



AL Habib Asset Management Limited

A Wholly Owned Subsidiary of Bank AL Habib Limited

AL HABIB FUNDS

HALF YEARLY REPORT

DECEMBER 31, 2022



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DIRECTORS' REPORT

The Board of Directors of AL Habib Asset Management Limited is pleased to present the reviewed financial statements of the Funds under its management for the half year ended December 31, 2022. By the Grace of Almighty, the Pakistan Credit Rating Agency (PACRA) has upgraded asset manager rating for the Company to "AM2+" on August 12, 2022. This rating reflects the Company's high investment management standards and benchmarks with noted strengths in several of the rating factors.

The devastating floods this year have seriously affected economic activity in Pakistan, which was already under stress because of sizeable fiscal and external imbalances and double-digit inflation. The floods have threatened the upcoming agricultural season as well. The flooding is likely to have spillover effects on industry, notably textiles and food processing, and on services, in particular wholesale trade and transportation.

The economic outlook depends largely on continued implementation of reforms to stabilize the economy and restore fiscal and external buffers. The State Bank of Pakistan in its November 2022 Monetary Policy Committee meeting increased the policy rate by 100 bps to 16%.

The Pakistan Stock Exchange maintained its bearish trend as the benchmark KSE-100 index shed 1,163 points during the half year.

AL Habib Cash Fund (AHCF) generated net annualized return of 15.10% for the half year ended December 31, 2022. The Fund's gross income was Rs. 2,004.54 million, which mainly comprises income of Rs. 1,399.09 million from government securities, Rs. 553.69 million from bank deposits and Rs. 51.76 million from TDR. During the period, the Fund has distributed cumulative interim dividends of Rs. 6.19 per unit. VIS Credit Rating Company Limited (VIS) has reaffirmed the Fund Stability Rating of AL Habib Cash Fund at 'AA+ (f)' on December 13, 2022.

AL Habib Money Market Fund (AHMMF) generated net annualized return of 15.03% for the half year ended December 31, 2022. The Fund's gross income was Rs. 264.25 million, which mainly comprises income of Rs. 203.99 million from government securities and Rs. 60.26 million from bank deposits. During the period, the Fund has distributed cumulative interim dividends of Rs. 7.35 per unit. VIS has assigned initial Fund Stability Rating to AL Habib Money Market Fund at 'AA+(f)' on December 30, 2022.

AL Habib Income Fund (AHIF) generated net annualized return of 15.02% for the half year ended December 31, 2022. The Fund's gross income was Rs. 186.95 million which mainly comprises income of Rs. 169.69 from investment in government securities, TFCs and Sukuks, Rs. 16.29 million from bank deposits, Rs. 0.97 million from TDR. During the period, the Fund has distributed cumulative interim dividends of Rs. 7.15 per unit. PACRA has maintained Fund Stability Rating of AL Habib Income Fund at 'AA (f)' on September 02, 2022.

AL Habib Islamic Cash Fund (AHICF) generated net annualized return of 14.71% for the half year ended December 31, 2022. The Fund's gross income was Rs. 574.78 million, which mainly comprises income of Rs. 538.31 million from bank deposits and Rs. 36.47 million from TDR. During the period, the Fund has distributed cumulative interim dividends of Rs. 7.16 per unit. PACRA has assigned initial Fund Stability Rating to AL Habib Islamic Cash Fund at 'AA+ (f)' on December 30, 2022.

AL Habib Islamic Income Fund (AHIIF) generated net annualized return of 13.35% for the half year ended December 31, 2022. The Fund's gross income was Rs. 496.03 million, which mainly comprises income of Rs. 239.41 million from bank deposits, Rs. 38.29 million from TDR and Rs. 218.33 million from investment in Sukuks. During the period, the Fund has distributed cumulative interim dividends of Rs. 6.40 per unit. PACRA has maintained Fund Stability Rating of AL Habib Islamic Income Fund at 'AA (f)' on September 02, 2022.

AL Habib Islamic Savings Fund (AHISAVF) generated net annualized return of 14.24% for the half year ended December 31, 2022. The Fund's gross income was Rs. 234.12 million, which mainly comprises income

of Rs. 175.55 million from bank deposits, Rs. 7.62 million from TDR and Rs.50.95 from investment in Sukuks. During the period, the Fund has distributed cumulative interim dividends of Rs. 6.15 per unit. PACRA has assigned initial Fund Stability Rating to AL Habib Islamic Savings Fund at 'AA (f)' on December 30, 2022.

AL Habib Asset Allocation Fund (AHAAF) generated net return of 1.38% for the half year ended December 31, 2022. The Fund's gross income was Rs. 3.45 million, which mainly comprises income of Rs. 2.02 million from dividends, Rs. 2.05 million from investment in government securities, Rs. 2.32 million from bank deposits and incurred, realized and unrealized capital losses of Rs. 2.94 million on investments.

AL Habib Stock Fund (AHSF) generated negative return of 6.43% for the half year ended December 31, 2022. The Fund's gross loss was Rs. 4.81 million, which mainly comprises income of Rs.5.43 million from dividends, Rs. 1.12 million bank deposits and incurred, realized and unrealized capital losses of Rs.11.36 million on equity investments.

AL Habib Islamic Stock Fund (AHISF) generated negative return of 2.66% for the half year ended December 31, 2022. The Fund's gross loss was Rs. 2.34 million, which mainly comprises income of Rs. 11.59 million from dividends, income of Rs. 3.50 million from bank deposits and incurred, realized and unrealized capital losses of Rs. 17.43 million on equity investments.

AL Habib Pension Fund (AHPF), launched on June 30, 2022, generated net annualized returns of 14.88%, 15.71% and minus 1.09%, for Money Market, Debt and Equity Sub Funds, respectively for the half year ended December 31, 2022. The Money Market and Debt Sub Funds' gross income amounted to Rs. 3.72 million and Rs. 3.81 million, respectively, which comprises income from bank deposits and government securities. The Equity Sub Fund's gross loss was Rs. 0.24 million, which mainly comprises income of Rs. 1.17 million from dividends, income of Rs. 1.13 million from bank deposits and incurred losses of Rs. 2.54 million on investment portfolio.

AL Habib Islamic Pension Fund (AHIPF), launched on September 05, 2022, generated net annualized returns of 13.98%, 14.04% and 0.55% for Money Market, Debt and Equity Sub Funds, respectively for the half year ended December 31, 2022. The Money Market and Debt Sub Funds' gross income amounted to Rs. 1.81 million and Rs.1.73 million, respectively, which comprise income from bank deposits, debt instruments and government securities. The Equity Sub Fund's gross income was Rs. 0.34 million, which mainly comprises income of Rs. 0.82 million from dividends, income of Rs. 0.39 million from bank deposits and incurred losses of Rs. 0.87 million on investment portfolio.

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

KASHIF RAFI
Chief Executive

ABBAS D. HABIB
Chairman
Board of Directors

Karachi: February 09, 2023

AL HABIB CASH FUND
Half Yearly Report
December 31, 2022

FUND'S INFORMATION**Management Company**

AL Habib Asset Management Limited

Board of Directors of the Management Company

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

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

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

Human Resource Committee

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

Auditors

EY Ford Rhodes
Progressive Plaza,
Beaumont Road,
Karachi 75530, Pakistan

Legal Advisor

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

Trustee

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

Rating

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

Bankers to the Fund

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

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

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



TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB CASH FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Cash Fund (the Fund) are of the opinion that AL Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six month period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023





EY Ford Rhodes
Chartered Accountants
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INDEPENDENT AUDITORS' REVIEW REPORT

To the unit holders of AL Habib Cash Fund

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of AL Habib Cash Fund (the Fund) as at 31 December 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2022.

Scope of review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

Chartered Accountants

Engagement Partner: Arslan Khalid

Date: 24 February 2023

Karachi

UDIN Number: RR202210191IAoZ4J7pw

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES*AS AT DECEMBER 31, 2022*

		December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	Note	------(Rupees in '000)-----	
Assets			
Bank balances	4	8,027,430	21,182,077
Investments	5	27,153,082	1,575,000
Receivable against sale of investment		3,957,653	-
Profit receivable		23,807	234,881
Advance tax, deposits, prepayments and other receivable		1,239	1,368
Total assets		<u>39,163,211</u>	<u>22,993,326</u>
Liabilities			
Payable to AL Habib Asset Management Limited - Management company	6	31,978	11,941
Provision for Federal Excise Duty on remuneration of the Management Company	7	13,417	13,417
Payable to Central Depository Company of Pakistan Limited - Trustee	8	1,496	1,075
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	2,577	4,078
Payable against redemption of units		-	1,461
Accrued expenses and other liabilities		50,106	49,781
Total liabilities		<u>99,574</u>	<u>81,753</u>
Net assets		<u>39,063,637</u>	<u>22,911,573</u>
Unit holders' fund (as per the statement attached)		<u>39,063,637</u>	<u>22,911,573</u>
Contingencies and commitments	10		
		(Number of units)	
Number of units in issue (face value of units is Rs. 100 each)		<u>382,091,823</u>	<u>226,956,248</u>
		(Rupees)	
Net assets value per unit		<u>102.24</u>	<u>100.95</u>

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half year ended December 31,		Quarter ended December 31,	
	2022	2021	2022	2021
Note ----- (Rupees in '000) -----				
Income				
Profit on bank deposits	553,688	589,511	173,639	357,640
Income from Government securities	1,399,794	207,152	851,212	109,432
Profit on term deposit receipts	51,759	25,381	12,376	-
Net gain on investments designated at fair value through profit or loss				
- Net realised gain / (loss) on sale of investments	5,304	(8,352)	5,097	(7,939)
- Net unrealised (loss) on revaluation of investments	(6,002)	-	(6,002)	-
	(698)	(8,352)	(905)	(7,939)
Total income	2,004,543	813,692	1,036,322	459,133
Expenses				
Remuneration of AL Habib Asset Management Limited - Management Company	6.1 79,578	34,091	47,003	14,193
Sindh Sales tax on Management Company's remuneration	6.2 10,345	4,432	6,110	1,845
Expenses allocated by the Management company	22,490	16,241	13,000	10,701
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1 7,086	5,732	3,618	2,730
Sindh Sales tax on Trustee's remuneration	8.2 921	745	470	355
Annual fee to Securities and Exchange Commission of Pakistan (SECP)	9 2,579	1,919	1,318	995
Brokerage expense	1,239	531	743	146
Settlement and bank charges	14	23	2	8
Annual listing fee	13	13	7	7
Auditors' remuneration	428	334	261	167
Mutual Fund rating fee	141	134	71	67
Printing and other expenses	33	33	17	14
Total expenses	124,867	64,228	72,620	31,228
Net income from operating activities	1,879,676	749,464	963,702	427,905
Reversal / (provision) for Sindh Workers' Welfare Fund	-	24,063	-	-
Net income for the period before taxation	1,879,676	773,527	963,702	427,905
Taxation	11 -	-	-	-
Net income for the period after taxation	1,879,676	773,527	963,702	427,905
Allocation of net income for the period after taxation				
Net income for the period	1,879,676	773,527	963,702	427,905
Income already paid on units redeemed	(717,776)	(151,857)	(366,483)	(35,994)
	1,161,900	621,670	597,219	391,911
Accounting income available for distribution:				
- Relating to capital gains	5,304	-	5,097	-
- Excluding capital gains	1,156,596	621,670	592,122	391,911
	1,161,900	621,670	597,219	391,911

