.2	-	-	-	-	-	-	-	-
Pakistan investment bonds	5.2	-	49,485	-	49,485	-	-	-	-
GOP Ijarah	5.2	-	-	-	-	-	-	-	-
Term finance certificate and sukuk bonds	5.3	-	117,260	92,000	209,260	-	44,520	25,000	69,520
Commercial Papers	5.4	-	-	-	-	-	16,376	12,522	28,898
		45,930	166,745	92,000	304,675	127,901	60,896	37,522	226,319

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

5.1.1 Held by Equity sub fund

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

Name of the investee company	As at July 1, 2022	Purchases during the period	Bonus shares issued during the period	Right shares purchased / subscribed during the period	Sales during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Market value as a percentage of		Percentage of paid up capital of the investee company held
									Net assets of the sub fund	Investments of sub fund	
								(Rupees '000)		(%)	
CHEMICALS											
ICI Pakistan Limited	-	500	-	-	500	-	-	-	0.00%	0.00%	0.00%
Engro Polymer & Chemicals Limited	16,000	26,000	-	-	42,000	-	-	-	0.00%	0.00%	0.00%
	16,000	26,500	-	-	42,500	-	-	-	0.00%	0.00%	0.00%
REFINERY											
National Refinery Limited - (5.1.2)	16,500	49,940	-	-	48,940	17,500	3,038	2,512	4.76%	5.47%	0.02%
Attock Refinery Limited	8,750	2,000	-	-	5,750	5,000	1,229	880	1.67%	1.92%	0.00%
	25,250	51,940	-	-	54,690	22,500	4,267	3,392	6.43%	7.39%	0.02%
CEMENT											
Attock Cement Pak Limited	46,000	8,000	-	-	47,500	6,500	463	368	0.70%	0.80%	0.00%
Kohat Cement Limited	6,000	-	-	-	6,000	-	-	-	0.00%	0.00%	0.00%
Lucky Cement Limited	-	11,402	-	-	11,402	-	-	-	0.00%	0.00%	0.00%
D.G. Khan Cement Company Limited	-	109,000	-	-	59,000	50,000	3,070	2,582	4.90%	5.62%	0.01%
Cherat Cement Company Limited	-	43,700	-	-	43,700	-	-	-	0.00%	0.00%	0.00%
Pioneer Cement Limited	-	38,000	-	-	16,000	22,000	1,618	1,131	2.14%	2.46%	0.01%
Fauji Cement Company Limited	-	154,000	-	-	154,000	-	-	-	0.00%	0.00%	0.00%
Maple Leaf Cement Factory Limited	-	190,000	-	-	50,000	140,000	3,986	3,160	5.99%	6.88%	0.01%
	52,000	554,102	-	-	387,602	218,500	9,137	7,241	13.73%	15.77%	0.04%
TEXTILE COMPOSITE											
Interloop Limited	20,797	-	-	-	20,797	-	-	-	0.00%	0.00%	0.00%
Kohinoor Textile Mills Limited	27,500	-	-	-	27,500	-	-	-	0.00%	0.00%	0.00%
Gul Ahmed Textile Mills Limited	36,300	-	-	-	36,300	-	-	-	0.00%	0.00%	0.00%
Nml - Nishat Mills Limited	18,500	-	-	-	18,500	-	-	-	0.00%	0.00%	0.00%
	103,097	-	-	-	103,097	-	-	-	0.00%	0.00%	0.00%

Name of the investee company	As at July 1, 2022	Purchases during the period	Bonus shares issued during the period	Right shares purchased / subscribed during the period	Sales during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Market value as a percentage of		Percentage of paid up capital of the investee company held
									Net assets of the sub fund	Investments of sub fund	
								(Rupees '000)		(%)	
FERTILIZERS											
Engro Fertilizers Limited	15,000	-	-	-	15,000	-	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Company Limited	83,400	-	-	-	83,400	-	-	-	0.00%	0.00%	0.00%
Engro Corporation Limited - (5.1.2)	49,100	21,000	-	-	64,600	5,500	1,320	1,441	2.73%	3.14%	0.00%
	147,500	21,000	-	-	163,000	5,500	1,320	1,441	2.73%	3.14%	0.00%
PHARMACEUTICALS											
Highnoon Laboratories Limited - (5.1.3)	2,149	-	-	-	2,100	49	26	26	0.05%	0.06%	0.00%
Searl Pakistan Limited - (5.1.3)	15,538	-	135	-	15,000	673	59	40	0.08%	0.09%	0.00%
	17,687	-	135	-	17,100	722	85	66	0.13%	0.14%	0.00%
OIL & GAS EXPLORATION COMPANIES											
Oil & Gas Dev. Co - (5.1.2)	131,600	39,900	-	-	106,500	65,000	5,030	5,178	9.82%	11.27%	0.00%
Pakistan Oilfields Limited	9,775	3,600	-	-	13,375	-	-	-	0.00%	0.00%	0.00%
Mari Petroleum Company Limited	1,834	1,357	-	-	3,191	-	-	-	0.00%	0.00%	0.00%
Pak Petroleum Limited - (5.1.2)	95,300	152,700	-	-	168,000	80,000	4,798	5,451	10.34%	11.87%	0.00%
	238,509	197,557	-	-	291,066	145,000	9,828	10,629	20.15%	23.14%	0.00%
OIL & GAS MARKETING COMPANIES											
Pakistan State Oil Company Limited - (5.1.3)	39,377	7,500	-	-	39,158	7,719	1,061	1,111	2.11%	2.42%	0.00%
Sui Northern Gas Pipelines Limited	-	69,300	-	-	69,300	-	-	-	0.00%	0.00%	0.00%
	39,377	76,800	-	-	108,458	7,719	1,061	1,111	2.11%	2.42%	0.00%
AUTOMOBILE ASSEMBLER											
Millat Tractors Limited	-	500	-	-	500	-	-	-	0.00%	0.00%	0.00%
INSURANCE											
IGI Holdings Limited	12,300	-	-	-	12,300	-	-	-	0.00%	0.00%	0.00%
FOOD AND PERSONAL CARE PRODUCTS											
The Organic Meat Company Limited	137,816	-	-	-	137,816	-	-	-	0.00%	0.00%	0.00%
Unity Foods Limited	129,500	78,500	-	-	208,000	-	-	-	0.00%	0.00%	0.00%
	267,316	78,500	-	-	345,816	-	-	-	0.00%	0.00%	0.00%
ENGINEERING											
Mughal Iron and Steel Industries Limited - (5.1.3)	32,944	332	-	-	32,500	776	47	37	0.07%	0.08%	0.00%
TECHNOLOGY AND COMMUNICATION											
Avanceon Limited	18,125	93,500	-	-	69,125	42,500	3,477	2,806	5.32%	6.11%	0.01%
Systems Limited	-	9,800	-	-	800	9,000	4,447	4,355	8.26%	9.48%	0.00%
Netsol Tech	-	55,000	-	-	35,000	20,000	2,020	1,717	3.26%	3.74%	0.02%
Tpl Trakker Limited	361,500	-	-	-	3,500	358,000	3,097	3,788	7.18%	8.25%	0.19%
	379,625	158,300	-	-	108,425	429,500	13,041	12,666	24.01%	27.58%	0.23%
POWER GENERATION AND DISTRIBUTION											
Nishat Power Limited	-	59,000	-	-	59,000	-	-	-	0.00%	0.00%	0.00%
Hub Power Company Limited	92,140	63,360	-	-	137,500	18,000	1,128	1,135	2.15%	2.47%	0.00%
	92,140	122,360	-	-	196,500	18,000	1,128	1,135	2.15%	2.47%	0.00%
COMMERCIAL BANKS											
Meezan Bank Limited	-	46,500	-	-	26,500	20,000	2,253	1,991	3.77%	4.33%	0.00%
Bank Al-Falah Limited - (5.1.2)	85,446	65,000	-	-	105,446	45,000	1,469	1,356	2.57%	2.95%	0.00%
Bank Al-Habib Limited	45,500	-	-	-	45,500	-	-	-	0.00%	0.00%	0.00%
Habib Bank Limited	62,963	50,000	-	-	112,963	-	-	-	0.00%	0.00%	0.00%
Faysal Bank Limited - (5.1.2 & 5.1.3)	197,840	71,997	-	-	149,837	120,000	3,208	3,100	5.88%	6.75%	0.01%
MCB Bank Limited	34,935	-	-	-	34,935	-	-	-	0.00%	0.00%	0.00%
Standard Chartered Bank (Pakistan) Limited	210,000	-	-	-	210,000	-	-	-	0.00%	0.00%	0.00%
Habib Metropolitan Bank	52,500	-	-	-	52,500	-	-	-	0.00%	0.00%	0.00%
United Bank Limited - (5.1.2)	79,491	10,000	-	-	71,991	17,500	1,983	1,763	3.34%	3.84%	0.00%
	768,675	243,497	-	-	809,672	202,500	8,913	8,210	15.57%	17.88%	0.01%
MISCELLANEOUS											
TPL Properties Limited	50,500	86,000	-	-	136,500	-	-	-	0.00%	0.00%	0.00%
	50,500	86,000	-	-	136,500	-	-	-	0.00%	0.00%	0.00%
	2,242,920	1,617,388	135	-	2,809,726	1,050,717	48,827	45,930	87.08%	100.00%	0.31%

5.1.2 The above investments include shares with market value aggregating to Rs. 16.016 million (June 2022: Rs. 28.344 million) which have been pledged with the National Clearing Company of Pakistan Limited (NCCPL) as collateral for guaranteeing settlement of the fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

5.1.3 Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Pension Fund Manager of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, have filed a petition in the Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 57(3)(viii) of Part I of the Second Schedule of the Income Tax Ordinance, 2001. The Sindh High Court has granted stay order till the final outcome of the case. However, the investee companies have withheld the share equivalent to 5% of bonus announcement amounting Rs.0.157 million (June 2022: 0.187 million) and not yet deposited with Government Treasury. Pension Fund Manager is of the view that the decision will be in its favour and accordingly has recorded the bonus shares on gross basis.