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB CASH FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half year ended		Quarter ended	
	December 31,		December 31,	
	2022	2021	2022	2021
	----- (Rupees in '000) -----			
Net income for the period after taxation	1,879,676	773,527	963,702	427,905
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	1,879,676	773,527	963,702	427,905

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended December 31,					
	2022			2021		
	Capital Value	Undistributed income	Net Assets	Capital Value	Undistributed income	Net Assets
	(Rupees in '000)					
Net assets at beginning of the period	22,790,356	121,217	22,911,573	16,873,547	25,802	16,899,349
Issuance of 951,136,198 units (Dec 31, 2021: 441,119,041 units) including additional units 8,493,372 units issued at nil value						
- Capital value	96,017,199	-	96,017,199	44,394,220	-	44,394,220
- Element of income	1,179,020	-	1,179,020	295,613	-	295,613
Amount received / receivable on issuance of units	97,196,219	-	97,196,219	44,689,833	-	44,689,833
Redemption of 796,000,623 units (2021: 326,474,160 units)						
- Capital value	(80,356,263)	-	(80,356,263)	(32,856,359)	-	(32,856,359)
- Element of income	(179,344)	(717,776)	(897,120)	(36,167)	(151,857)	(188,024)
Amount paid / payable on redemption of units	(80,535,607)	(717,776)	(81,253,383)	(32,892,526)	(151,857)	(33,044,383)
Total comprehensive income for the period	-	1,879,676	1,879,676	-	773,527	773,527
Interim distribution for the year ended June 30 2023 : Rs. 6.1900 per units (2022: Rs. 2.4629 per unit declared)	(857,419)	(813,029)	(1,670,448)	(107,478)	(328,734)	(436,212)
Net income for the period less distribution	(857,419)	1,066,647	209,228	(107,478)	444,793	337,315
Net assets at end of the period	38,593,549	470,088	39,063,637	28,563,376	318,738	28,882,114
Undistributed income brought forward						
- Realised income		121,217			25,802	
- Unrealised income		-			-	
		121,217			25,802	
Accounting income available for distribution						
- Relating to capital gains		5,304			(8,352)	
- Excluding capital gains		1,156,596			630,022	
		1,161,900			621,670	
Interim distribution for the year ended June 30 2023 : Rs. 6.1900 per units (2022: Rs. 2.4629 per unit declared)		(813,029)			(328,734)	
Undistributed income carried forward		470,088			318,738	
Undistributed income carried forward comprises of:						
- Realised income		470,088			318,738	
- Unrealised income		-			-	
		470,088			318,738	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		100.95			100.64	
Net assets value per unit at end of the period		102.24			102.21	

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended	
	December 31,	
	2022	2021
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	1,879,676	773,527
Adjustments		
Net unrealised loss on revaluation of investments	6,002	-
(Reversal) / provision for Sindh Workers' Welfare Fund	-	(24,063)
Net cash generated from operations before working capital changes	1,885,678	749,464
Working capital changes		
Decrease / (Increase) in assets		
Investments	(25,584,084)	1,000,000
Receivable against sale of investment	(3,957,653)	-
Profit receivable	211,074	(136,129)
Advance tax, deposits, prepayments and other receivable	129	19
	(29,330,534)	863,890
Decrease in liabilities		
Payable to AL Habib Asset Management Limited - Management Company	20,037	11,240
Payable to Central Depository Company of Pakistan Limited - Trustee	421	374
Payable to Securities and Exchange Commission of Pakistan (SECP)	(1,501)	406
Payable against redemption of units	(1,461)	(2,013)
Accrued expenses and other liabilities	325	2,110
	17,821	12,117
Net cash generated from operating activities	(27,427,035)	1,625,471
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	97,196,219	44,689,833
Payments on redemption of units	(81,253,383)	(33,044,383)
Dividend paid during the period	(1,670,448)	(436,212)
Net cash (used in) / generated from financing activities	14,272,388	11,209,238
Net increase in cash and cash equivalents during the period	(13,154,647)	12,834,709
Cash and cash equivalents at beginning of the period	21,182,077	15,867,270
Cash and cash equivalents at end of the period	8,027,430	28,701,979
Cash and cash equivalents comprises of :		
Bank balances	4 8,027,430	28,701,979

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022****1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** AL Habib Cash Fund (the "Fund") was established under a Trust Deed executed between AL Habib Asset Management Limited (Formerly: Habib Asset Management Limited) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on July 14, 2010 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 13, 2010 under Rule 67 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2** The Management Company of the Fund has been licensed to undertake Asset Management Services as Non Banking Finance Company under the NBFC Rules by the SECP. The registered office of the management company is situated at 3rd Floor MacKinnon's Building, I.I Chundrigar Road Karachi, Pakistan.
- 1.3** The Fund is an open-end mutual fund categorised as 'Money Market Scheme' and is listed on the Pakistan Stock Exchange Limited (PSX). Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder. Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.
- 1.4** The Fund, in line with its investment objective, invests primarily in treasury bills, government securities and cash and near cash instruments.
- 1.5** Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' (2021: 'AM2') to the Management Company on August 12, 2022 and VIS has assigned fund stability ranking of AA+(f) to the Fund.

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

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

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

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

- 2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund as at and for the year ended June 30, 2022.
- 2.1.3** This condensed interim financial information is un-audited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the (NBFC Regulation). However, a limited scope review has been carried out by the auditors.
- 2.1.4** The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2022, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, and condensed interim statement of movement in unit holders' fund are extracted from the un-audited condensed interim financial statements for the period ended December 31, 2021.
- 2.1.5** In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at December 31, 2022.

2.2 New / Revised Standards, Interpretations and Amendments

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards, interpretations and amendments	Effective date
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12	January 01, 2023
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

Further, following standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009
IFRS 17 – Insurance Contracts	January 01, 2023

2.4 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for the investments which are stated at fair value.

2.5 Functional and presentation currency

This condensed interim financial information is presented in Pakistan Rupees, which is the Fund's functional and presentation currency. All amount have been rounded to the nearest thousand rupees, unless stated otherwise.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

3.1 The accounting policies applied in this 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 The preparation of this condensed interim financial information in conformity with approved accounting and reporting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.

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

4 BANK BALANCES	Note	December 31,	June 30,
		2022 (Un-Audited)	2022 (Audited)
		(Rupees in '000)	
Saving accounts	4.1	<u>8,027,430</u>	<u>21,182,077</u>
		<u>8,027,430</u>	<u>21,182,077</u>

4.1 This represents saving accounts held with various commercial banks carrying profit rates ranging from 13.50% to 16.10% (June 30, 2022: 12.25% to 18.00%) per annum. It also includes a balance of Rs.32.35 million (June 30, 2022: Rs. 9.28 million) with Bank AL Habib Limited, (Parent Company of Fund's Management Company) carrying profit at the rate of 15.25% (June 30, 2022: 12.50%) per annum.

5 INVESTMENTS		December 31,	June 30,
		2022 (Un-Audited)	2022 (Audited)
		(Rupees in '000)	
At fair value through profit or loss - held for trading:			
Government securities - Market Treasury Bills		27,153,082	-
At amortised cost:			
Term deposit receipts (TDR)		-	1,575,000
		<u>27,153,082</u>	<u>1,575,000</u>

5.1 Government securities - Market Treasury Bills

Description					As at December 31, 2022				
	As at July 01, 2022	Purchased during the period	Sold / matured during the period	As at December 31, 2022	Carrying value	Market value	Unrealised appreciation / (diminution)	Market value	
								As a percentage of net assets	As a percentage of total investments
----- (Number of Units) -----				----- (Rupees in '000) -----				----- % -----	
T- BILL 3 MONTHS (02-06-2022)		19,500,000	19,500,000	-	-	-	-	-	-
T- BILL 3 MONTHS (03-11-2022)		133,150,000	120,200,000	12,950,000	1,285,068	1,281,686	(3,382)	0.03	0.05
T- BILL 3 MONTHS (06-10-2022)		927,500,000	927,500,000	-	-	-	-	-	-
T- BILL 3 MONTHS (08-09-2022)		10,000,000	10,000,000	-	-	-	-	-	-
T- BILL 3 MONTHS (14-07-2022)		192,030,000	192,030,000	-	-	-	-	-	-
T- BILL 3 MONTHS (14-07-2022)*		64,000,000	64,000,000	-	-	-	-	-	-
T- BILL 3 MONTHS (16-06-2022)		79,630,000	79,630,000	-	-	-	-	-	-
T- BILL 3 MONTHS (17-11-2022)		51,450,000	51,450,000	-	-	-	-	-	-
T- BILL 3 MONTHS (20-10-2022)		455,885,000	258,500,000	197,385,000	19,653,050	19,649,558	(3,492)	0.50	0.72
T- BILL 3 MONTHS (22-09-2022)		54,000,000	54,000,000	-	-	-	-	-	-
T- BILL 3 MONTHS (25-08-2022)		10,000,000	10,000,000	-	-	-	-	-	-
T- BILL 3 MONTHS (28-04-2022)		188,000,000	188,000,000	-	-	-	-	-	-
T- BILL 3 MONTHS (28-04-2022)*		50,000,000	50,000,000	-	-	-	-	-	-
T- BILL 3 MONTHS (28-07-2022)		447,460,000	447,460,000	-	-	-	-	-	-
T- BILL 3 MONTHS (30-06-2022)		236,730,000	236,730,000	-	-	-	-	-	-
T- BILL 6 MONTHS (02-06-2022)		40,000,000	40,000,000	-	-	-	-	-	-
T- BILL 6 MONTHS (10-02-2022)		9,450,000	9,450,000	-	-	-	-	-	-
T- BILL 6 MONTHS (10-03-2022)		74,000,000	11,500,000	62,500,000	6,220,966	6,221,837	871	0.16	0.23
T- BILL 6 MONTHS (14-07-2022)		62,500,000	62,500,000	-	-	-	-	-	-
T- BILL 6 MONTHS (24-02-2022)		7,090,000	7,090,000	-	-	-	-	-	-
T- BILL 6 MONTHS (24-03-2022)		690,000	690,000	-	-	-	-	-	-
T- BILL 6 MONTHS (27-01-2022)		62,500,000	62,500,000	-	-	-	-	-	-
Total as at December 31, 2022		<u>3,175,565,000</u>	<u>2,902,730,000</u>	<u>272,835,000</u>	<u>27,159,084</u>	<u>27,153,081</u>	<u>(6,003)</u>		
Total as at June 30, 2022		-	-	-	-	-	-		

5.1.1 Rate of return on above Treasury Bill's ranges from 15.41% to 15.88% (June 30,2022: Nil) per annum.

6 PAYABLE TO ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

- 6.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 10% of gross earnings of the Fund. The Management has charged its remuneration at rate ranging from 0% to 10% of the gross earnings of the Fund, which is within the allowed expense ratio limit. The remuneration is paid to the Management Company on monthly basis in arrears.
- 6.2 Sindh Sales Tax has been charged at 13% on the Management Company's remuneration during the period (June 30, 2022: 13%).

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

There is no change in the status of the legal proceeding on this matter which has been fully disclosed in note 8 to the annual audited financial statements for the year ended June 30, 2021. However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from June 13, 2013 to June 30, 2016 aggregating to Rs. 13.42 million. Had the provision on FED not been made, net assets value per unit of the Fund as at December 31, 2022 would have been higher by Rs. 0.03 (June 30, 2022: Rs. 0.06) per unit.

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

- 8.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document based on the daily Net Asset Value of the Fund. The remuneration is paid to the Trustee on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the trustee fee has been revised effective from July 01, 2019, whereby the revised tariff is 0.055% per annum of daily net assets of the Fund.
- 8.2 Sindh Sales Tax has been charged at 13% on the trustee's remuneration charged during the period (June 2022: 13%).

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

This represents annual fee payable to SECP at 0.02% of net assets in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(I) 2019, dated 28 June 2019.

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2022. (June 30, 2022: Nil).

11 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded tax liability in respect of income relating to the current period as the Management Company intends to distribute in cash at least 90 percent of the Fund's accounting income for the year ending June 30, 2023 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

12 EARNINGS PER UNIT

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

13 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include:

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

Related parties includes directors and officers of the above entities as at December 31, 2022 and staff retirement benefit funds of the above companies.

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

Details of transactions with connected persons / related parties are as follows:

	Half year ended		Quarter ended	
	December 31,		December 31,	
	2022	2021	2022	2021
	----- (Rupees in '000) -----			
AL Habib Asset Management Limited - Management Company				
Remuneration	<u>79,578</u>	<u>34,091</u>	<u>47,003</u>	<u>14,193</u>
Sindh Sales Tax on remuneration	<u>10,345</u>	<u>4,432</u>	<u>6,110</u>	<u>1,845</u>
Expenses allocated by management company	<u>22,490</u>	<u>16,241</u>	<u>13,000</u>	<u>10,701</u>
Central Depository Company of Pakistan Limited - Trustee				
Remuneration	<u>7,086</u>	<u>5,732</u>	<u>3,618</u>	<u>2,730</u>
Sindh Sales Tax on remuneration	<u>921</u>	<u>745</u>	<u>470</u>	<u>355</u>
CDC charges	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>
Bank AL Habib Limited - Parent Company of AL Habib Asset Management Limited				
Profit on bank balances	<u>288,001</u>	<u>1,651</u>	<u>119,122</u>	<u>1,241</u>
Dividend Paid	<u>206,035</u>	<u>186,234</u>	<u>118,244</u>	<u>122,773</u>

Details of the balances with connected persons / related parties at the period end are as follows:

	December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
----- (Rupees in '000) -----		
Bank AL Habib Limited - Parent of AL Habib Asset Management Limited		
Bank balance	32,348	9,277
Profit on bank deposits	7,037	13,818
AL Habib Asset Management Limited - Management Company		
Remuneration payable (inclusive of Sindh Sales Tax)	31,978	11,941
Federal Excise Duty payable on remuneration	13,417	13,417
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable (inclusive of Sindh Sales tax)	1,496	1,075

13.1 Sale / Redemption of units	Half year ended December 31, 2022 (Un-audited)		Half year ended December 31, 2021 (Un-audited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
Units sold to:				
<i>Management Company</i>				
AL Habib Asset Management Limited	98,537	10,002	22,468,539	2,268,807
<i>Parent of AL Habib Asset Management Limited</i>				
Bank AL Habib Limited	-	-	29,962,673	3,054,042
<i>Other related parties</i>				
- Central Depository Company of Pakistan Ltd.	43	5	14,716	1,742
- Habib Asset Management Limited - Employee Provident Fund	117,929	12,000	510	51
- Habib Insurance Co. Ltd. Emp Provident Fund	190,686	19,485	-	-
<i>Connected parties holding 10% or more of the units in issue:</i>	238,320,105	24,266,171	116,892,065	11,849,125
<i>Directors & Their Relatives of the Management Company</i>	204,251,236	20,923,073	33,354,495	3,374,910
<i>Key Management Executives</i>	243,030	24,758	2	-
<i>Other related party</i>				
- Habib Sugar Mills Limited	25,784,605	2,644,871	-	-
- Atco Pharma International Private Limited	297	35	-	-
Units redeemed by:				
<i>Management Company</i>				
AL Habib Asset Management Limited	98,537	10,043	6,648,410	670,560
<i>Parent of AL Habib Asset Management Limited</i>				
Bank AL Habib Limited	19,884,965	2,010,998	-	-
<i>Other related parties</i>				
- Central Depository Company of Pakistan Limited	-	-	1,053,342	106,421
- Habib Asset Management Limited - Employee Provident Fund	32,923	3,410	41,699	4,200
<i>Directors & Their Relatives of the Management Company</i>	203,012,896	20,770,267	27,893,037	2,821,465
<i>Key Management Executives</i>	161,363	16,441	-	-
<i>Connected parties holding 10% or more of the units in issue:</i>	144,930,503	14,719,396	91,892,296	9,299,266
<i>Other related party</i>				
- Habib Sugar Mills Limited	19,807,736	2,007,020	-	-

Units held by:	December 31, 2022		June 30, 2022	
	(Un-audited)		(Audited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
Management Company				
- AL Habib Asset Management Ltd Employees Provident Fund	117,929	12,057	32,923	3,324
Parent of AL Habib Asset Management Limited				
- Bank AL Habib Limited	33,307,275	3,405,336	53,192,241	5,369,757
Other related parties				
- Directors & their relatives of the management company	28,964,554	2,961,336	30,334,006	3,062,218
- Key Management	87,832	8,980	6,354	641
- Central Depository Company of Pakistan Limited	317	32	-	-
- Atco Pharma International Private Limited	5,895	603	5,598	565
- Atco Laboratories Limited	997	102	997	101
- Habib Sugar Mills Limited	15,367,824	1,571,206	-	-
- Habib Insurance Co Ltd Emp PF	190,686	19,496	-	-
Connected Parties holding 10% or more of the units in issue:	113,362,293	11,590,161	-	-

14 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.

The investments of the Fund in debt securities are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities. In the determination of the rates MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The investments of the Fund in government securities are valued on the basis of rates announced by the Financial Markets Association of Pakistan. The estimated fair values of all other financial assets and liabilities are considered not to be significantly different from carrying values.

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

	Note	Fair value		
		Level 1	Level 2	Level 3
		(Rupees in '000)		
December 31, 2022 (Un-audited)				
Investments - Market Treasury Bills	5	-	27,153,082	-
		-	27,153,082	-
June 30, 2022 (Audited)				
Term deposit receipt (TDR)		-	-	1,575,000
		-	-	1,575,000

AL HABIB CASH FUND

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

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

15 TOTAL EXPENSE RATIO (TER)

SECP vide its directive no. SCD/PRDD/Direction/18/2016 dated July 20, 2016 requires that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the period ended December 31, 2022 is 0.97% which includes 0.11% representing Government levy and SECP fee. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

16 GENERAL

16.1 This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2022 as reported in this condensed interim financial information has not been subject to limited scope review by the auditors.

16.2 Corresponding figures

16.2.1 Corresponding figures have been re-classified and re-arranged in these financial statements, whenever necessary to facilitate comparison and to confirm with changes in presentation in the current year.

16.2.2 Accounting income available for distribution as reported in last period's income statement has been adjusted to reflect a reclassification between "income relating to capital gain" and "income excluding capital gain" as follows:

	Half Year ended 31 December 2021		Quarter ended 31 December 2021	
	As previously reported (Rupees in '000')	Adjusted	As previously reported	Adjusted (Rupees in '000')
Accounting income available for distribution:				
- Relating to capital gain	(8,352)	-	(7,939)	-
- Excluding capital gain	630,022	621,670	399,850	391,911
	621,670	621,670	391,911	391,911

17 DATE OF AUTHORIZATION FOR ISSUE

17.1 This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on February 09, 2023.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB MONEY MARKET FUND
Half Yearly Report
December 31, 2022

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

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

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

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

Human Resource Committee

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

Auditors

EY Ford Rhodes
Progressive Plaza,
Beaumont Road,
Karachi 75530, Pakistan

Legal Advisor

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

Trustee

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

Rating

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

Bankers to the Fund

Bank AL Habib Limited
Allied Bank Limited
Habib Bank Limited

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

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



TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB MONEY MARKET FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Money Market Fund (the Fund) are of the opinion that AL Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023





EY Ford Rhodes
Chartered Accountants
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INDEPENDENT AUDITORS' REVIEW REPORT

To the unit holders of AL Habib Money Market Fund

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of AL Habib Money Market Fund (the Fund) as at 31 December 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2022.

Scope of review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

Chartered Accountants

Engagement Partner: Arslan Khalid

Date: 24 February 2023

Karachi

UDIN Number: RR202210191KvxZpC6QJ

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT DECEMBER 31, 2022

		December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	Note	(Rupees in '000)	(Rupees in '000)
Assets			
Bank balances	4	692,707	3,039,077
Investment	5	8,708,681	-
Profit receivable on bank deposits		2,245	42,844
Advance tax, deposit and prepayment		11	-
Preliminary expenses and floatation costs		628	663
Total assets		9,404,272	3,082,584
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	6	1,483	2,358
Payable to Central Depository Company of Pakistan Limited - Trustee	8	238	167
Payable to Securities and Exchange Commission of Pakistan (SECP)	10	341	271
Accrued expenses and other liabilities		583	3,858
Total liabilities		2,645	6,654
Net assets		9,401,627	3,075,930
Unit holders' fund (as per the statement attached)		9,401,627	3,075,930
Contingencies and Commitments	11		
		(Number of Units)	
Number of units in issue (face value of units is Rs. 100 each)		94,016,293	30,759,028
		(Rupees)	
Net asset value per unit		100.00	100.00

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	For the half year ended December 31, 2022	For the quarter ended December 31, 2022	For the period from December 20, 2021 to December 31, 2021
	Note -----	(Rupees in '000)	-----
Income			
Profit on bank deposits	60,255	21,914	1,523
Income from government securities	202,503	121,431	
Net gain on investment designated at fair value through profit or loss			
- Net realised (loss) / gain on sale of investment	(467)	(564)	-
- Net unrealised (loss) / gain on sale of investment	1,960	1,960	-
	5.1		
	1,493	1,396	-
Total income	264,251	144,741	1,523
Expenses			
Remuneration of AL Habib Asset Management Limited - Management Company	6 11,030	7,541	4
Sindh sales tax on Management Company's remuneration	7 1,434	980	1
Expenses allocated by the Management Company	2,644	1,518	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8 937	498	8
Sindh sales tax on Trustee remuneration	9 122	65	1
Annual fee to Securities and Exchange Commission of Pakistan (SECP)	10 341	181	3
Brokerage expense	162	93	-
bank charges	12	6	-
Annual listing fee	13	6	-
Auditors' remuneration	232	131	13
Printing & other expenses	55	50	-
Amortization of preliminary expenses and floatation costs	35	18	2
Total expenses	17,017	11,087	32
Net income for the period before taxation	247,234	133,654	1,491
Taxation	11 -	-	-
Net income for the period after taxation	247,234	133,654	1,491
Allocation of net income for the period after taxation:			
Net income for the period	247,234	133,654	1,491
Income already paid on units redeemed	-	-	-
	247,234	133,654	1,491
Accounting income available for distribution:			
Relating to capital gains	1,493	1,396	-
Excluding capital gains	245,741	132,258	1,491
	247,234	133,654	1,491