5.2 Investment in Government Securities - at fair value through profit or loss Held by Debt Sub-Fund

Tenor	Issue date	Face value				Amortised Cost as at December 31, 2022	Market value as at December 31, 2022	Market value as a percentage of	
		As at July 1, 2022	Purchases during the period	Sales / matured during the period	As at December 31, 2022			Total investments of sub-fund	Net assets of sub-fund
(Rupees in '000) ----- %									
Market Treasury Bills									
Treasury Bill - 3 months	November 17, 2022	-	95,000	95,000	-	-	-	0.00%	0.00%
Treasury Bill - 6 months	April 21, 2022	-	90,000	90,000	-	-	-	0.00%	0.00%
Treasury Bill - 3 months	August 25, 2022	-	169,000	169,000	-	-	-	0.00%	0.00%
Treasury Bill - 3 months	July 28, 2022	-	529,400	529,400	-	-	-	0.00%	0.00%
Treasury Bill - 3 months	June 30, 2022	-	98,200	98,200	-	-	-	0.00%	0.00%
Treasury Bill - 3 months	October 06, 2022	-	150,000	150,000	-	-	-	0.00%	0.00%
Treasury Bill - 6 months	October 06, 2022	-	85,000	85,000	-	-	-	0.00%	0.00%
Treasury Bill - 3 months	October 06, 2022	-	150,000	150,000	-	-	-	0.00%	0.00%
Total as at December 31, 2022		-	1,366,600	1,366,600	-	-	-	0.00%	0.00%
Total as at June 30, 2022		30,300	471,000	501,300	-	-	-	0.00%	0.00%
Pakistan Investment Bonds									
Pakistan Investment Bonds 5 years	October 13, 2022	-	480,000	480,000	-	-	-	0.00%	0.00%
Pakistan Investment Bonds 5 years	May 06, 2021	-	85,000	85,000	-	-	-	0.00%	0.00%
Pakistan Investment Bonds 3 years	August 04, 2022	-	480,000	480,000	-	-	-	0.00%	0.00%
Pakistan Investment Bonds 3 years	September 08, 2022	-	85,000	85,000	-	-	-	0.00%	0.00%
Pakistan Investment Bonds 2 years	September 08, 2022	-	50,000	-	50,000	49,499	49,485	29.68%	16.33%
Total as at December 31, 2022		-	1,180,000	1,130,000	50,000	49,499	49,485	29.68%	16.33%
Total as at June 30, 2022		50,000	150,000	200,000	-	-	-	0.00%	0.00%

GOP Ijara sukuk certificates

Issue details	Issue date	Face value				Market value as at December 31, 2022	Carrying value as at December 31, 2022	Un-realised gain / (loss)	Market value as a	
		As at July 1, 2022	Purchases during the period	Sales during the period	As at December 31, 2022				Percentage of total investments	Percentage of net assets
(Rupees in '000) -----										
GOPIS-VRR-26-10-27	October 29, 2021	-	40,000	40,000	-	-	-	-	0.00%	0.00%
Total - as at December 31, 2022		-	40,000	40,000	-	-	-	-	0.00%	0.00%
Total - as at June 30, 2022		-	-	-	-	-	-	-	0.00%	0.00%

Held by Money Market Sub-Fund

Tenor	Issue date	Face value				Amortised Cost as at December 31, 2022	Market value as at December 31, 2022	Market value as a percentage of	
		As at July 1, 2022	Purchases during the period	Sales / matured during the period	As at December 31, 2022			Total investments of sub-fund	Net assets of sub-fund
(Rupees in '000) ----- %									
Treasury bill									
Treasury Bill - 3 months	August 11, 2022	-	15,000	15,000	-	-	-	0.00%	0.00%
Treasury Bill - 6 months	June 02, 2022	-	8,750	8,750	-	-	-	0.00%	0.00%
Treasury Bill - 3 months	October 20, 2022	-	562,000	562,000	-	-	-	0.00%	0.00%
Treasury Bill - 6 months	April 21, 2022	-	290,000	290,000	-	-	-	0.00%	0.00%
Treasury Bill - 3 months	September 22, 2022	-	13,000	13,000	-	-	-	0.00%	0.00%
Treasury Bill - 3 months	August 28, 2022	-	2,487,500	2,487,500	-	-	-	0.00%	0.00%
Treasury Bill - 3 months	June 30, 2022	-	301,500	301,500	-	-	-	0.00%	0.00%
Treasury Bill - 3 months	October 06, 2022	-	275,000	275,000	-	-	-	0.00%	0.00%
Treasury Bill - 6 months	October 06, 2022	-	275,000	275,000	-	-	-	0.00%	0.00%
Treasury Bill - 3 months	September 08, 2022	-	27,500	27,500	-	-	-	0.00%	0.00%
Total - as at December 31, 2022		-	4,255,250	4,255,250	-	-	-	0.00%	0.00%
Total - as at June 30, 2022		151,000	1,809,000	1,960,000	-	-	-	0.00%	0.00%

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

Held by Debt Sub-Fund

Name of the Investee Company	As at July 1, 2022	Purchases during the period	Sales / Matured during the period	As at December 31, 2022	Amortised Cost as at December 31, 2022	Market value as at December 31, 2022	Market value as a percentage of		
							Total Investments	Net Assets	
(Number of certificates) ----- (Rupees in '000) ----- %									
Commercial Banks									
Bank of Punjab *	60	-	-	60	6,010	5,986	3.59%	1.98%	
Bank Alfalah *	2,400	-	-	2,400	11,060	11,102	6.66%	3.66%	
Soneri Bank *	-	200	-	200	20,000	20,000	11.99%	6.60%	
	2,460	200	-	2,660	37,070	37,088	22.24%	12.24%	

Name of the Investee Company	As at July 1, 2022	Purchases during the period	Sales / Matured during the period	As at December 31, 2022	Amortised Cost as at December 31, 2022	Market value as at December 31, 2022	Market value as a percentage of		
							Total Investments	Net Assets	
(Number of certificates) ----- (Rupees in '000) ----- %									
Multiutilities									
Lucky Electric Power Co Ltd - 28/09/22 **	-	10	-	10	10,000	10,000	6.00%	3.30%	
Lucky Electric Power Co Ltd - 13/10/22 **	-	15	-	15	15,000	15,000	9.00%	4.95%	
China Power Hub Generation Co. **	-	8	-	8	8,000	8,000	4.80%	2.64%	
K-Electric Limited - 10/08/22 **	-	22	-	22	22,000	22,000	13.19%	7.26%	
K-Electric Limited - 13/12/2022 **	-	50	-	50	5,000	5,000	3.00%	1.65%	
Hub Power Company Limited **	50	-	50	-	-	-	0.00%	0.00%	
	50	105	50	105	60,000	60,000	35.98%	19.80%	
Miscellaneous									
Pak Electron Limited **	12	-	-	12	11,924	11,952	7.17%	3.94%	
OBS AGP **	20	-	-	20	1,884	1,903	1.14%	0.63%	
TPL Trakker Limited **	4	-	-	4	2,903	2,903	1.74%	0.96%	
Jahangir Siddiqui and Company Limited **	2,000	-	-	2,000	3,443	3,414	2.05%	1.13%	
	2,036	-	-	2,036	20,155	20,172	12.10%	6.66%	
Total - as at December 31, 2022	4,546	305	50	4,801	117,225	117,260	70.32%	38.69%	
Total - as at June 30, 2022	6,502	100	2,056	4,546	45,197	44,520	73.10%	15.10%	

Held by Money Market Sub-Fund

Name of the Investee Company	As at July 1, 2022	Purchases during the period	Sales / Matured during the period	As at December 31, 2022	Amortised Cost as at December 31, 2022	Market value as at December 31, 2022	Market value as a percentage of		
							Total Investments	Net Assets	
(Number of certificates) ----- (Rupees in '000) ----- %									
Multiutilities									
Lucky Electric Power Co Ltd **	-	7	-	7	7,000	7,000	7.61%	1.43%	
China Power Hub Generation Co. - 28/07/22 **	-	22	-	22	22,000	22,000	23.91%	4.49%	
China Power Hub Generation Co. - 7/12/22 **	-	20	-	20	20,000	20,000	21.74%	4.08%	
K-Electric Limited - 13/04/22 **	25	-	25	-	-	-	0.00%	0.00%	
K-Electric Limited - 10/08/22 **	-	8	-	8	8,000	8,000	8.70%	1.63%	
K-Electric Limited - 13/12/22 **	-	350	-	350	35,000	35,000	38.04%	7.14%	
Total - as at December 31, 2022	25	407	25	407	92,000	92,000	100.00%	18.78%	
Total - as at June 30, 2022	-	50	25	25	25,000	25,000			

* Term Finance Certificates (TFC)
** Sukuk Bonds

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

Name of investee company	Remaining principal (Rupees per TFC & Sukuk)	Mark-up rate (per annum)	Issue date	Maturity date
Bank of Punjab	99,760	6 Months KIBOR+1%	December 23, 2016	December 23, 2026
Bank Alfalah Limited	5,000	3 Years PKRV + 0.75%	January 15, 2021	January 15, 2024
Soneri Bank	100,000	6 Months KIBOR + 1.7%	December 26, 2022	December 26, 2023
K-Electric Limited	1,000,000	6 Months KIBOR + 1.32%	August 10, 2022	February 10, 2023
K-Electric Limited	100,000	6 Months KIBOR + 1.38%	December 13, 2022	June 13, 2023
China Power Hub Generation Co.	1,000,000	6 Months KIBOR + 1.35%	July 28, 2022	January 28, 2023
China Power Hub Generation Co.	1,000,000	6 Months KIBOR + 1.45%	December 7, 2022	June 7, 2023
Lucky Electric Power Co Ltd	1,000,000	6 Months KIBOR + 1.5%	September 28, 2022	March 28, 2023
Lucky Electric Power Co Ltd	1,000,000	6 Months KIBOR + 1.5%	October 13, 2022	April 13, 2023
OBS AGP Private Limited	100,000	3 Month KIBOR + 1.55%	July 15, 2021	July 15, 2026
Pak Electron Limited	1,000,000	3 Month KIBOR + 1%	November 15, 2021	February 15, 2023
Jahangir Siddiqui and Company Limited	1,666	6 Months KIBOR + 1.4%	March 6, 2018	March 6, 2023
TPL Trakker Limited	722,222	3 Months KIBOR + 3%	March 30, 2021	March 30, 2026