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

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

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	For the half year ended December 31, 2022	For the quarter ended December 31, 2022	For the period from December 20, 2021 to December 31, 2021
	----- (Rupees in '000) -----		
Net income for the period after taxation	247,234	133,654	1,491
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	<u>247,234</u>	<u>133,654</u>	<u>1,491</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB MONEY MARKET FUND**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	For the period ended December 31, 2022			For the period from December 20, 2021 to December 31, 2021		
	Capital Value	Undistributed income	Net Asset	Capital Value	Undistributed income	Net Asset
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	3,075,903	-	3,075,903	-	-	-
Issuance of 122,096,047 units (December 31, 2021 5,518,876)						
- Capital value	12,209,602	-	12,209,602	551,888	-	551,888
- Element of income	-	-	-	-	-	-
Amount received on issuance of units	12,209,602	-	12,209,602	551,888	-	551,888
Redemption of 58,838,782 units (December 31, 2021 1,001,642)						
- Capital value	(5,883,878)	-	(5,883,878)	(100,164)	-	(100,164)
- Element of income	-	-	-	-	-	-
Amount paid on redemption of units	(5,883,878)	-	(5,883,878)	(100,164)	-	(100,164)
Total comprehensive income for the period	-	247,234	247,234	-	1,491	1,491
Interim cash distribution for the year ended June 30 2023: Rs. 7.3516 per unit (December 31, 2021 Rs. 0.3586 per unit)	-	(247,234)	(247,234)	-	(1,491)	(1,491)
	-	-	-	-	-	-
Net assets at the end of the period	9,401,627	-	9,401,627	451,724	-	451,724
Undistributed income brought forward						
- Realised	-	-	-	-	-	-
- Unrealised	-	-	-	-	-	-
Accounting income available for distribution						
- Relating to capital gains	1,493	-	-	-	-	-
- Excluding capital gains	245,741	-	-	1,491	-	-
	247,234	-	-	1,491	-	-
Interim cash distribution for the year ended June 30 2023: Rs. 7.3516 per unit (December 31, 2021 Rs. 0.3586 per unit)	(247,234)	-	-	(1,491)	-	-
Undistributed income carried forward	-	-	-	-	-	-
Undistributed income carried forward						
- Realised	(1,960)	-	-	-	-	-
- Unrealised gain	1,960	-	-	-	-	-
	-	-	-	-	-	-
			(Rupees)			(Rupees)
Net assets value per unit at end of the period			<u>100.00</u>			<u>100.00</u>
Net assets value per unit at beginning of the period			<u>100.00</u>			<u>-</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	For the period ended December 31, 2022	For the period from December 20, 2021 to December 31, 2021
Note ----- (Rupees in '000) -----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	247,234	1,491
Adjustments for non cash and other items		
Net unrealised (loss) on sale of investment	(1,960)	-
Amortization of preliminary expenses and floatation costs	(35)	2
	245,239	1,493
Working capital adjustments		
<i>(Increase) in assets</i>		
Investment	(8,706,724)	-
Profit receivable on bank deposits	40,599	(1,523)
Preliminary expenses and floatation costs	35	(585)
	(8,666,090)	(2,108)
<i>Increase in liabilities</i>		
Payable to AL Habib Asset Management Limited - Management Company	(875)	5
Payable to Central Depository Company of Pakistan Limited - Trustee	71	9
Payable to Securities and Exchange Commission of Pakistan	70	3
Accrued expenses and other liabilities	(3,275)	768
	(4,009)	785
Net cash generated from operating activities	(8,424,860)	170
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	12,209,602	551,888
Payments against redemption of units	(5,883,878)	(100,164)
Dividend paid during the period	(247,234)	(1,491)
Net cash generated from financing activities	6,078,490	450,233
Net increase in cash and cash equivalents during the period	(2,346,370)	450,403
Cash and cash equivalents at beginning of the period	3,039,077	-
Cash and cash equivalents at the end of the period	692,707	450,403
Cash and cash equivalents comprise of :		
Bank balances	4 692,707	450,403
	692,707	450,403

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

1. LEGAL STATUS AND NATURE OF BUSINESS

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

- 1.1 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the management company is situated at 3rd floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.2 The Fund is an open-end mutual fund and listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.3 The Investment objective of AL Habib Money Market Fund is to provided its unit-holders optimum return from a portfolio of low risk and short duration assets while being highly liquid.
- 1.4 The Fund has been categorized as an Open-End Money Market Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS).
- 1.5 Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.
- 1.6 On December 30, 2022 VIS Credit Rating Company Limited (VIS) has assigned initial Fund Stability Rating (FSR) to AL Habib Money Market Fund (AHMMF) at 'AA+ (f)' (Double A Plus (f)). and Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' to the Management Company on August 12, 2022.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements.

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

2.1.4 In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at December 31, 2022.

2.2 New / Revised Standards, Interpretations and Amendments

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards, interpretations and amendments	Effective date
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12	January 01, 2023
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

Further, following standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009
IFRS 17 – Insurance Contracts	January 01, 2023

2.4 Critical accounting estimates and judgements

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

2.5 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for the investments which are stated at fair value.

2.6 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees, which is the Fund's functional and presentation currency. All amounts have been rounded to the nearest thousand rupees, unless stated otherwise.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

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

3.2 Unit holders' fund

Unit holders' fund representing the units issued by the Fund, is carried at the net assets value representing the investors' right to a residual interest in the Fund's assets.

3.3 Issue and redemption of units

Units issued are recorded at the net assets value, determined by the Management Company for the applications received during business hours on that day. Allotment of units is recorded on acceptance of application and realization of the proceeds in the Fund's bank account.

Units redeemed are recorded at the net assets value, applicable on units for which the management company receives redemption applications during business hours on that day. Redemption of units is recorded on acceptance of application for redemption.

3.4 Element of income

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to Unit holders' Fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in Unit holders' Fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP), the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in Statement of Movement in Unit holders' Fund.

3.5 Net asset value - per unit

The net asset value per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units outstanding at the year end.

3.6 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year

as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least ninety percent of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

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

3.7 Revenue recognition

Profit on deposits with banks and mark-up / return on investments in debt securities are recognised using effective yield method.

3.8 Expenses

All expenses including management fee, trustee fee and annual fee of SECP are recognised in the income statement on an accrual basis.

3.9 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred up to the close of Initial Public Offer (IPO) period of the Fund. These costs are being amortised over a period of ten years commencing from December 20, 2021 as per the Trust Deed of the Fund.

3.10 Distribution

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP), distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital, if any, based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

3.11 Earnings per unit (EPU)

Earnings Per Unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

			December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
			----- (Rupees in '000) -----	
4. BANK BALANCES	Note			
Current Accounts			9	10
Saving Accounts	4.1		<u>692,698</u>	<u>3,039,067</u>
			<u><u>692,707</u></u>	<u><u>3,039,077</u></u>

4.1 This represents saving accounts held with various commercial banks carrying profit rates ranging from 13.50% to 15.50% per annum (June 30, 2022 12.50% to 16.50%) . It also includes a balance of Rs. 691.93 million with Bank AL Habib Limited, (Parent Company of Fund's Management Company) (June 30, 2022 Rs. 0.93 million) carrying profit rate of 15.25% per annum (June 30, 2022 12.50%).

			December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
			(Rupees in '000)	
5. INVESTMENTS	Note			
Government securities - Market Treasury Bills	5.1		<u>8,708,681</u>	-
			<u><u>8,708,681</u></u>	<u><u>-</u></u>

AL HABIB MONEY MARKET FUND

5.1 Government securities - Market Treasury Bills

Description	As at December 31, 2022							
	As at July 01, 2022	Purchased during the period	Sold / matured during the period	As at December 31, 2022	Carrying value	Market value	Unrealised appreciation / (diminution)	
	(Number of Units)			(Rupees in '000)				
							Market value	
							As a percentage of net assets	As a percentage of total investments
T- BILL 3 MONTHS (02-06-2022)	-	4,750,000	4,750,000	-	-	-	-	-
T- BILL 3 MONTHS (03-11-2022)	-	18,750,000	18,750,000	-	-	-	-	-
T- BILL 3 MONTHS (06-10-2022)	-	68,800,000	68,800,000	-	-	-	-	-
T- BILL 3 MONTHS (08-09-2022)	-	3,000,000	3,000,000	-	-	-	-	-
T- BILL 3 MONTHS (14-07-2022)	-	25,000,000	25,000,000	-	-	-	-	-
T- BILL 3 MONTHS (16-06-2022)	-	16,910,000	16,910,000	-	-	-	-	-
T- BILL 3 MONTHS (17-11-2022)	-	2,550,000	2,550,000	-	-	-	-	-
T- BILL 3 MONTHS (20-10-2022)	-	89,131,000	39,150,000	49,981,000	4,974,141	4,975,579	1,438	52.92%
T- BILL 3 MONTHS (22-09-2022)	-	8,480,000	8,480,000	-	-	-	-	-
T- BILL 3 MONTHS (25-08-2022)	-	4,100,000	4,100,000	-	-	-	-	-
T- BILL 3 MONTHS (28-04-2022)	-	32,500,000	32,500,000	-	-	-	-	-
T- BILL 3 MONTHS (28-07-2022)	-	62,910,000	62,910,000	-	-	-	-	-
T- BILL 3 MONTHS (30-06-2022)	-	52,730,000	52,730,000	-	-	-	-	-
T- BILL 6 MONTHS (02-06-2022)	-	1,500,000	1,500,000	-	-	-	-	-
T- BILL 6 MONTHS (10-02-2022)	-	4,830,000	4,830,000	-	-	-	-	-
T- BILL 6 MONTHS (10-03-2022)	-	11,950,000	11,950,000	-	-	-	-	-
T- BILL 6 MONTHS (14-07-2022)	-	37,500,000	-	37,500,000	3,732,580	3,733,102	522	39.71%
T- BILL 6 MONTHS (24-02-2022)	-	1,250,000	1,250,000	-	-	-	-	-
Total as at December 31, 2022		446,641,000	359,160,000	87,481,000	8,706,721	8,708,681	1,960	
Total as at June 30, 2022		-	-	-	-	-	-	-

5.1.1 Rate of return on above Treasury Bill's ranges from 15.35% to 15.60% (June 30,2022: Nil) per annum.

6. REMUNERATION OF AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

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

7. SINDH SALES TAX ON MANAGEMENT COMPANY'S REMUNERATION

Sindh Sales Tax has been charged at 13% on the management company's remuneration charged during the period.

8. REMUNERATION OF CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

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

9. SINDH SALES TAX ON TRUSTEE'S REMUNERATION

Sindh Sales Tax has been charged at 13% on the Trustee's remuneration charged during the period.

10. ANNUAL FEE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.02% of net assets in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(I) 2019, dated June 28, 2019.

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2022.

11. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded tax liability in respect of income relating to the current period as the Management Company intends to distribute in cash at least 90 percent of the Fund's accounting income for the year ending June 30, 2023 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

12. EARNINGS PER UNIT

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

13. 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.

The investments of the Fund in debt securities are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities. In the determination of the rates MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The investments of the Fund in government securities are valued on the basis of rates announced by the Financial Markets Association of Pakistan. The estimated fair values of all other financial assets and liabilities are considered not to be significantly different from carrying values.

13.1 Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

	Fair value		
	Level 1	Level 2	Level 3
December 31, 2022 (Un-audited)	(Rupees in '000)		
Government securities - Market Treasury Bills	-	8,708,681	-
	-	8,708,681	-
June 30, 2022 (Audited)	-	-	-
Government securities - Market Treasury Bills	-	-	-

AL HABIB MONEY MARKET FUND

14. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include:

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

Related parties includes directors and officers of the above entities as at December 31, 2022 and staff retirement benefit funds of the above companies.