5.4 Commercial papers - at fair value through profit or loss

5.4.1 Held by Debt Sub-Fund

Name of investee company	Maturity Date	Face Value				Carrying value as at December 31, 2022	Carrying value as	
		As at July 1, 2022	Placement made during the period	Matured / Sold during the period	As at December 31, 2022		Percentage of total value of investments of sub-fund	Percentage of Net Assets of sub-fund
Rupees in '000								
China Power Hub Generation Company	October 11, 2022	17,000	-	17,000	-	-	-	-

5.4.2 Held by Money Market Sub-Fund

Name of investee company	Maturity Date	Face Value				Carrying value as at December 31, 2022	Carrying value as	
		As at July 1, 2022	Placement made during the period	Matured / Sold during the period	As at December 31, 2022		Percentage of total value of investments of sub-fund	Percentage of Net Assets of sub-fund
Rupees in '000								
China Power Hub Generation Company	October 11, 2022	13,000	-	13,000	-	-	-	-

6. DIVIDEND AND PROFIT RECEIVABLE

	(Un-audited) December 31, 2022				(Audited) June 30, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees '000)								
Dividend receivable	7	-	-	7	-	-	-	-
Profit receivable on bank deposits	26	1,885	5,606	7,517	144	4,670	7,056	11,870
Profit accrued on TFC and sukuk bonds	-	3,930	3,010	6,940	-	1,139	762	1,901
Profit accrued on government securities	-	546	-	546	-	-	-	-
	33	6,361	8,616	15,010	144	5,809	7,818	13,771

7. DEPOSITS AND OTHER RECEIVABLES

Security deposit with the Central Depository Company of Pakistan Limited	100	100	100	300	100	100	100	300
Security deposit with National Clearing Company of Pakistan	2,500	-	-	2,500	2,500	-	-	2,500
Receivable against sale of investments	1,249	-	1	1,250	768	-	-	768
Other receivables	82	347	117	546	53	314	71	438
	3,931	447	218	4,596	3,421	414	171	4,006

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

	Note	(Un-audited) December 31, 2022				(Audited) June 30, 2022			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees '000)							
Management fee	8.1	65	183	202	450	364	173	154	691
Sindh Sales Tax	8.2	9	24	26	59	47	22	20	89
		<u>74</u>	<u>207</u>	<u>228</u>	<u>509</u>	<u>411</u>	<u>195</u>	<u>174</u>	<u>780</u>

8.1 As per Rule 11 of the Voluntary Pension System Rules, 2005, the Pension Fund Manager may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the offering document, further subject to the guidelines as may be issued by the Commission from time to time. During the year, the fee is being charged at the rate ranging from 0.4% to 1.5% of the average annual net assets accordingly. The fee is payable monthly in arrears.

8.2 The Sindh Government has levied Sindh Sales Tax at the rate of 13% (2022: 13%) on the remuneration of the Management Company through Sindh Sales Tax Act, 2011 effective from July 01, 2017.

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

	Note	(Un-audited) December 31, 2022				(Audited) June 30, 2022			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees '000)							
Trustee remuneration		10	41	64	114	22	38	54	114
Sindh Sales Tax on remuneration of Trustee		1	5	8	15	3	5	7	15
		<u>11</u>	<u>46</u>	<u>72</u>	<u>129</u>	<u>25</u>	<u>43</u>	<u>61</u>	<u>129</u>

10. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	(Un-audited) December 31, 2022				(Audited) June 30, 2022			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees '000)							
Auditor's remuneration		119	73	38	230	69	77	98	244
Payable against purchase of investments		-	-	-	-	-	-	-	-
Payable against redemption of units		54	633	1,302	1,989	-	-	-	-
Payable to National Clearing Company of Pakistan		31	-	-	31	32	-	-	32
Federal Excise Duty	10.1	763	878	836	2,477	763	878	836	2,477
Withholding tax payable		6	13	15	34	5	12	6	23
Other payable		2	7	3	12	-	-	-	-
		<u>975</u>	<u>1,604</u>	<u>2,194</u>	<u>4,773</u>	<u>869</u>	<u>967</u>	<u>940</u>	<u>2,776</u>

10.1 PROVISION FOR FEDERAL EXCISE DUTY

The legal status of applicability of Federal Excise Duty on the Fund is the same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2022 and the appeal filed by tax authorities with Supreme Court of Pakistan is pending for decision.

In view of the above, the Management Company, being prudent, is carrying provision for FED for the period from January 13, 2013 to June 30, 2019 aggregating to Rs. 0.763 million, 0.878 million and 0.836 million (June 30, 2022: Rs. 0.763 million, Rs. 0.878 million and Rs. 0.836 million), for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively. Had the provision not been made, the Net Assets Value per unit of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund as at December 31, 2022 would have been higher by Rs. 4.29, Rs. 0.74 and Rs. 0.38 (June 30, 2022: Rs. 1.79, Rs. 0.70 and Rs. 0.43) per unit respectively.

11 PROVISION FOR SINDH WORKERS' WELFARE FUND

SRB through its letter dated August 12, 2021 (received on August 13, 2021) to MUFAP has clarified that Asset Management Company's (AMCs) are covered under term 'financial institutions' as per the Sindh WWF Act 2014 and are therefore subject to charge, whereas Mutual Funds / Pension Funds are exempt from such charge. In the wake of clarification by SRB, MUFAP recommended to its members to reverse such charge earlier. Accordingly the Fund ceased to charge further provision for SWWF and has reversed full provision for SWWF charged till June 30, 2022 amounting to Rs. 3.040 million, Rs. 1.501 million and Rs. 0.923 million under Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively.

12 TAXATION

No provision for taxation for the period ended December 31, 2022 has been made in view of the exemption available under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

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

13 CONTINGENCIES AND COMMITMENTS

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

14 NUMBER OF UNITS IN ISSUE

	(Un-audited) December 31, 2022				(Audited) June 30, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Number of units) -----							
Opening units in issue	426,826	1,247,541	1,957,660	3,632,027	490,664	888,556	1,393,395	2,772,615
Units issued during the period / year	35,336	306,533	1,066,323	1,408,192	405,716	1,602,250	2,470,843	4,478,809
Units redeemed during the period / year	(284,146)	(364,882)	(820,127)	(1,469,155)	(491,222)	(1,219,835)	(1,892,899)	(3,603,956)
Reallocation during the year	-	-	-	-	21,668	(23,430)	(13,679)	(15,441)
Total units in issue at end of the period / year	178,016	1,189,192	2,203,856	3,571,064	426,826	1,247,541	1,957,660	3,632,027

15 CONTRIBUTION TABLE

Contribution received during the period / year is as follows:

	(Un-audited) December 31, 2022							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	Rupees in '000	Units	Rupees in '000	Units	Rupees in '000	Units	Rupees in '000
From:								
Individuals	35,336	10,933	306,533	75,787	1,066,323	228,149	1,408,192	314,869

	(Audited) June 30, 2022							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	Rupees in '000	Units	Rupees in '000	Units	Rupees in '000	Units	Rupees in '000
From:								
Individuals	405,716	152,166	1,602,250	364,745	2,470,843	488,306	4,478,809	1,005,217

16. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

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

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

16.1 Transactions during the period

	Six months period ended December 31, 2022				Six months period ended December 31, 2021			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub- Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub- Fund	Total
(Rupees '000)								
HBL Asset Management Limited - Pension Fund Manager								
Management fee	807	1,121	1,143	3,071	1,744	1,685	2,394	5,823
Habib Bank Limited - Sponsor								
Bank charges	16	19	16	51	20	38	24	82
Redemption of units	122,239	-	-	122,239	-	-	-	-
Amount of units redeemed	37,955	-	-	37,955	-	-	-	-
Profit on bank deposits received	49	2,300	3,000	5,349	77	1,154	4,552	5,783
Directors and Executives of the Pension Fund Manager and their relatives								
Executives and their relatives								
Issuance of units	-	-	13,832	13,832	-	-	-	-
Amount of units issued	-	-	300,000	300,000	-	-	-	-
Redemption of units	Number 337	367	367	1,071	-	-	-	-
Amount of units redeemed	634	572	79	1,285	-	-	-	-
Reallocation of units	Number -	-	-	-	-	-	-	-
Amount of units reallocated	-	-	-	-	-	-	-	-
Central Depository Company of Pakistan Limited - Trustee								
Remuneration	71	234	352	657	175	169	240	584
Central Depository System Charges	16	3	3	22	16	3	3	22

16.2 Balances outstanding as at period end

	December 31, 2022				June 30, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
HBL Asset Management Limited - Pension Fund Manager								
Management fee payable	65	183	202	450	364	173	154	691
Sindh Sales tax Payable	9	24	26	59	47	22	20	89
Sales load payable	-	-	-	-	-	-	-	-
Federal Excise Duty payable	763	878	836	2,477	-	-	-	-
Habib Bank Limited - Sponsor								
Units held	Number -	-	-	-	122,239	-	-	122,239
Amount of units held	-	-	-	-	38,214	-	-	38,214
Profit receivable on bank deposits	26	4	41	71	-	-	-	-
Bank balances	299	2,056	721	3,076	2,396	228,741	358,548	589,685
Directors and Executives of the Pension Fund Manager and their relatives								
Directors and their relatives								
Units held	Number 15,537	51,524	19,729	86,790	15,537	51,524	19,729	86,790
Amount of units held	4,603	13,130	4,386	22,119	4,863	12,160	4,064	21,087
Executives and their relatives								
Units held	Number 1,761	1,859	13,465	17,085	2,098	2,226	-	4,324
Amount of units held	522	474	2,994	3,990	657	525	-	1,182
Central Depository Company of Pakistan Limited - Trustee								
Remuneration payable	10	41	64	114	22	38	54	114
Security deposit receivable	100	100	100	300	100	100	100	300
Directors of connected persons								
Units held	Number 1,727	1,514	138,659	141,900	1,727	1,514	138,659	141,900
Amount of units held	512	386	30,828	31,726	541	357	28,546	29,444