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

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

	For the period ended December 31, 2022	For the period from December 20, 2021 to December 31, 2021
	(Un-Audited)	(Un-Audited)
	(Rupees in '000)	(Rupees in '000)
AL Habib Asset Management Limited - Management Company		
- Management company remuneration	11,030	4
- Sindh sales tax	1,434	1
- Expenses allocated by the Management Company	2,644	-
Central Depository Company of Pakistan Limited - Trustee		
- Remuneration to the Trustee	937	8
- Sindh sales tax	122	1
Bank AL Habib Limited		
- Profit on bank deposit	49,691	1,523
- Dividend Paid	44,088	147

Details of balances with connected persons / related parties at period end are as follows:

AL Habib Asset Management Limited - Management Company		
- Management Company payable (Inclusive of Sindh sales tax)	1,483	2,358
Central Depository Company of Pakistan Limited - Trustee		
- Remuneration payable (Inclusive of Sindh sales tax)	238	167
Bank AL Habib Limited		
- Bank Balance	691,931	933

AL HABIB MONEY MARKET FUND

14.1 Sale / Redemption of units		For the period ended	For the period from December	
		December 31, 2022	20, 2021 to December 31, 2021	
<u>Units sold to:</u>		(Un-Audited)	(Un-Audited)	
		(Units)	(Rupees in '000)	(Units)
		(Rupees in '000)	(Rupees in '000)	
<i>Management Company</i>				
- AL Habib Asset Management Limited		<u>6,560,423</u>	<u>658,178</u>	<u>2,499,984</u>
				<u>249,998</u>
<i>Parent of Al Habib Asset Management Limited</i>				
- Bank Al Habib Limited		<u>440,885</u>	<u>44,088</u>	<u>1,000,000</u>
				<u>100,000</u>
<i>Other Related Party</i>				
- Atco Pharma International (Pvt) Ltd		<u>208</u>	<u>24</u>	<u>-</u>
				<u>-</u>
Units sold to Connected Party holding 10% or more of the units in issue:		<u>24,696,531</u>	<u>2,469,653</u>	<u>2,000,000</u>
				<u>200,000</u>
<u>Units redeemed by:</u>				
<i>Management Company</i>				
- AL Habib Asset Management Limited		<u>4,062,926</u>	<u>406,293</u>	<u>-</u>
				<u>-</u>
<i>Parent of Al Habib Asset Management Limited</i>				
- Bank Al Habib Limited		<u>453,563</u>	<u>45,356</u>	<u>-</u>
				<u>-</u>
Units redeemed to Connected Party holding 10% or more of the units in issue:		<u>-</u>	<u>-</u>	<u>1,000,000</u>
				<u>100,000</u>
14.2 Units held by:		December 31, 2022	June 30, 2022	
		(Un-Audited)	(Audited)	
		(Units)	(Units)	
		(Rupees in '000)	(Rupees in '000)	
<i>Management Company</i>				
- AL Habib Asset Management Limited		<u>6,253,538</u>	<u>625,354</u>	<u>3,756,041</u>
				<u>375,604</u>
<i>Parent of Al Habib Asset Management Company</i>				
- Bank AL Habib Limited		<u>6,068,233</u>	<u>606,823</u>	<u>6,080,911</u>
				<u>608,091</u>
<i>Other Related Party</i>				
- Atco Pharma International (Pvt) Ltd		<u>3,458</u>	<u>346</u>	<u>3,250</u>
				<u>325</u>
Units sold to Connected Party holding 10% or more of the units in issue:		<u>24,696,531</u>	<u>2,469,653</u>	<u>13,174,239</u>
				<u>1,317,424</u>

15. TOTAL EXPENSE RATIO (TER)

SECP vide its directive no. SCD/PRDD/Direction/18/2016 dated July 20, 2016 requires that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the period ended December 31, 2022 is 1.00% which includes 0.11% representing Government levy and SECP fee. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as an money market Fund.

AL HABIB MONEY MARKET FUND

16. GENERAL

16.1 This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2022 as reported in this condensed interim financial information has not been subject to limited scope review by the auditors.

17. DATE OF AUTHORIZATION FOR ISSUE

17.1 This condensed interim financial information was authorised for issue by the board of directors of the Management Company on February 09, 2023.

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

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB INCOME FUND
Half Yearly Report
December 31, 2022

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

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

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

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

Human Resource Committee

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

Auditors

EY Ford Rhodes
Progressive Plaza,
Beaumont Road,
Karachi 75530, Pakistan

Legal Advisor

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

Trustee

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

Rating

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

Bankers to the Fund

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

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

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

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcPakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB INCOME FUND

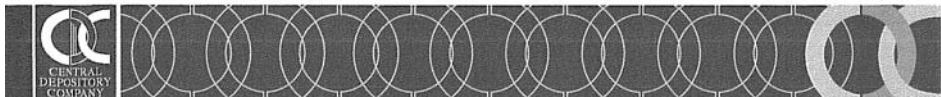
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Income Fund (the Fund) are of the opinion that AL Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 24, 2023





EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan

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Tel: +9221 3565 0017-11
Fax: +9221 3568 1965
ey.khi@pk.ey.com
ey.com/pk

INDEPENDENT AUDITORS' REVIEW REPORT

To the unit holders of AL Habib Income Fund

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of AL Habib Income Fund (the Fund) as at 31 December 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2022.

Scope of review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

Chartered Accountants

Engagement Partner: Arslan Khalid

Date: 24 February 2023

Karachi

UDIN Number: RR202210191qfKZ5yUct

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022

		December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
		------(Rupees in '000)-----	
Assets			
Bank balances	4	98,240	1,369,818
Investments	5	2,715,758	243,586
Income receivable		37,946	25,651
Advances tax, deposits and prepayments		4,828	4,942
Total assets		2,856,772	1,643,997
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	6	6,006	731
Provision for Federal Excise Duty on remuneration of the Management Company	7	8,746	8,746
Payable to Central Depository Company of Pakistan Limited - Trustee	8	247	128
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	235	343
Payable against redemption of units		-	1
Accrued expenses and other liabilities		10,348	15,231
Total liabilities		25,582	25,180
Net assets		2,831,190	1,618,817
Unit holders' Fund (as per the statement attached)		2,831,190	1,618,817
Contingencies and commitments	10		
		------(Number of Units)-----	
Number of units in issue (face value of units is Rs. 100 each)		27,937,339	16,025,978
		------(Rupees)-----	
Net assets value per unit		101.34	101.01

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

Note	Half year ended December 31,		Quarter ended December 31,	
	2022	2021	2022	2021
(Rupees in '000)				
Income				
Profit on bank deposits	16,292	35,939	1,336	20,983
Income from government securities	141,691	29,065	130,287	17,661
Income from Term finance certificates and Sukuk certificates	10,868	6,996	6,456	2,584
Profit on term deposit receipts	966	1,114	(148)	-
Profit on advance against IPO subscription of GO Pakistan Limited	-	17	-	17
Net (loss) / gain on investments classified at fair value through profit or loss				
- Net capital gain / (loss) on sale of investments	5,070	(394)	6,619	1,155
- Net unrealised gain on revaluation of investments at fair value through profit or loss	12,063	474	10,743	(846)
	17,133	80	17,362	309
Total income	186,950	73,211	155,293	41,554
Expenses				
Remuneration of AL Habib Asset Management Limited - Management Company	6.1	11,077	6,001	8,125
Sindh Sales Tax on Management Company's remuneration	6.2	1,440	780	1,056
Expenses allocated by the Management Company		2,311	1,293	1,812
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	881	667	581
Sindh Sales Tax on Trustee remuneration	8.2	114	87	75
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	9	235	178	155
Brokerage expense		136	289	(25)
Settlement and bank charges		162	166	14
Annual listing fee		13	13	4
Auditors' remuneration		372	273	235
Mutual fund rating fee		280	254	153
Printing charges		33	33	17
Fees and subscription		129	131	129
Total expenses		17,183	10,165	12,331
Net income from operating activities		169,767	63,046	142,962
Reversal / (provision) for Sindh Workers' Welfare fund		-	7,237	-
Net income for the period before taxation		169,767	70,283	142,962
Taxation	11	-	-	-
Net income for the period after taxation		169,767	70,283	142,962
Allocation of net income for the period after taxation				
Net income for the period		169,767	70,283	142,962
Income already paid on units redeemed		(49,874)	(19,062)	(44,454)
		119,893	51,221	98,508
Accounting income available for distribution:				
Relating to capital gains		17,133	80	17,362
Excluding capital gains		102,760	51,141	81,146
		119,893	51,221	98,508

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	<u>Half year ended</u>		<u>Quarter ended</u>	
	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	----- (Rupees in '000) -----			
Net income for the period after taxation	169,767	70,283	142,962	36,241
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u><u>169,767</u></u>	<u><u>70,283</u></u>	<u><u>142,962</u></u>	<u><u>36,241</u></u>

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB INCOME FUND
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	Half year ended December 31,					
	2022			2021		
	Capital value	Undistributed income / (loss)	Net Assets	Capital value	Undistributed income / (loss)	Net Assets
	----- (Rupees in '000) -----					
Net assets at beginning of the period	1,602,042	16,775	1,618,817	1,399,355	13,207	1,412,562
Issuance of 56,391,872 units (December 31, 2021: 8,825,499 units)						
- Capital value	5,696,143	-	5,696,143	2,613,934	-	2,613,934
- Element of income	64,763	-	64,763	63,553	-	63,553
Amount received on issuance of units	5,760,906	-	5,760,906	2,677,487	-	2,677,487
Redemption of 44,480,510 units (December 31, 2021: 12,308,925 units)						
- Capital value	(4,492,976)	-	(4,492,976)	(2,476,941)	-	(2,476,941)
- Element of income	(4,496)	(49,874)	(54,370)	(50,159)	(19,062)	(69,221)
Amount paid / payable on redemption of units	(4,497,472)	(49,874)	(4,547,346)	(2,527,100)	(19,062)	(2,546,162)
Total comprehensive income for the period	-	169,767	169,767	28	70,283	70,311
Cash distribution for the period ended 30 June 2023: Rs. 7.1513 per unit	(109,988)	(60,966)	(170,954)	-	-	-
	(109,988)	108,801	(1,187)	28	70,283	70,311
Net assets at the end of the period	2,755,488	75,702	2,831,190	1,549,770	64,428	1,614,198
Undistributed income brought forward						
- Realised income		15,552			14,132	
- Unrealised gain/(loss)		1,223			(925)	
		16,775			13,207	
Accounting income available for distribution						
- Relating to capital gains		17,133			80	
- Excluding capital gains		102,760			51,141	
		119,893			51,221	
Cash distribution for the period ended 30 June 2023: Rs. 7.1513 per unit		(60,966)			-	
Undistributed income carried forward		75,702			64,428	
Undistributed income carried forward						
- Realised income		63,639			63,954	
- Unrealised gain		12,063			474	
		75,702			64,428	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			<u>101.01</u>			<u>100.82</u>
Net assets value per unit at end of the period			<u>101.34</u>			<u>105.02</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended December 31,	
Note	2022	2021
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	169,767	70,283
Adjustments:		
Net capital (loss) / gain on sale of investments	(5,070)	394
Net unrealised gain / (loss) on revaluation of investments at fair value through profit or loss (Reversal) / provision for Sindh Workers' Welfare Fund	(12,063)	(474)
	-	(7,237)
	152,634	62,966
Working capital changes		
(Increase) / decrease in assets:		
Investments - net	(2,455,039)	33,392
Income receivable	(12,295)	(9,049)
Receivable against sale of units	-	364
Advances tax, deposits and prepayments	114	114
Advance against IPO subscription of GO Pakistan Limited	-	(25,000)
	(2,467,220)	(179)
(Increase) / decrease in liabilities:		
Payable to AL Habib Asset Management Limited - Management Company	5,275	(1,019)
Payable to Central Depository Company of Pakistan Limited - Trustee	119	(16)
Payable to Securities and Exchange Commission of Pakistan	(108)	(32)
Payable against redemption of units	(1)	(11)
Accrued expenses and other liabilities	(4,883)	(2,465)
	402	(3,543)
Net cash (used in) / generated from operating activities	(2,314,184)	59,244
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issuance of units	5,760,906	2,677,487
Amount paid on redemption of units	(4,547,346)	(2,546,162)
Cash Dividend paid	(170,954)	-
Net cash generated from / (used in) financing activities	1,042,606	131,325
Net (decrease) / increase in cash and cash equivalents during the period	(1,271,578)	190,569
Cash and cash equivalents at beginning of the period	1,369,818	1,261,702
Cash and cash equivalents at end of the period	98,240	1,452,271
CASH AND CASH EQUIVALENTS COMPRISES OF:		
Bank balances	4 98,240	1,452,271