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

The fair value hierarchy has the following levels:

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

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

		Held by Equity Sub-Fund					
		December 31, 2022					
		Carrying Amount			Fair Value		
	At fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)					
On-balance sheet financial instruments							
Financial assets measured at fair value							
- Listed equity securities	45,930	-	45,930	45,930	-	-	45,930
	45,930	-	45,930	45,930	-	-	45,930
Financial assets not measured at fair value							
- Bank balances	-	3,926	3,926	-	-	-	-
- Dividend and profit receivable	-	33	33	-	-	-	-
- Deposits and other receivable	-	3,931	3,931	-	-	-	-
	-	7,890	7,890	-	-	-	-
Total financial assets	45,930	7,890	53,820	45,930	-	-	45,930
Financial liabilities not measured at fair value							
- Payable to the Pension Fund Manager	-	74	74	-	-	-	-
- Payable to the Trustee	-	11	11	-	-	-	-
- Accrued expenses and other liabilities	-	175	175	-	-	-	-
	-	206	206	-	-	-	-

		Held by Equity Sub-Fund						
		June 30, 2022						
On-balance sheet financial instruments	Carrying Amount			Fair Value				
	At fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total	
Note		----- (Rupees in '000) -----						
Financial assets measured at fair value								
- Listed equity securities	127,901	-	127,901	127,901	-	-	127,901	
	127,901	-	127,901	127,901	-	-	127,901	
Financial assets not measured at fair value								
17.1	- Bank balances	-	3,321	3,321	-	-	-	
	- Dividend and profit receivable	-	144	144	-	-	-	
	- Deposits and other receivable	-	3,368	3,368	-	-	-	
		-	6,833	6,833	-	-	-	
	Total financial assets	127,901	6,833	134,734	127,901	-	-	127,901
Financial liabilities not measured at fair value								
17.1	- Payable to the Pension Fund Manager	-	364	364	-	-	-	
	- Payable to the Trustee	-	22	22	-	-	-	
	- Accrued expenses and other liabilities	-	101	101	-	-	-	
		-	487	487	-	-	-	
		Held by Debt Sub-Fund						
		December 31, 2022						
On-balance sheet financial instruments	Carrying Amount			Fair Value				
	At fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total	
Note		----- (Rupees in '000) -----						
Financial assets measured at fair value								
- Investments- Term finance certificates and sukuk bonds	117,260	-	117,260	-	117,260	-	117,260	
- Investments - Commercial Papers	-	-	-	-	-	-	-	
- Investments - Government Securities	49,485	-	49,485	-	49,485	-	49,485	
	166,745	-	166,745	-	166,745	-	166,745	
Financial assets not measured at fair value								
17.1	- Bank balances	-	131,411	131,411	-	-	-	
	- Dividend and profit receivable	-	6,361	6,361	-	-	-	
	- Deposits and other receivable	-	447	447	-	-	-	
		-	138,219	138,219	-	-	-	
	Total financial assets	166,745	138,219	304,964	-	166,745	-	166,745
Financial liabilities not measured at fair value								
17.1	- Payable to the Pension Fund Manager	-	207	207	-	-	-	
	- Payable to the Trustee	-	46	46	-	-	-	
	- Accrued expenses and other liabilities	-	713	713	-	-	-	
		-	966	966	-	-	-	

		Held by Debt Sub-Fund						
		June 30, 2022						
On-balance sheet financial instruments		Carrying Amount			Fair Value			
		At fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value		Note ----- (Rupees in '000) -----						
- Investments- Government securities		-	-	-	-	-	-	-
- Investments- Term finance certificates and sukuk bonds		44,520	-	44,520	-	44,520	- Investments- Term finance	44,520
- Investments-Commercial Papers		16,376	-	16,376	-	-	16,376	16,376
		60,896	-	60,896	-	44,520	16,376	60,896
Financial assets not measured at fair value		17.1						
- Bank balances		-	229,087	229,087	-	-	-	-
- Dividend and profit receivable		-	5,809	5,809	-	-	-	-
- Deposits and other receivable		-	100	100	-	-	-	-
		-	234,996	234,996	-	-	-	-
Total financial assets		60,896	234,996	295,892	-	44,520	16,376	60,896
Financial liabilities not measured at fair value		17.1						
- Payable to the Pension Fund Manager		-	173	173	-	-	-	-
- Payable to the Trustee		-	38	38	-	-	-	-
- Accrued expenses and other liabilities		-	77	77	-	-	-	-
		-	288	288	-	-	-	-
		Held by Money Market Sub-Fund						
		December 31, 2022						
On-balance sheet financial instruments		Carrying Amount			Fair Value			
		At fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value		Note ----- (Rupees in '000) -----						
- Investments- Term finance certificates and sukuk bonds		92,000	-	92,000	-	92,000	-	92,000
- Investments-Commercial Papers		-	-	-	-	-	-	-
		92,000	-	92,000	-	92,000	-	92,000
Financial assets not measured at fair value		17.1						
- Bank balances		-	391,731	391,731	-	-	-	-
- Dividend and profit receivable		-	8,616	8,616	-	-	-	-
- Deposits and other receivable		-	218	218	-	-	-	-
		-	400,565	400,565	-	-	-	-
Total financial assets		92,000	400,565	492,565	-	92,000	-	92,000
Financial liabilities not measured at fair value		17.1						
- Payable to the Pension Fund Manager		-	228	228	-	-	-	-
- Payable to the Trustee		-	72	72	-	-	-	-
- Accrued expenses and other liabilities		-	1,343	1,343	-	-	-	-
		-	1,643	1,643	-	-	-	-

On-balance sheet financial instruments	Held by Money Market Sub-Fund						
	June 30, 2022						
	Carrying Amount			Fair Value			
	At fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note ----- (Rupees in '000) -----							
Financial assets measured at fair value							
Investments- corporate sukuk bonds	25,000	-	25,000	-	25,000	-	25,000
Investments- Commercial papers	12,522	-	12,522	-	-	12,522	12,522
	<u>37,522</u>	<u>-</u>	<u>37,522</u>	<u>-</u>	<u>25,000</u>	<u>12,522</u>	<u>37,522</u>
Financial assets not measured at fair value							
	17.1						
- Bank balances	-	358,775	358,775	-	-	-	-
- Dividend and profit receivable	-	7,818	7,818	-	-	-	-
- Deposits and other receivable	-	100	100	-	-	-	-
	-	<u>366,693</u>	<u>366,693</u>	-	-	-	-
Total financial assets	<u>37,522</u>	<u>366,693</u>	<u>404,215</u>	<u>-</u>	<u>25,000</u>	<u>12,522</u>	<u>37,522</u>
Financial liabilities not measured at fair value							
	17.1						
- Payable to the Pension Fund Manager	-	154	154	-	-	-	-
- Payable to the Trustee	-	54	54	-	-	-	-
- Accrued expenses and other liabilities	-	98	98	-	-	-	-
	-	<u>306</u>	<u>306</u>	-	-	-	-

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

18 TOTAL EXPENSE RATIO

In accordance with the S.R.O 1068 (I) / 2021 dated August 23, 2021 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the equity sub fund, debt sub fund and money market sub fund for the six months period ended December 31, 2022 is 4.08%, 1.12% and 0.82% respectively which includes 0.42%, 0.16% and 0.12% respectively representing Government levy and SECP fee.

19. GENERAL

19.1 Figures have been rounded off to the nearest thousands.

19.2 This condensed interim financial information are unaudited and has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2022 have not been reviewed.

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

20 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information were authorised for issue on February 13, 2023 by the Board of directors of the Pension Fund Manager.

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

Chief Financial Officer

Chief Executive Officer

Director

HBL

Islamic Pension Fund

FUND INFORMATION

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

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE ASSET MANAGEMENT COMPANY OF HBL ISLAMIC PENSION FUND

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **HBL Islamic Pension Fund** (the "Fund") as at December 31, 2022, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the condensed interim financial information for the six months period ended December 31, 2022 (here-in-after referred to as the 'condensed interim financial information'). **HBL Asset Management Limited** (the "Management Company") is responsible for the preparation and presentation of this condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

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

Other matter

The figures of the condensed interim income statement and condensed interim statement of comprehensive income, for the three months period ended December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2022.

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


Chartered Accountants

Place: Karachi
Date: February 24, 2023
UDIN: RR2022100571ZFVtvEcJ

HBL Islamic Pension Fund
Condensed Interim Balance Sheet
AS AT DECEMBER 31, 2022

	Note	(Un-audited) December 31, 2022				(Audited) June 30, 2022			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees '000) -----									
ASSETS									
Bank balances	4	1,193	86,017	90,576	177,786	4,065	88,713	88,027	180,805
Investments	5	65,983	100,948	43,901	210,832	127,886	20,842	10,000	158,728
Dividend and profit receivable	6	279	4,899	4,771	9,949	187	2,017	1,815	4,019
Deposits and other receivables	7	4,699	157	125	4,981	2,780	142	114	3,036
Total assets		72,154	192,021	139,373	403,548	134,918	111,714	99,956	346,588
LIABILITIES									
Payable to HBL Asset Management Limited - Pension Fund Manager	8	103	971	64	1,138	368	72	45	485
Payable to Central Depository Company of Pakistan Limited - Trustee	9	12	28	21	61	24	17	15	56
Payable to Securities and Exchange Commission of Pakistan		20	26	23	69	44	24	19	87
Accrued expenses and other liabilities	10	1,127	847	941	2,915	1,380	715	522	2,617
Total liabilities		1,262	1,872	1,049	4,183	1,816	828	601	3,245
NET ASSETS		70,892	190,149	138,324	399,365	133,102	110,886	99,355	343,343
PARTICIPANTS' SUB FUNDS (AS PER CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS)									
		70,892	190,149	138,324	399,365	133,102	110,886	99,355	343,343
CONTINGENCIES & COMMITMENTS									
----- (Number of Units) -----									
NUMBER OF UNITS IN ISSUE	15	214,878	946,304	706,935	1,868,117	376,992	591,819	544,634	1,513,445
----- (Rupees) -----									
NET ASSETS VALUE PER UNIT		329.9190	200.9388	195.6684		353.0630	187.3649	182.4250	

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund
Condensed Interim Income Statement And Other Comprehensive Income (Un-audited)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	December 31, 2022			December 31, 2021			Total
	EquitySub-Fund	DebtSub-Fund	MoneyMarketSub-Fund	EquitySub-Fund	DebtSub-Fund	MoneyMarketSub-Fund	
Note ----- (Rupees in '000) -----							
INCOME							
Dividend income	3,514	-	-	3,514	3,352	-	3,352
(Loss) / gain on sale of investments - net	(1,116)	51	48	(1,017)	(7,866)	462	(7,235)
Profit on bank deposits	221	5,873	6,605	12,699	91	1,434	3,460
Profit on investments calculated using the effective interest method	-	4,189	2,098	6,287	-	2,018	2,642
Net unrealised (loss) / gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(5,829)	(242)	(99)	(6,170)	(13,863)	25	(13,838)
Total (loss) / Income	(3,210)	9,871	8,652	15,313	(18,286)	3,939	(11,619)
EXPENSES							
Remuneration to HBL Asset Management Limited - Pension Fund Manager	940	533	320	1,793	1,597	755	2,922
Remuneration to Central Depository Company of Pakistan Limited - Trustee	84	111	98	293	160	76	293
Annual fee - Securities and Exchange Commission of Pakistan	20	26	23	69	24	11	43
Auditor's remuneration	92	71	74	237	82	49	170
Settlement and bank charges	448	20	21	489	352	22	387
Other Expenses	351	14	14	379	431	26	480
Total expenses	1,935	775	550	3,260	2,646	939	4,295
Net (loss) / income from operating activities	(5,145)	9,096	8,102	12,053	(20,932)	3,000	(15,914)
Reversal of provision for Sindh Workers' Welfare Fund	-	-	-	-	3,077	381	3,740
Net (loss) / income for the period before taxation	(5,145)	9,096	8,102	12,053	(17,855)	3,380	(12,174)
Taxation	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation	(5,145)	9,096	8,102	12,053	(17,855)	3,380	(12,174)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	(5,145)	9,096	8,102	12,053	(17,855)	3,380	(12,174)

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

For HBL Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund

Condensed Interim Income Statement And Other Comprehensive Income (Un-audited)

FOR THE QUARTER ENDED DECEMBER 31, 2022

	December 31, 2022			December 31, 2021			Total
	EquitySub-Fund	DebtSub-Fund	MoneyMarketSub-Fund	EquitySub-Fund	DebtSub-Fund	MoneyMarketSub-Fund	
INCOME	(Rupees '000)						
Dividend income	1,720	-	-	1,720	2,447	-	2,447
Gain / (loss) on sale of investments - net	12,371	87	48	12,506	(8,972)	(120)	(9,080)
Profit on bank deposits	22	2,712	3,388	6,122	16	881	2,041
Profit on investments calculated using the effective interest method	-	2,917	1,319	4,236	-	1,039	1,409
Net unrealised (loss) / gain on re-measurement of investments as financial assets at fair value through profit or loss	(16,241)	(165)	-	(16,406)	4,288	14	4,302
Total (loss) / Income	(2,128)	5,551	4,755	8,178	(2,221)	1,814	1,119
EXPENSES							
Remuneration to HBL Asset Management Limited - Pension Fund Manager	327	297	173	797	772	382	1,453
Remuneration to Central Depository Company of Pakistan Limited - Trustee	33	62	53	148	77	39	146
Annual fee to Securities and Exchange Commission of Pakistan	12	19	16	47	12	5	21
Auditor's remuneration	46	37	37	120	41	24	85
Settlement and bank charges	42	20	21	83	352	18	383
Other expense	351	14	14	379	325	16	354
Total expenses	811	449	314	1,574	1,579	484	2,442
Net (loss) / income from operating activities	(2,939)	5,102	4,441	6,604	(3,800)	1,330	(1,323)
Provision for Sindh Workers' Welfare Fund	11	-	-	-	-	-	-
Net (loss) / income for the period before taxation	(2,939)	5,102	4,441	6,604	(3,800)	1,330	(1,323)
Taxation	13	-	-	-	-	-	-
Net (loss) / income for the period after taxation	(2,939)	5,102	4,441	6,604	(3,800)	1,330	(1,323)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	(2,939)	5,102	4,441	6,604	(3,800)	1,330	(1,323)

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

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

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund

Condensed Interim Statement Of Movement In Participants' Sub Funds (Un-audited) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	December 31, 2022				December 31, 2021			
	EquitySub-Fund	DebtSub-Fund	MoneyMarketSub-Fund	Total	EquitySub-Fund	DebtSub-Fund	MoneyMarketSub-Fund	Total
Note	(Rupees '000)							
Net assets at beginning of the period	133,102	110,886	99,355	343,343	196,033	86,844	64,519	347,396
Amount received on issuance of units	6,592	97,838	53,051	157,481	11,126	16,415	26,844	54,385
Amount paid on redemption of units	(63,657)	(27,671)	(22,184)	(113,512)	(10,057)	(15,565)	(22,528)	(48,150)
	(57,065)	70,167	30,867	43,969	2,310	850	14,000	6,235
(Loss) / gain on sale of investments - net	(1,116)	51	48	(1,017)	(7,866)	462	168	(7,235)
Net unrealised (loss) / gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss	(5,829)	(242)	(99)	(6,170)	(13,863)	25	-	(13,838)
Other net income for the period	1,800	9,287	8,153	19,240	3,874	2,893	2,132	8,899
Total comprehensive (loss) / income for the period	(5,145)	9,096	8,102	12,053	(17,855)	3,380	2,300	(12,174)
Net assets at end of the period	70,892	190,149	138,324	399,365	180,488	91,074	80,819	341,457
Net assets value per unit at beginning of the period	353.0630	187.3649	182.4250		465.5652	172.1510	167.7456	
Net assets value per unit at end of the period	329.9190	200.9388	195.6684		422.6516	178.2346	173.4183	

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund
Condensed Interim Cash Flow Statement (Un-audited)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	December 31, 2022				December 31, 2021			
	EquitySub-Fund	DebtSub-Fund	MoneyMarketSub-Fund	Total	EquitySub-Fund	DebtSub-Fund	MoneyMarketSub-Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES	(Rupees '000)							
Net (loss) / income for the period before taxation	(5,145)	9,096	8,102	12,053	(17,855)	3,380	2,300	(12,174)
Adjustments:								
Net unrealized loss / (gain) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5,829	242	99	6,170	13,863	(25)	-	13,838
Dividend income	(3,514)	-	-	(3,514)	(3,352)	-	-	(3,352)
Profit on bank deposits	(221)	(5,873)	(6,605)	(12,699)	(91)	(1,434)	(1,936)	(3,460)
Profit from investments	-	(4,189)	(2,098)	(6,287)	-	(2,018)	(624)	(2,642)
Reversal for Sindh Workers' Welfare Fund	-	-	-	-	(3,077)	(381)	(282)	(3,740)
	(3,051)	(724)	(502)	(4,277)	(10,512)	(476)	(542)	(11,530)
(Increase) / decrease in assets								
Investments -net	56,074	(80,348)	(34,000)	(58,274)	620	13,087	(2,257)	11,450
Deposits and other receivables	(1,919)	(15)	(11)	(1,945)	(838)	(120)	6	(952)
	54,155	(80,363)	(34,011)	(60,219)	(217)	12,967	(2,251)	10,498
Increase / (decrease) in liabilities								
Payable to HBL Asset Management Limited - Pension Fund Manager	(265)	899	19	653	(8)	19	23	34
Payable to Central Depository Company of Pakistan Limited - Trustee	(12)	11	6	5	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan	(24)	2	4	(18)	(16)	(10)	(9)	(35)
Accrued expenses and other liabilities	(253)	132	419	298	(491)	(132)	(300)	(923)
	(554)	1,044	448	938	(516)	(123)	(286)	(924)
Dividend received	3,512	-	-	3,512	3,392	-	-	3,392
Profit received on bank deposits	131	5,743	5,118	10,992	105	1,264	1,750	3,119
Profit received on investments	-	1,437	629	2,066	-	2,204	612	2,815
Net cash generated from / (used in) operating activities	54,193	(72,863)	(28,318)	(46,988)	(7,748)	15,835	(718)	7,370
CASH FLOWS FROM FINANCING ACTIVITIES								
Amount received on issuance of units	6,592	97,838	53,051	157,481	11,126	16,415	26,844	54,385
Amount paid on redemption of units	(63,657)	(27,671)	(22,184)	(113,512)	(10,057)	(15,565)	(22,528)	(48,150)
Net cash generated / (used in) from financing activities	(57,065)	70,167	30,867	43,969	1,069	850	4,316	6,235
Net (decrease) / increase in cash and cash equivalents during the period	(2,872)	(2,696)	2,549	(3,019)	(6,679)	16,685	3,599	13,605
Cash and cash equivalents at beginning of the period	4,065	88,713	88,027	180,805	10,208	39,787	50,267	100,262
Cash and cash equivalents at end of the period	1,193	86,017	90,576	177,786	3,529	56,472	53,866	113,866

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund

Notes to the Condensed Interim Financial Information (Unaudited)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

HBL Islamic Pension Fund ("the Fund") was established under a Trust Deed, dated August 17, 2011, between HBL Asset Management Limited as the Pension Fund Manager (the Pension Fund Manager) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a pension fund on October 05, 2011. The Fund is registered on September 08, 2021 with Assistant Director of Industries and Commerce (Trust Wing) Government of Sindh under Section 12A of the Sindh Trusts Act, 2020.