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

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

Chief Executive Officer

Chief Financial Officer

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** AL Habib Income Fund (the Fund) was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on 6 September 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 3 August 2006 under Regulation 67 of the Non-banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on 15 October 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 1.2** The Management Company of the Fund has been licensed to undertake Asset Management Services as Non Banking Finance Company under the NBFC Rules by the SECP. The registered office of the Management Company is situated at 3rd Floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3** The Fund is an open-end mutual fund and is listed on Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.4** The Fund has been formed to provide reasonable rate of return consistent with reasonable concern for safety of principal amount to the unit holders, along with facility to join or leave the Fund at their convenience. The management team would seek to enhance returns through active portfolio management using efficiency tools.
- 1.5** Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' and "AA(f)" to the Management Company and the Fund respectively.
- 1.6** The Fund invests in a diversified portfolio of Term Finance Certificates, Government securities, corporate debt securities, certificates of investments, Term Deposit Receipts, continuous funding system and other money market instruments (including the clean placements). The Fund has been categorised as income scheme.
- 1.7** Title of the assets of the Fund are held in the name of CDC as a trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

- 2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund as at and for the year ended June 30, 2022.
- 2.1.3** This condensed interim financial information is un-audited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the (NBFC Regulation). However, a limited scope review has been carried out by the auditors.
- 2.1.4** The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2022, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, and condensed interim statement of movement in unit holders' fund are extracted from the un-audited condensed interim financial information for the period ended December 31, 2021.
- 2.1.5** In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at December 31, 2022.

2.2 New / Revised Standards, Interpretations and Amendments

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards, interpretations and amendments	Effective date
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12	January 01, 2023
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

Further, following standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009
IFRS 17 – Insurance Contracts	January 01, 2023

2.4 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for the investments which are stated at fair value.

2.5 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees, which is the Fund's functional and presentation currency. All amount have been rounded to the nearest thousand rupees, unless stated otherwise.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

3.1 The accounting policies applied in this 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 The preparation of this condensed interim financial information in conformity with approved accounting and reporting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.

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

4. BANK BALANCES

		December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	<i>Note</i>	----- (Rupees in '000) -----	
Saving accounts	4.1	98,240	1,244,708
Current accounts		-	110
Term Deposit Receipts		-	125,000
		<u>98,240</u>	<u>1,369,818</u>

4.1 These carry profit rates ranging from 12.50% to 15.25% (2022: 10.00% to 16.60%) per annum. It also includes balance of Rs. 97.49 million (June 30 2022: Rs 4.02 million) with Bank AL Habib Limited (Parent Company of fund's Managment Company), carrying profit rates 15.25% (June 30 2022: 12.50%) per annum.

5. INVESTMENTS

		December 31 2022 (Un-Audited)	June 30 2022 (Audited)
		----- (Rupees in '000) -----	
Term finance certificates / Sukuk certificates	5.1	115,885	144,446
Government securities - Market Treasury Bills	5.2	129,414	-
Government securities - Pakistan Investment Bonds	5.3	2,470,459	99,140
		<u>2,715,758</u>	<u>243,586</u>

5.1 Term finance certificates / sukuk

Issue date	Face value				As at December 31, 2022			Market value as percentage of	
	As at July 01, 2022	Purchases during the period	Sold / Matured during the period	As at December 31, 2022	Carrying value	Market value	Unrealized gain / loss	Net assets	Total investments
----- (Number of certificate) -----				----- (Rupees in '000) -----					
Unquoted									
Ghani Gases Limited- Sukuk (2-2-2017) (certificates of Rs. 100,000 each)	250	-	-	250	4,908	4,792	(116)	0.17%	0.18%
Askari Bank Limited-TFC VII (17-03-2020) (certificates of Rs. 100,000 each)	60	-	-	60	60,772	60,588	(184)	2.14%	2.23%
Dubai Islamic Bank Limited - Sukuk (14-07-17)	25	-	25	-	-	-	-	0.00%	0.00%
Gas & Oil Pakistan Limited - Sukuk (31-12-2021)	25	-	-	25	24,849	24,825	(24)	0.88%	0.91%
Meezan Bank Ltd. - Sukuk (09-01-20)	25	-	-	25	25,793	25,680	(113)	0.91%	0.95%
Quoted									
GOP Ijara Sukuk (26-10-2022) (certificates of Rs. 100,000 each)	-	3,500	3,500	-	-	-	-	0.00%	0.00%
Total as at December 31, 2022					116,322	115,885	(437)		
Total as at June 30, 2022					143,634	144,446	812		

5.2 Government securities - Market Treasury Bills

Issue date	Face value				As at December 31, 2022			Market value as percentage of	
	As at July 01, 2022	Purchases during the period	Sold / Matured during the period	As at September 30, 2022	Carrying value	Market value	Unrealized loss	Net assets	Total investments
----- (Rupees in '000) -----									
T- BILL 3 MONTHS (14-07-2022)	-	10,000,000	10,000,000	-	-	-	-	0.00%	0.00%
T- BILL 3 MONTHS (16-06-2022)	-	7,800,000	7,800,000	-	-	-	-	0.00%	0.00%
T- BILL 3 MONTHS (28-07-2022)	-	10,840,000	10,840,000	-	-	-	-	0.00%	0.00%
T- Bill 1 3 MONTHS (30-06-2022)	-	5,100,000	5,100,000	-	-	-	-	0.00%	0.00%
T- BILL 3 MONTHS (22-09-2022)	-	8,000,000	8,000,000	-	-	-	-	0.00%	0.00%
T- Bill 1 3 MONTHS (06-10-2022)	-	11,690,000	11,690,000	-	-	-	-	0.00%	0.00%
T- BILL 3 MONTHS (20-10-2022)	-	14,500,000	13,200,000	1,300,000	129,373	129,414	41	4.57%	4.77%
T- BILL 3 MONTHS (03-11-2022)	-	10,450,000	10,450,000	-	-	-	-	0.00%	0.00%
T- BILL 3 MONTHS (17-11-2022)	-	6,750,000	6,750,000	-	-	-	-	0.00%	0.00%
T- BILL 6 MONTHS (10-3-2022)	-	11,000,000	11,000,000	-	-	-	-	0.00%	0.00%
Total as at December 31, 2022					129,373	129,414	41		
Total as at June 30, 2022					-	-	-		

5.3 Government Securities - Pakistan Investment Bonds

Issue date	Face value				As at December 31, 2022			Market value as percentage of	
	As at July 01, 2022	Purchases during the period	Sold / Matured during the period	As at December 31, 2022	Carrying value	Market value	Unrealized gain / loss	Net assets	Total investments
----- (Number of certificates) -----				----- (Rupees in '000) -----					
PIB 2 YEARS (30-12-2021) - Floater	1,000	9,250	10,250	-	-	-	-	0.00%	0.00%
PIB 2 YEARS (26-08-2021) - Floater	-	59,080	59,080	-	-	-	-	0.00%	0.00%
PIB 5 YEARS (06-05-2021) - Floater	-	5,000	-	5,000	479,588	483,350	3,762	17.07%	17.80%
PIB 3 YEARS (08-09-2022) - Floater	-	20,636	320	20,316	1,978,412	1,987,109	8,697	70.19%	73.17%
PIB 3 YEARS (04-08-2022) - Fixed	-	3,000	3,000	-	-	-	-	0.00%	0.00%
PIB 5 YEARS (13-10-2022) - Fixed	-	3,000	3,000	-	-	-	-	0.00%	0.00%
PIB 3 YEARS (22-10-2022) - Floater	-	9,360	9,360	-	-	-	-	0.00%	0.00%
PIB 5 YEARS (29-04-2022)	-	3,000,000	3,000,000	-	-	-	-	0.00%	0.00%
Total as at December 31, 2022					2,458,000	2,470,459	12,459		

6. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

- 6.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 10% of gross earnings of the Fund. The Management has charged its remuneration at rate ranging from 0% to 10% of the gross earnings of the Fund, which is within the allowed expense ratio limit. The remuneration is paid to the Management Company on monthly basis in arrears.
- 6.2 Sindh Sales Tax has been charged at 13% on the Management Company's remuneration during the period (June 30, 2022: 13%).

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

There is no change in the status of the legal proceeding on this matter which has been fully disclosed in note 8 to the annual audited financial statements for the year ended June 30, 2022. However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from June 13, 2013 to June 30, 2016 aggregating to Rs. 8.746 million. Had the provision on FED not been made, net assets value per unit of the Fund as at December 31, 2022 would have been higher by Rs. 0.31 (June 30, 2022: Rs. 0.55) per unit.

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

- 8.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document based on the daily Net Asset Value of the Fund. The remuneration is paid to the Trustee on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the trustee fee has been revised effective from July 01, 2019, whereby the revised tariff is 0.075% of average daily net assets of the Fund.
- 8.2 Sindh Sales Tax has been charged at 13% on the Trustee's remuneration charged during the period (June 30, 2022: 13%).

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

This represents annual fee payable to SECP at 0.02% of net assets in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(I) 2019, dated 28 June 2019.

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2022. (June 30, 2022: Nil).

11. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded tax liability in respect of income relating to the current period as the Management Company intends to distribute in cash at least 90 percent of the Fund's accounting income for the year ending June 30, 2023 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

12. EARNINGS PER UNIT

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

13. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include:

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

Related parties includes directors and officers of the above entities as at December 31, 2022 and staff retirement benefit funds of the above companies.