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

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

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

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

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

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

1.7 VIS Credit Rating Agency has assigned management quality rating of 'AM1 (stable)' (June 2021:AM2++) to the Pension Fund Manager while the Fund is currently not rated.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.1.1 This condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2022. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Fund's financial position and performance since the last financial statements.

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

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

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

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

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

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

In preparing this condensed interim financial information, the significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended June 30, 2022.

3.4 The financial risk management objectives and policies are consistent with that disclosed in the annual audited financial statements as at and for the year ended June 30, 2022.

4. BANK BALANCES

Note	(Un-audited)				(Audited)				
	December 31, 2022				June 30, 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)									
Savings accounts	4.1	1,193	86,017	90,576	177,786	4,065	88,713	88,027	180,805

4.1 This includes balances of Rs. 0.137, Rs. 0.381 & Rs. 1,321 million (June 30, 2022: Rs. 0.097, Rs. 0.503 & Rs. 0.478 million) of equity sub fund, debt sub fund and money market sub sub fund respectively placed with Habib Bank Limited (a related party) and these accounts carry profit at the rates of 5.5% (June 30 2022: 5.5% to 13.43%) respectively. Other PLS accounts of the Fund carry profit at the rates of 5.5% to 16.5% (June 30 2022: 5% to 16.25%) per annum.

5. INVESTMENTS

		(Un-audited)				Audited			
		December 31, 2022				June 30, 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)									
Financial assets at fair value through profit and loss									
Listed equity securities	5.1	65,983	-	-	65,983	127,886	-	-	127,886
Government securities - Ijarah sukuku	5.2	-	44,789	20,901	65,690	-	-	-	-
Sukuk bonds	5.3	-	56,159	23,000	79,159	-	20,842	10,000	30,842
		65,983	100,948	43,901	210,832	127,886	20,842	10,000	158,728

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

5.1.1 Held by Equity sub fund

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

Name of the investee company	As at July 1, 2022	Purchases during the period	Bonus shares issued during the period	Right shares purchased / subscribed during the period	Sales during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Market Value as a percentage of		Percentage of paid up capital of the investee company held
									Net assets of the sub fund	Investments of sub fund	
						(Number of shares)		(Rupees in '000)		(%)	
CHEMICALS											
Engro Polymer & Chemicals Limited	32,500	27,500	-	-	60,000	-	-	-	0.00%	0.00%	0.00%
Descon Oxychem Limited	-	219,000	-	-	83,500	135,500	3,439	2,989	4.22%	4.53%	0.01%
ICI Pakistan Limited	-	2,800	-	-	650	2,150	1,503	1,381	1.95%	2.09%	0.00%
	32,500	249,300	-	-	144,150	137,650	4,942	4,371	6.17%	6.62%	0.01%
CEMENT											
Lucky Cement Limited	5,120	13,220	-	-	15,188	3,152	1,588	1,408	1.99%	2.13%	0.00%
D.G. Khan Cement Company Limited	-	76,500	-	-	76,500	-	-	-	0.00%	0.00%	0.00%
Cherat Cement Company Limited	-	7,000	-	-	3,000	4,000	405	408	0.57%	0.62%	0.00%
Kohat Cement Company Limited	9,900	10,500	-	-	5,500	14,900	2,276	2,201	3.10%	3.34%	0.01%
Maple Leaf Cement Factory Limited *	84,000	163,000	-	-	132,500	114,500	3,204	2,584	3.65%	3.92%	0.01%
Pioneer Cement Limited	-	73,250	-	-	-	73,250	5,183	3,768	5.31%	5.71%	0.03%
Fauji Cement Company Limited	-	448,500	15,375	-	133,000	330,875	4,685	3,977	5.61%	6.03%	0.01%
Attock Cement Limited	60,400	3,500	-	-	63,900	-	-	-	0.00%	0.00%	0.00%
	159,420	795,470	15,375	-	429,588	540,677	17,341	14,346	20.23%	21.74%	0.07%
PHARMACEUTICALS											
The Searle Company Limited **	15,936	-	91	-	15,570	457	40	27	0.04%	0.04%	0.00%
Highnoon Laboratories Limited*	1,670	-	-	-	1,670	-	-	-	0.00%	0.00%	0.00%
Ferozsons Laboratories Limited	4,500	-	-	-	4,500	-	-	-	0.00%	0.00%	0.00%
	22,106	-	91	-	21,740	457	40	27	0.04%	0.04%	0.00%
FERTILIZERS											
Engro Corporation Limited*	48,450	31,735	-	-	65,039	15,146	3,663	3,968	5.60%	6.01%	0.00%
Engro Fertilizer Limited	89,700	20,000	-	-	109,700	-	-	-	0.00%	0.00%	0.00%
	138,150	51,735	-	-	174,739	15,146	3,663	3,968	5.60%	6.01%	0.00%
AUTOMOBILE ASSEMBLER											
Millat Tractors Limited	-	1,500	-	-	1,500	-	-	-	0.00%	0.00%	0.00%
	-	1,500	-	-	1,500	-	-	-	0.00%	0.00%	0.00%
TEXTILE COMPOSITE											
Nishat Mills Limited **	41,400	-	-	-	41,400	-	-	-	0.00%	0.00%	0.00%
Interloop Limited	50,168	-	-	-	50,168	-	-	-	0.00%	0.00%	0.00%
Kohinoor Textile Limited	27,500	-	-	-	27,500	-	-	-	0.00%	0.00%	0.00%
	119,068	-	-	-	119,068	-	-	-	0.00%	0.00%	0.00%

Name of the investee company	As at July 1, 2022	Purchases during the period	Bonus shares issued during the period	Right shares purchased / subscribed during the period	Sales during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Market Value as a percentage of		
									Net assets of the sub fund	Investments of sub fund	Percentage of paid up capital of the investee company held
	(Number of shares)					(Rupees in '000')			(%)		
OIL & GAS EXPLORATION COMPANIES											
Oil and Gas Development Company Limited **	153,587	93,200	-	-	197,987	48,800	3,805	3,887	5.48%	5.89%	0.00%
Pakistan Petroleum Limited **	135,293	154,500	-	-	239,823	49,970	3,236	3,405	4.80%	5.16%	0.00%
Mari Petroleum Company Limited	4,546	700	-	-	1,927	3,319	5,748	5,134	7.24%	7.78%	0.00%
Pakistan Oilfields Limited	16,890	2,800	-	-	13,178	6,512	2,604	2,558	3.61%	3.88%	0.00%
	310,316	251,200	-	-	452,915	108,601	15,393	14,984	21.14%	22.71%	0.01%
OIL & GAS MARKETING COMPANIES											
Pakistan State Oil Company Limited **	51,023	6,300	-	-	43,500	13,823	2,303	1,990	2.81%	3.02%	0.00%
Sui Northern Gas Pipelines Limited	-	117,163	-	-	82,163	35,000	1,272	1,314	1.85%	1.99%	0.01%
Attock Petroleum Limited	-	10,954	1,550	-	4,600	7,904	2,420	2,290	3.23%	3.47%	0.01%
	51,023	134,417	1,550	-	130,263	56,727	5,995	5,594	7.89%	8.48%	0.01%
COMMERCIAL BANKS											
Bank Islami Pakistan Limited	235,000	72,000	-	-	235,000	72,000	1,029	962	1.36%	1.46%	0.01%
Faysal Bank Limited	-	88,500	-	-	36,500	52,000	1,488	1,343	1.89%	2.04%	0.00%
Meezan Bank Limited	103,788	79,500	6,878	-	142,000	48,166	5,434	4,794	6.76%	7.27%	0.00%
	338,788	240,000	6,878	-	413,500	172,166	7,951	7,099	10.01%	10.76%	0.01%
POWER GENERATION AND DISTRIBUTION											
The Hub Power Company Limited **	61,431	8,500	-	-	58,500	11,431	781	721	1.02%	1.09%	0.00%
Nishat Power Limited	-	38,500	-	-	-	38,500	788	701	0.99%	1.06%	0.01%
	61,431	47,000	-	-	58,500	49,931	1,569	1,422	2.01%	2.16%	0.01%
ENGINEERING											
Mughal Iron and Steel Industries Limited **	45,438	-	-	-	45,438	-	-	-	0.00%	0.00%	0.00%
	45,438	-	-	-	45,438	-	-	-	0.00%	0.00%	0.00%
REFINERY											
National Refinery Limited	7,770	9,334	-	-	8,600	8,504	2,038	1,497	2.11%	2.27%	0.01%
Attock Refinery Limited	26,000	8,847	-	-	34,847	-	-	-	0.00%	0.00%	0.00%
	33,770	18,181	-	-	43,447	8,504	2,038	1,497	2.11%	2.27%	0.01%
TECHNOLOGY AND COMMUNICATION											
Systems Limited	-	9,850	-	-	4,000	5,850	2,581	2,831	3.99%	4.29%	0.00%
Avanceon Limited	14,425	46,875	-	-	24,700	36,600	2,798	2,417	3.41%	3.66%	0.01%
Octopus Digital Limited	-	24,000	-	-	5,500	18,500	1,255	1,048	1.48%	1.59%	0.01%
TPL Trakker Limited	291,500	5,000	-	-	-	296,500	2,564	3,137	4.42%	4.75%	0.16%
Air Link Communication Limited	-	2,500	-	-	2,500	-	-	-	0.00%	0.00%	0.00%
	305,925	88,225	-	-	36,700	357,450	9,198	9,433	13.31%	14.30%	0.19%
FOOD AND PERSONNEL CARE PRODUCTS											
The Organic Meat Company Limited	124,950	47,500	-	-	124,950	47,500	1,145	981	1.38%	1.49%	0.04%
Unity Foods Limited	128,500	68,000	-	-	196,500	-	-	-	0.00%	0.00%	0.00%
At-Tahur Limited	-	47,500	4,750	-	-	52,250	1,100	893	1.26%	1.35%	0.02%
	253,450	163,000	4,750	-	321,450	99,750	2,245	1,874	2.64%	2.84%	0.06%
PROPERTY											
TPL Properties Limited	100,000	165,500	-	-	227,300	38,200	713	649	0.92%	0.98%	0.01%
	100,000	165,500	-	-	227,300	38,200	713	649	0.92%	0.98%	0.01%
MISCELLANEOUS											
Pak Aluminium Beverage Cans Limited	-	18,500	-	-	-	18,500	724	718	1.01%	1.09%	0.01%
	-	18,500	-	-	-	18,500	724	718	1.01%	1.09%	0.01%
	1,971,385	2,224,028	28,644	-	2,620,298	1,603,759	71,812	65,983	93.07%	100.00%	0.39%

* The above investments include shares with market value aggregating to Rs. 12.9630 million which have been pledged with the National Clearing Company of Pakistan Limited (NCCPL) as collateral for guaranteeing settlement of the fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

** These represent gross bonus shares as per Fund's entitlement declared by the investee company. Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Pension Fund Manager of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, have filed a petition in the Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 57(3)(viii) of Part I of the Second Schedule of the Income Tax Ordinance, 2001. The Sindh High Court has granted stay order till the final outcome of the case. However, the investee companies have withheld the share equivalent to 5% of bonus announcement amounting Rs.0.0610 million (June 2022: 0.08 million) and not yet deposited with Government Treasury. Pension Fund Manager is of the view that the decision will be in its favour and accordingly has recorded the bonus shares on gross basis.

5.2 Government securities - Ijarah sukuks

5.2.1 Held by Debt sub fund

Issue Date	Tenor	Face value			Carrying value as at December 31, 2022	Market value as at December 31, 2022	Market value as a percentage of	
		As at July 1, 2022	Purchases during the period	Sales / matured during the period			As at December 31, 2022	Total investments of sub-fund
					(Rupees in '000)		(%)	
October 26, 2022	5 Years	-	45,000	45,000	-	-	-	-
October 26, 2022	5 Years	-	45,000	-	45,000	44,789	44.37%	23.55%
December 31, 2022		-	90,000	45,000	-	45,000	44.37%	23.55%
June 30, 2022		38,000	79,500	117,500	-	-	0.00%	0.00%

5.2.2 Held by Money Market sub fund

Issue Date	Tenor	Face value			Carrying value as at December 31, 2022	Market value as at December 31, 2022	Market value as a percentage of	
		As at July 1, 2022	Purchases during the period	Sales / matured during the period			As at December 31, 2022	Total investments of sub-fund
					(Rupees in '000)		(%)	
October 26, 2022	5 Years	-	21,000	-	21,000	20,901	47.61%	15.11%
October 26, 2022	5 Years	-	25,000	25,000	-	-	0.00%	0.00%
December 31, 2022		-	46,000	25,000	21,000	20,901	47.61%	15.11%
June 30, 2022		12,000	27,500	39,500	-	-	0.00%	0.00%

5.3 Sukuk bonds

5.3.1 Held by Debt sub fund

	Face value			As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Market value as a percentage of		
	As at July 1, 2022	Purchases during the period	Sales / matured during the period				Total investments of sub-fund	Net assets of sub-funds	
				(Number of certificates)		Rupees in ('000)		(%)	
Power Generation & Distribution									
China Power Hub Generation Co.	-	10	-	10	10,000	10,000	9.91%	5.26%	
China Power Hub Generation Co.	-	6	-	6	6,000	6,000	5.94%	3.16%	
K Electric Limited**	-	8	-	8	8,000	8,000	7.92%	4.21%	
K Electric Limited**	-	120	-	120	12,000	12,000	11.89%	6.31%	
Hub Power Company Limited - 190320**	50	-	-	50	3,858	3,816	3.78%	2.01%	
Hub Power Company Limited - 270422**	40	-	40	-	-	-	0.00%	0.00%	
Lucky Electric Power Co. Ltd	-	5	-	5	5,000	5,000	4.95%	2.63%	
	90	149	40	199	44,858	44,816	44.40%	23.57%	
TECHNOLOGY & COMMUNICATION									
TPL tracker limited**	1	-	-	1	726	726	0.72%	0.38%	
	1	-	-	1	726	726	0.72%	0.38%	
Miscellaneous									
Agha Steel Industries Limited*	1	-	-	1	772	747	0.74%	0.39%	
OBS AGP Private Limited**	20	-	-	20	1,884	1,903	1.89%	1.00%	
Pak Elektron Sukuk**	8	-	-	8	7,950	7,967	7.89%	4.19%	
	29	-	-	29	10,606	10,617	10.52%	5.58%	
December 31, 2022	120	149	40	229	56,190	56,159	55.63%	29.53%	
June 30, 2022	2,477	74	2,431	120	20,833	20,842	80.80%	15.18%	

5.3.2 Held by Money Market sub fund

	Face value			As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Market value as a percentage of	
	As at July 1, 2022	Purchases during the period	Sales / matured during the period				Total investments of sub-fund	Net assets of sub-funds
	(Number of certificates)			Rupees in ('000)		(%)		
Power Generation & Distribution								
K-Electric Limited**	10	5	10	5	5,000	5,000	11.39%	3.61%
China Power Hub Generation Co.	-	10	-	10	10,000	10,000	22.78%	7.23%
China Power Hub Generation Co.	-	8	-	8	8,000	8,000	18.22%	5.78%
December 31, 2022	10	15	10	15	23,000	23,000	52.39%	16.63%
June 30, 2022	-	19	9	10	10,000	10,000	100%	100%

*Listed

**Unlisted

6. DIVIDEND AND PROFIT RECEIVABLE

	(Un-audited) December 31, 2022				(Audited) June 30, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees '000)							
Dividend receivable	2	-	-	2	-	-	-	-
Profit receivable on bank deposits	277	1,584	3,006	4,867	187	1,454	1,519	3,160
Profit accrued on sukuk bonds	-	3,315	1,765	5,080	-	563	296	859
	279	4,899	4,771	9,949	187	2,017	1,815	4,019

7. DEPOSITS AND OTHER RECEIVABLES

	(Un-audited) December 31, 2022				(Audited) June 30, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees '000)							
Security deposit with the Central Depository Company of Pakistan Limited	100	100	100	-	100	100	100	300
Security deposit with National Clearing Company of Pakistan Limited	2,500	-	-	-	2,500	-	-	2,500
Receivable against sale of investment	1,972	-	-	1,972	80	-	-	80
Other receivables	127	57	25	209	100	42	14	156
	4,699	157	125	2,181	2,780	142	114	3,036

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

	Note	(Un-audited) December 31, 2022				(Audited) June 30, 2022			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees '000)							
Management fee	8.1	92	109	56	257	326	64	40	430
Sindh Sales Tax	8.2	11	14	8	33	42	8	5	55
Sales Load Payable		-	848	-	848	-	-	-	-
		103	971	64	1,138	368	72	45	485

8.1 As per Rule 11 of the Voluntary Pension System Rules, 2005, the Pension Fund Manager may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the offering document, further subject to the guidelines as may be issued by the Commission from time to time. During the year, the fee is being charged at the rate ranging from 0.4% to 1.5% of the average annual net assets accordingly. The fee is payable in arrears.

8.2 The Sindh Government has levied Sindh Sales Tax at the rate of 13% (June 30, 2022: 13%) on the remuneration to the Management Company through Sindh Sales Tax Act, 2011 effective from July 01, 2017.

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

	(Un-audited) December 31, 2022				(Audited) June 30, 2022			
	Equity sub fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity sub fund	Debt sub fund	Money Market sub fund	Total
	----- (Rupees '000) -----							
Trustee remuneration	11	25	19	55	21	15	13	49
Sindh Sales Tax on remuneration of Trustee	1	3	2	6	3	2	2	7
	<u>12</u>	<u>28</u>	<u>21</u>	<u>61</u>	<u>24</u>	<u>17</u>	<u>15</u>	<u>56</u>

10. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	(Un-audited) December 31, 2022				(Audited) June 30, 2022			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----- (Rupees '000) -----							
Auditors' remuneration		122	59	57	238	128	69	56	253
Payable against purchase of investments		-	134	-	134	-	-	-	-
Federal Excise Duty	10.1	880	488	383	1,751	880	488	383	1,751
Payable against redemption of units		10	-	-	10	-	-	-	-
Other payable		115	166	501	782	372	158	83	613
		<u>1,127</u>	<u>847</u>	<u>941</u>	<u>2,915</u>	<u>1,380</u>	<u>715</u>	<u>522</u>	<u>2,617</u>

10.1 FEDERAL EXCISE DUTY

The legal status of applicability of Federal Excise Duty on the Fund is the same as that disclosed in note 12.2 to the annual audited financial statements of the Fund for the year ended June 30, 2022, and the appeal filed by tax authorities with Supreme Court of Pakistan is pending for decision.

In view of the above, the Management Company, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating Rs. 0.880 million, 0.488 million and 0.383 million (June 30, 2022: Rs. 0.880 million, Rs. 0.488 million and Rs. 0.383 million), for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively. Had the provision not been made, the Net Assets Value per unit of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund as at December 31, 2022 would have been higher by Rs. 4.0953, Rs. 0.5157 and Rs. 0.5418 (June 30, 2022: Rs. 2.0889 Rs. 0.9674 and Rs. 0.9958) per unit respectively.

11 PROVISION FOR SINDH WORKERS' WELFARE FUND

SRB through its letter dated August 12, 2021 (received on August 13, 2021) to MUFAP has clarified that Asset Management Company's (AMCs) are covered under term 'financial institutions' as per the Sindh WWF Act 2014 and are therefore subject to charge, whereas Mutual Funds / Pension Funds are exempt from such charge. In the wake of clarification by SRB, MUFAP recommended to its members to reverse such charge earlier. Accordingly the Fund ceased to charge further provision for SWWF and has reversed full provision for SWWF amounting to 3.077, 0.381 and 0.282 million in equity sub fund, debt sub fund and money market sub fund respectively charged till June 30, 2022.

12 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at December 31, 2022 and June 30, 2022 except as disclosed in this condensed interim financial information.