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

Details of transactions with connected persons / related parties are as follows:

	----- Un-audited -----			
	Half-year ended		Quarter ended	
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
	----- (Rupees in '000) -----			
AL Habib Asset Management Limited				
- Management Company				
- Remuneration to the Management Company	11,077	6,001	8,091	3,049
- Sindh Sales tax on Management Company's remuneration	1,440	780	1,052	396
- Expenses allocated by the Management Company	2,312	1,293	1,364	794
Central Depository Company of Pakistan Limited - Trustee				
- Remuneration to the Trustee	881	667	559	367
- Sindh Sales tax on Trustees' remuneration	114	87	72	48
- CDC charges	7	7	3	3
Bank Al Habib Limited - Parent Company of AL Habib Asset Management Limited				
- Profit on bank balances	12,189	340	6,044	150
- Dividend Paid	11,491	18,597	11,491	-

AL HABIB INCOME FUND

Details of the balances with connected persons / related parties at the period end are as follows:

	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
----- (Rupees in '000) -----			
AL Habib Asset Management Limited - Management Company			
- Payable to the Management Company (inclusive of Sindh Sales Tax)		6,006	731
- Federal Excise duty payable on Management Company's remuneration	9	8,746	8,746
Central Depository Company of Pakistan Limited - Trustee			
- Remuneration payable (inclusive of Sindh Sales Tax)		247	128
- Other CDC charges payable		8	1
- Security deposits - non interest bearing		100	100
Bank AL Habib Limited - Parent Company of AL Habib Asset Management Limited			
- Bank balances		97,492	4,023
- Profit receivable		882	134
13.1 Sale / redemption of units for the period ended December 31,			
		2022	2021
		(Un-audited)	(Un-audited)
		(Units) (Rupees in '000)	(Units) (Rupees in '000)
Units sold to:			
<i>Management Company</i>			
AL Habib Asset Management Limited		9,997,978	1,029,496
Habib Asset Management Limited Employees.Provident Fund		32,893	3,410
<i>Parent Company of AL Habib Asset Management Limited</i>			
Bank Al Habib Limited		-	-
<i>Other related parties</i>			
-Key Executives of the Management Company		49	5
-Directors and their relatives of the Management Company		5,677	675
Habib Insurance Company Limited Pakistan-Employee Provident Fund		188,172	19,250
Connected Parties holding 10% or more of the units in issue		32,514,980	3,316,766
		969,876	100,000
13.2 Units held as on:			
		2022	2021
		(Un-audited)	(Un-audited)
		(Units) (Rupees in '000)	(Units) (Rupees in '000)
Units redeemed by:			
<i>Management Company</i>			
AL Habib Asset Management Limited		12,720,041	1,286,312
Habib Asset Management Limited Employees.Provident Fund		32,893	3,459
<i>Other related parties</i>			
-Key Executives of the Management Company		49	5
Habib Insurance Company Limited Pakistan-Employee Provident Fund		2,917	295
Connected Parties holding 10% or more of the units in issue		21,496,807	2,202,566
		-	-
		2,722,063	274,961
<i>Parent Company of AL Habib Asset Management Limited</i>			
Bank AL Habib Limited		3,845,202	389,676
<i>Other related parties</i>			
Directors & Their Relatives of the Management Company		98,427	9,975
Executives of the Management Company		-	-
Habib Insurance Company Limited Pakistan-Employee Provident Fund		190,572	19,313
Connected Parties holding 10% or more of the units in issue		11,018,173	1,116,591
		2,565,027	259,099

14. 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.

The investments of the Fund in debt securities are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities. In the determination of the rates MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The investments of the Fund in government securities are valued on the basis of rates announced by the Financial Markets Association of Pakistan. The estimated fair values of all other financial assets and liabilities are considered not to be significantly different from carrying values.

14.1 Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

	Note	Fair value		
		Level 1	Level 2	Level 3
		(Rupees in '000)		
December 31, 2022 (Un-audited)				
Term finance certificates and Sukuk certificates	5	-	115,885	-
Government securities - Market Treasury Bills	5	-	129,414	-
Government securities - Pakistan Investment Bonds	5	-	2,470,459	-
		-	<u>2,715,758</u>	-
June 30, 2022 (Audited)				
Term finance certificates and Sukuk certificates	5	-	144,446	-
Government securities - Pakistan Investment Bonds		-	99,140	-
		-	<u>243,586</u>	-

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

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

AL HABIB INCOME FUND

15. TOTAL EXPENSE RATIO (TER)

SECP vide its directive no. SCD/PRDD/Direction/18/2016 dated July 20, 2016 requires that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the period ended December 31, 2022 is 1.46% which includes 0.15% representing Government levy and SECP fee. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

16. GENERAL

16.1 This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2022 and December 31, 2021 as reported in this condensed interim financial information has not been subject to limited scope review by the auditors.

17. DATE OF AUTHORIZATION FOR ISSUE

17.1 This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on **February 09, 2023**.

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

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ASSET ALLOCATION FUND
Half Yearly Report
December 31, 2022

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

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

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

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

Human Resource Committee

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

Auditors

EY Ford Rhodes
Progressive Plaza,
Beaumont Road,
Karachi 75530, Pakistan

Legal Advisor

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

Trustee

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

Rating

AM2+ Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

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

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

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



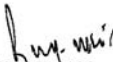
TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB ASSET ALLOCATION FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Asset Allocation Fund (the Fund) are of the opinion that AL Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023





EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan

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ey.khi@pk.ey.com
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INDEPENDENT AUDITORS' REVIEW REPORT

To the unit holders of AL Habib Asset Allocation Fund

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of AL Habib Asset Allocation Fund (the Fund) as at 31 December 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2022.

Scope of review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

Chartered Accountants

Engagement Partner: Arslan Khalid

Date: 24 February 2023

Karachi

UDIN Number: RR202210191qYcZ170VI

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022

	Note	December 31, 2022 (Un-Audited) (Rupees in '000)	June 30, 2022 (Audited)
Assets			
Bank balances	4	49,320	74,863
Investments	5	50,104	24,176
Profit and dividend receivable		713	513
Preliminary expenses and floatation costs		-	85
Receivable against sale of Investment		1,107	-
Advances, deposits and prepayments		2,283	4,117
Total assets		103,527	103,754
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	6	195	122
Payable to Central Depository Company of Pakistan Limited - Trustee	7	20	12
Payable to Securities and Exchange Commission of Pakistan (SECP)	8	10	20
Accrued expenses and other liabilities		518	685
Total liabilities		743	839
Net assets		102,784	102,915
Unit holders' fund (as per statement attached)		102,784	102,915
		(Number of Units)	
Number of units in issue (face value of units is Rs. 100 each)		1,065,248	1,081,312
		(Rupees)	
Net asset value per unit		96.49	95.18
Contingencies and Commitments	9		

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022**

	Note	Half-year ended		Quarter ended	
		December 31, 2022	2021	December 31, 2022	2021
----- (Rupees in '000) -----					
Income					
Profit on bank deposits		2,316	495	1,303	231
Income from government securities		2,053	-	730	-
Dividend income		2,020	4,045	344	2,106
Net (loss) / gain on investments classified at fair value through profit or loss					
- Net capital gain / (loss) gain on sale of investments		296	(2,052)	247	(2,584)
- Net unrealized (loss) on revaluation of investments	5.3	(3,232)	(782)	(1,243)	1,553
		(2,936)	(2,834)	(996)	(1,031)
Total income		3,453	1,706	1,381	1,306
Expenses					
Remuneration of AL Habib Asset Management Limited - Management Company	6.1	1,006	1,086	517	498
Sindh Sales Tax on Management Company's remuneration	6.2	131	141	67	65
Expenses allocated by the Management Company		-	123	-	123
Remuneration of Central Depository Company of Pakistan Limited - Trustee	7.1	100	109	51	50
Sindh Sales Tax on Trustee remuneration	7.2	13	14	7	6
Annual fee to Securities and Exchange Commission of Pakistan (SECP)	8	10	11	5	5
Brokerage expense		90	209	63	96
Settlement and bank charges		154	173	12	9
Annual listing fee		15	15	9	6
Auditors' remuneration		231	200	132	100
Printing charges		32	33	16	17
Amortization of preliminary expenses and floatation costs		85	120	25	60
Fee and charges to National Clearing Company of Pakistan Limited (NCCPL)		126	126	126	126
Total expenses		1,993	2,360	1,030	1,161
Net income / (loss) from operating activities		1,460	(654)	351	145
Reversal / (provision) for sindh worker's welfare fund		-	410	-	-
		1,460	(244)	351	145
Taxation	10	-	-	-	-
Net income / (loss) for the period after taxation		1,460	(244)	351	145
Allocation of net income for the period after taxation:					
- Net income for the period		1,460	-	351	145
- Income already paid on units redeemed		(97)	-	(48)	(145)
		1,363	-	303	-
Accounting income available for distribution:					
- Relating to capital loss		-	-	-	-
- Excluding capital gain		1,363	-	303	-
		1,363	-	303	-

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

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

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half-year ended		Quarter ended	
	December 31,		December 31,	
	2022	2021	2022	2021
	----- (Rupees in '000) -----			
Net income / (loss) for the period after taxation	1,460	(244)	351	145
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	<u>1,460</u>	<u>(244)</u>	<u>(244)</u>	<u>10,671</u>

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	For the half-year ended December 31,					
	2022			2021		
	Capital Value	Undistributed loss	Net Asset	Capital Value	Undistributed (loss) / income	Net Asset
	----- (Rupees in '000) -----					
Net assets at the beginning of the period	112,842	(9,927)	102,915	112,468	(3,519)	108,949
Issuance of 210,348 units (December 31, 2021 : 621,743 units)						
-Capital Value	20,021	-	20,021	64,245	-	64,245
-Element of Income	37	-	37	817	-	817
Amount received on issuance of units	20,058	-	20,058	65,062	-	65,062
Redemption of 226,412 units (December 2021: 634,908 units)						
-Capital Value	(21,552)	-	(21,552)	(65,605)	-	(65,605)
-Element of income	-	(97)	(97)	(432)	-	(432)
Amount paid on redemption of units	(21,552)	(97)	(21,649)	(66,037)	-	(66,037)
Total comprehensive (loss) / income for the period	-	1,460	1,460	-	(244)	(244)
	-	1,460	1,460	-	(244)	(244)
Net assets at the end of the period	111,348	(8,564)	102,784	111,493	(3,763)	107,730
Number of units in issue (face value of units is Rs. 100 each)			1,041,205			1,041,205
Accumulated loss brought forward						
- Realised loss		(8,533)			(8,142)	
- Unrealised gain / (loss)		(1,394)			4,623	
		(9,927)			(3,519)	
Accounting income available for distribution						
- Relating to capital gains	-			-		
- Excluding capital gains	1,363			-		
	1,363			-		
Net loss for the period after taxation	-			(244)		
Accumulated loss carried forward		(8,564)			(3,763)	
Accumulated loss carried forward						
- Realised loss		(5,332)			(2,981)	
- Unrealised (loss) / income		(3,232)			(782)	
		(8,564)			(3,763)	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			95.18			103.33
Net assets value per unit at end of the period			96.49			103.47

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

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

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half-year ended December 31,	
Note	2022	2021
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the period before taxation	1,460	(244)
Adjustments:		
Capital loss / (gain) on sale of investments	(296)	2,052
Net unrealized loss / (gain) on revaluation of investments	3,232	782
Amortization of preliminary expenses and floatation costs	85	120
(Reversal) / provision for Sindh Workers' Welfare Fund	-	(410)
Net cash generated from operations	4,481	2,300
Working capital adjustments		
<i>(Increase) / decrease in assets:</i>		
Investments	(28,864)	10,390
Profit and dividend receivable	(200)	271
Receivable against issuance of units	-	-
Receivable against sale of investments	(1,107)	-
Advance tax, deposits and prepayments	1,834	112
	(28,337)	10,773
<i>(Decrease) / Increase in liabilities:</i>		
Payable to Al Habib Asset Management Limited - Management Company	73	78
Payable to Central Depository Company of Pakistan Limited - Trustee	8	(4)
Payable to Securities and Exchange Commission of Pakistan (SECP)	(10)	(8)
Payable against purchase of Investment	-	3,573
Accrued expenses and other liabilities	(167)	18
	(96)	3,657
Net cash (used in) / generated from operating activities	(23,952)	16,730
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issuance of units	20,058	65,062
Amount paid on redemption of units	(21,649)	(66,037)
Net cash used in financing activities	(1,591)	(975)
Net (decrease) / increase in cash and cash equivalents during the period	(25,543)	15,755
Cash and cash equivalents at beginning of the period	74,863	13,849
Cash and cash equivalents at the end of the period	49,320	29,604
Cash and cash equivalents comprises of:		
Bank balances	4	
	49,320	29,604
	49,320	29,604

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** AL Habib Asset Allocation Fund (the Fund) was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on August 06, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 26 July 2017 under Regulation 44 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on 15 October 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 1.2** The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the Management Company is situated at 3rd floor, Mackinnons Building, I, I Chundrigar Road Karachi, Pakistan.
- 1.3** The Fund is an open ended mutual fund and is listed on the Pakistan Stock Exchange (PSX). Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.4** The objective of the Fund is to provide risk adjusted competitive returns to its investors by investing in a blend of investments based on market outlook.