13 TAXATION

No provision for taxation for the year ended June 30, 2022 has been made in view of the exemption available under Clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

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

14 CONTRIBUTION TABLE

Contribution received during the period / year is as follows:

From:	(Un-audited)							
	December 31, 2022							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	(Units)	(Rupees '000)	(Units)	(Rupees '000)	(Units)	(Rupees '000)	(Units)	(Rupees '000)
Individuals	18,744	6,592	496,706	97,838	279,855	53,051	795,305	157,481

From:	(Audited)							
	June 30, 2022							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	(Units)	(Rupees '000)	(Units)	(Rupees '000)	(Units)	(Rupees '000)	(Units)	(Rupees '000)
Individuals	343,358	142,354	777,335	140,240	794,149	139,161	1,914,842	421,755

15 NUMBER OF UNITS IN ISSUE

	(Un-audited)				(Audited)			
	December 31, 2022				June 30, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Number of units)				(Number of units)			
Opening units in issue	376,992	591,819	544,634	1,513,445	421,065	504,466	384,622	1,310,153
Units issued during the period	18,744	496,706	279,855	795,305	343,358	777,335	794,149	1,914,842
Units redeemed during the period	(180,858)	(142,222)	(117,554)	(440,633)	(397,878)	(670,538)	(629,463)	(1,697,879)
Reallocation during the period	-	-	-	-	10,447	(19,444)	(4,674)	(13,671)
Total units in issue at end of the period / year	214,878	946,304	706,935	1,868,117	376,992	591,819	544,634	1,513,445

16 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

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

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

16.1 Transactions during the period

	Six months ended December 31, 2022				Six months ended December 31, 2021			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees in '000) -----								
HBL Asset Management Limited - Pension Fund Manager								
Management fee	940	533	320	1,793	1,597	755	570	2,922
Habib Bank Limited - Sponsor								
Redemption of units	103,535	-	-	103,535	-	-	-	-
Amount of units redeemed	36,471	-	-	-	-	-	-	-
Bank charges	17	20	21	57	13	22	12	47
Profit on bank deposits earned	70	840	71	981	39	568	812	1,419
Directors and Executives of the Pension Fund Manager and their relatives								
Directors and their relatives								
Issue of units	<i>Number</i>			-	-	-	-	244
Amount of units issued				-	-	-	-	100
Executives and their relatives								
Issuance of units	<i>Number</i>			-	-	-	-	2,767
Amount of units issued				-	-	-	-	1,192
Central Depository Company of Pakistan Limited - Trustee								
Remuneration	84	111	98	293	160	76	57	293
Central Depository System Charges	13	3	3	20	14	3	3	20

16.2 Balances outstanding as at period end

	December 31, 2022				June 30, 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) -----								
HBL Asset Management Limited - Pension Fund Manager								
Management fee payable	92	109	56	257	326	64	40	430
Sindh Sales tax Payable	11	14	8	33	42	8	5	55
Sales load payable	-	848	-	848	-	-	-	-
Habib Bank Limited - Sponsor								
Units held	<i>Number</i>			-	-	-	-	103,535
Amount of units held				-	-	-	-	36,554
Bank balances	137	381	1,321	1,839	97	503	478	1,078
Directors and Executives of the Pension Fund Manager and their relatives								
Directors and their relatives								
Units held	<i>Number</i>			17,784	40,287	20,685	78,756	17,784
Amount of units held				5,867	8,095	4,047	18,009	6,276
Executives and their relatives								
Units held	<i>Number</i>			12,825	37	18	12,880	12,825
Amount of units held				4,231	7	4	4,242	4,528
Central Depository Company of Pakistan Limited - Trustee								
Remuneration payable	11	25	19	55	21	15	13	49
Sales tax payable	1	3	2	6	3	2	2	7
Security deposit receivable	100	100	100	300	100	100	100	300
Directors of connected persons								
Units held	<i>Number</i>			23,961	55,036	-	78,997	23,961
Amount of units held				7,905	11,059	-	18,964	8,456

17. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.

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

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

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

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

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

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

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

		Held by Equity sub-fund						
		December 31, 2022						
		Carrying amount			Fair value			
		At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
	Financial assets measured at fair value							
	Listed equity securities	65,983	-	65,983	65,983	-	-	65,983
		65,983	-	65,983	65,983	-	-	65,983
	Financial assets not measured at fair value							
17.1	Bank balances	-	1,193	1,193	-	-	-	-
	Dividend and profit receivable	-	279	279	-	-	-	-
	Deposits and other receivable	-	4,699	4,699	-	-	-	-
		-	6,171	6,171	-	-	-	-
	Financial liabilities not measured at fair value							
17.1	Payable to the Pension Fund Manager	-	103	103	-	-	-	-
	Payable to the Trustee	-	12	12	-	-	-	-
	Accrued expenses and other liabilities	-	237	237	-	-	-	-
		-	352	352	-	-	-	-

		Held by Equity sub-fund						
		June 30, 2022						
		Carrying Amount			Fair Value			
	Note	Mandatorily at fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Level 1	Level 2	Level 3	Total
(Rupees in'000)								
Financial assets measured at fair value								
Listed equity securities		127,886	-	127,886	127,886	-	-	127,886
127,886				127,886	127,886	-	-	127,886
Financial assets not measured at fair value	17.1							
Bank balances		-	4,065	4,065	-	-	-	-
Dividend and profit receivable		-	187	187	-	-	-	-
Deposits and other receivable		-	2,600	2,600	-	-	-	-
		-	6,852	6,852	-	-	-	-
Financial liabilities not measured at fair value	17.1							
Payable to HBL Asset Management Limited - Pension Fund Manager		-	326	326	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee		-	21	21	-	-	-	-
Accrued Expenses and other liabilities		-	500	500	-	-	-	-
		-	847	847	-	-	-	-

		Held by Debt sub-fund						
		December 31, 2022						
		Carrying Amount			Fair Value			
	Note	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in'000)								
Financial assets measured at fair value								
Sukuk bonds		56,159	-	56,159	-	56,159	-	56,159
Government securities - Ijarah sukuks		44,789	-	44,789	-	44,789	-	44,789
100,948				100,948	-	100,948	-	100,948
Financial assets not measured at fair value	17.1							
Bank balances		-	86,017	86,017	-	-	-	-
Dividend and profit receivable		-	4,899	4,899	-	-	-	-
Deposits and other receivable		-	157	157	-	-	-	-
		-	91,073	91,073	-	-	-	-
Financial liabilities not measured at fair value	17.1							
Payable to the Pension Fund Manager		-	971	971	-	-	-	-
Payable to the Trustee		-	28	28	-	-	-	-
Accrued expenses and other liabilities		-	359	359	-	-	-	-
		-	1,358	1,358	-	-	-	-

		Held by Debt sub-fund						
		June 30, 2022						
		Carrying Amount			Fair Value			
	Note	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in'000)								
Financial assets measured at fair value								
Sukuk bonds		20,842	-	20,842	-	11,991	8,851	20,842
20,842				20,842	-	11,991	8,851	20,842
Financial assets not measured at fair value	17.1							
Bank balances		-	88,713	88,713	-	-	-	-
Dividend and profit receivable		-	2,017	2,017	-	-	-	-
Deposits and other receivable		-	100	100	-	-	-	-
		-	90,830	90,830	-	-	-	-
Financial liabilities not measured at fair value	17.1							
Payable to HBL Asset Management Limited - Pension Fund Manager		-	64	64	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee		-	15	15	-	-	-	-
Accrued Expenses and other liabilities		-	227	227	-	-	-	-
		-	306	306	-	-	-	-

		Held by Money Market sub-fund					
		December 31, 2022					
		Carrying Amount			Fair Value		
		At fair value	At amortised	Total	Level 1	Level 2	Level 3
		through profit or	cost				Total
		loss					
	Note	(Rupees in'000)					
Financial assets measured at fair value		23,000	-	23,000	-	23,000	-
Sukuk bonds		20,901	-	20,901	-	20,901	-
Government securities - Ijarah sukuks		43,901	-	43,901	-	43,901	-
Financial assets not measured at fair value	17.1	-	90,576	90,576	-	-	-
Bank balances		-	4,771	4,771	-	-	-
Dividend and profit receivable		-	125	125	-	-	-
Deposits and other receivable		-	95,472	95,472	-	-	-
Financial liabilities not measured at fair value	17.1	-	64	64	-	-	-
Payable to the Pension Fund Manager		-	21	21	-	-	-
Pension Fund Manager		-	558	558	-	-	-
Accrued expenses and other liabilities		-	643	643	-	-	-

		Held by Money Market sub-fund					
		June 30, 2022					
		Carrying Amount			Fair Value		
		At fair value	At amortised	Total	Level 1	Level 2	Level 3
		through profit or	cost				Total
		loss					
	Note	(Rupees in'000)					
Financial assets measured at fair value		10,000	-	10,000	-	10,000	-
Corporate sukuk bonds		10,000	-	10,000	-	10,000	-
Financial assets not measured at fair value	17.1	-	88,027	88,027	-	-	-
Bank balances		-	1,815	1,815	-	-	-
Dividend and profit receivable		-	100	100	-	-	-
Deposits and other receivable		-	89,942	89,942	-	-	-
Financial liabilities not measured at fair value	17.1	-	40	40	-	-	-
Payable to HBL Asset Management Limited - Pension Fund Manager		-	13	13	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee		-	139	139	-	-	-
Accrued Expenses and other liabilities		-	192	192	-	-	-

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

18 TOTAL EXPENSE RATIO

In accordance with the S.R.O 1068 (I) / 2021 dated August 23, 2021 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the equity sub fund, debt sub fund and money market sub fund for the six months period ended December 31, 2022 is 0.96%,1.20% and 3.94% respectively which includes 0.13%,0.16% and 0.38% respectively representing Government levy and SECP fee.

19 GENERAL

19.1 Figures have been rounded off to the nearest thousands.

19.2 This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2022 have not been reviewed.

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

20 DATE OF AUTHORISATION FOR ISSUE

20.1 This condensed interim financial statements was authorised for issue on February 13, 2023 by the Board of Directors of the Pension Fund Manager.

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

Chief Financial Officer

Chief Executive Officer

Director



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HBL

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