The Fund has been categorized as an Open-End Asset Allocation Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS).

- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company Limited (CDC) as a trustee of the Fund.
- 1.6** Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' to the Management Company .

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS Standards, the provisions

of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

- 2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund as at and for the year ended June 30, 2022.
- 2.1.3** The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2022, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, and condensed interim statement of movement in unit holders' fund are extracted from the un-audited condensed interim financial information for the period ended December 31, 2021.
- 2.1.4** In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at December 31, 2022.

2.2 New / Revised Standards, Interpretations and Amendments

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards, interpretations and amendments	Effective date
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12	January 01, 2023
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

AL HABIB ASSET ALLOCATION FUND

Further, following standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009
IFRS 17 – Insurance Contracts	January 01, 2023

2.4 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for the investments which are stated at fair value.

2.5 Functional and presentation currency

This condensed interim financial information is presented in Pak Rupees, which is the Fund's functional and presentation currency. All amount have been rounded to the nearest thousand rupees, unless stated otherwise.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

3.1 The accounting policies applied in this 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 The preparation of this condensed interim financial information in conformity with approved accounting and reporting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. . In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.

3.3 The Fund's 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	December 31,	June 30,
		2022	2022
		(Un-Audited)	(Audited)
		(Rupees in '000)	
Savings accounts	4.1	49,320	74,607
Current account		-	256
		<u>49,320</u>	<u>74,863</u>

4.1 This represents saving accounts that carry profit rate ranging from 12.50% to 14.50% per annum (June 2022: 12.25% to 15.50% per annum)

5. INVESTMENTS	Note	December 31,	June 30,
		2022	2022
		(Un-Audited)	(Audited)
		(Rupees in '000)	
At fair value through profit or loss (FVPL)			
Listed equity securities	5.1	50,104	24,176
		<u>50,104</u>	<u>74,863</u>

5.1 Listed equity securities

Name of the Investee	As at July 01, 2022	Purchased during the period	Bonus / right issue	Sold during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealized gain / (loss)	Market Value as a Percentage of		Face value of investments as a percentage of paid up capital of the investee company
									Net assets	Total investments	
----- (Number of shares) -----											
----- (Rupees in '000) -----											
Banks											
Bank Al Habib Limited-related party	36,500	-	-	-	36,500	2,119	2,018	(101)	1.96%	4.03%	0.003%
Bank Islami Pakistan Limited	45,000	-	-	-	45,000	542	601	59	0.58%	1.20%	0.004%
Bank Alfalah Limited	-	150,000	-	-	150,000	5,250	4,521	(729)	4.40%	9.02%	0.006%
Faysal Bank Limited	-	40,000	-	-	40,000	957	1,033	76	1.01%	2.06%	0.003%
MCB Bank Limited	-	14,000	-	-	14,000	1,673	1,626	(47)	1.58%	3.25%	0.001%
Mezzan Bank Limited	45,000	-	4,500	-	49,500	5,084	4,927	(157)	4.79%	20.38%	0.003%
	126,500	204,000	4,500	-	335,000	15,625	14,726	(899)	14.32%	39.94%	
Fertilizer											
Engro Corporation Limited	5,000	6,000	-	-	11,000	2,970	2,882	(88)	2.80%	5.75%	0.002%
Engro Fertilizer Limited	10,000	16,186	-	-	26,186	2,159	2,013	(146)	1.96%	4.02%	0.002%
Fauji Fertilizer Company Limited	18,000	-	-	-	18,000	1,984	1,777	(207)	1.73%	3.55%	0.001%
	33,000	22,186	-	-	55,186	7,113	6,672	(441)	6.49%	13.32%	
Glass & Ceramics											
Tariq Glass Industries Limited	2,500	-	-	-	2,500	260	204	(56)	0.20%	0.41%	0.002%
	2,500	-	-	-	2,500	260	204	(56)	0.20%	0.41%	
Cement											
Cherat Cement Company Limited	-	10,000	-	1,000	9,000	930	917	(13)	0.89%	1.83%	0.005%
Fauji Cement Company Limited	-	75,000	-	-	75,000	1,093	902	(191)	0.88%	1.80%	0.005%
Kohat Cement Company Limited	-	7,000	-	-	7,000	1,020	1,034	14	1.01%	2.06%	0.003%
Lucky Cement Company Limited	-	8,000	-	4,500	3,500	1,737	1,563	(174)	1.52%	3.12%	0.001%
Maple Leaf Cement Company Limited	-	65,000	-	-	65,000	1,766	1,467	(299)	1.43%	2.93%	0.006%
	-	165,000	-	5,500	159,500	6,546	5,883	(663)	5.73%	11.74%	
Engineering											
Aisha Steel Mills Limited	-	35,000	-	-	35,000	1,035	628	(407)	0.61%	1.25%	0.005%
Mughal Iron & Steel Industries Limited	-	15,000	-	5,000	10,000	682	483	(199)	0.47%	0.96%	0.003%
	-	50,000	-	5,000	45,000	1,717	1,111	(606)	1.08%	2.21%	
Oil and Gas Exploration Companies											
Mari Gas Company Limited	1,800	-	-	600	1,200	2,088	1,856	(232)	1.80%	7.68%	0.001%
Oil & Gas Development Company Limited	-	30,000	-	-	30,000	2,197	2,390	193	2.32%	9.89%	0.001%
Pakistan Oilfield Limited	18,000	4,000	-	6,000	16,000	6,540	6,286	(254)	6.11%	26.00%	0.006%
Pakistan Petroleum Limited	-	35,000	-	-	35,000	1,983	2,385	402	2.32%	9.87%	0.001%
	19,800	69,000	-	6,600	82,200	12,808	12,917	109	12.55%	53.44%	
Oil and Gas Marketing Companies											
Attock Petroleum Limited	-	11,000	2,750	7,000	6,750	2,099	1,956	(143)	1.90%	3.90%	0.007%
	-	11,000	2,750	7,000	6,750	2,099	1,956	(143)	1.90%	3.90%	
The Hub power Company Limited	-	10,000	-	-	10,000	775	631	(144)	0.61%	2.61%	0.001%
	-	10,000	-	-	10,000	775	631	(144)	0.61%	2.61%	
Technology and Communications											
Avanceon Limited	-	13,000	-	-	13,000	1,041	858	(183)	0.83%	3.53%	0.005%
Netsol	-	30,000	-	15,000	15,000	1,705	1,288	(417)	1.25%	5.33%	0.000%
Systems Limited	2,500	5,500	-	3,500	4,500	1,895	2,178	283	2.12%	9.01%	0.003%
TPL Tracker Limited	35,000	-	-	-	35,000	303	370	67	0.36%	1.53%	0.019%
	37,500	48,500	-	18,500	67,500	4,944	4,694	(250)	4.56%	19.42%	
Chemicals											
Lotte Chemical Pakistan Limited	-	35,000	-	-	35,000	996	907	(89)	0.88%	1.81%	0.002%
Dynea Pakistan Limited	2,600	-	-	-	2,600	453	403	(50)	0.39%	0.80%	0.014%
	2,600	35,000	-	-	37,600	1,449	1,310	(139)	1.27%	2.61%	
Total as at December 31, 2022	221,900	614,686	7,250	42,600	801,236	53,336	50,104	(3,232)			
Total as at June 30, 2022						87,742	92,365	4,623			

AL HABIB ASSET ALLOCATION FUND

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

	December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	(Number of Shares)	
Bank AL Habib Limited	36,500	36,500
Bank Islami Pakistan Limited	25,000	25,000
Meezan Bank Limited	32,000	32,000
	<u>93,500</u>	<u>93,500</u>

5.2 Government securities - Market Treasury Bills

Issue date	Face Value				As at 31 December 2022			Market Value as a Percentage of	
	As at 01 July 2022	Purchased during the year	Sold / Matured during the year	As at 31 December 2022	Carrying value	Market value	Unrealised loss	Net assets	Total investments
	----- (Rupees in '000) -----								
<i>Treasury bills - 3 months</i>									
T- BILL 3 MONTHS (28-07-2022)	-	500,000	500,000	-	-	-	-	0.00%	0.00%
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total as at 31 December 2022					<u>-</u>	<u>-</u>	<u>-</u>		
Total as at 30 June 2022					<u>-</u>	<u>-</u>	<u>-</u>		

Government securities - Pakistan Investment Bonds

Issue date	Face Value				As at 31 December 2022			Market Value as a Percentage of	
	As at 01 July 2022	Purchased during the year	Sold / Matured during the year	As at 31 December 2022	Carrying value	Market value	Unrealised gain / (loss)	Net assets	Total investments
	----- (Rupees in '000) -----								
PIB 03 Year (18-07-2013)	-	450	450	-	-	-	-	0.00%	0.00%
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total as at 31 December 2022					<u>-</u>	<u>-</u>	<u>-</u>		
Total as at 30 June 2022					<u>-</u>	<u>-</u>	<u>-</u>		

5.3 Net unrealized (loss) / gain on revaluation of investments at fair value through profit or loss

	December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	(Rupees in '000)	
Market value of investments	50,104	24,176
Less: Carrying value of investments	<u>(53,336)</u>	<u>(25,570)</u>
	<u>(3,232)</u>	<u>(1,394)</u>

6. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

- 6.1** As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 2% of average annual net assets in case of Asset Allocation scheme. The Management Company has charged remuneration at the rate of 2%. The remuneration is paid to the Management Company on monthly basis in arrears.
- 6.2** Sindh Sales Tax has been charged at 13% on the Management Company's remuneration charged during the period (June 30, 2022: 13%)

7. REMUNERATION OF CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

- 7.1** The Trustee remuneration consist of the reimbursement of actual custodial expenses / charges plus the following tariff:

Net Assets (Rs.)

- | | |
|-------------------|--|
| - Up to 1 billion | 0.20% per annum of net assets |
| - Over 1 billion | Rs 2.0 million plus 0.10% per annum of net assets, on amount exceeding rupees one billion. |

- 7.2** Sindh Sales Tax has been charged at 13% on the trustee's remuneration charged during the period (June 2022: 13%).

8. ANNUAL FEE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.02% of net assets in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(1) 2019, dated 28 June 2019.

9. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at December 31, 2022 (30 June 2022: Nil)

10. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded any tax liability as the Fund does not have income during the period.

11. EARNINGS PER UNIT

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

12. FAIR VALUE OF ASSETS AND LIABILITIES

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 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.

AL HABIB ASSET ALLOCATION FUND

The investment of the Fund in equity securities is valued on the basis of rates quoted on Pakistan Stock Exchange. The estimated fair values of all other financial assets and liabilities are considered not to be significantly different from carrying values.

12.1. Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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

Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability.

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

	Fair value		
	Level 1	Level 2	Level 3
Financial assets	(Rupees in '000)		
December 31, 2022 (Un-Audited)			
Listed equity securities	50,104	-	-
June 30, 2022 (Audited)			
Listed equity securities	24,176	-	-

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

13. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include:

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

AL HABIB ASSET ALLOCATION FUND

Related parties includes directors and officers of the above entities as at December 31, 2022 and staff retirement benefit funds of the above companies.

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

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

	Half year ended December 31,		Quarter ended December 31,	
	2022	2021	2022	2021
(Rupees in '000)				
AL Habib Asset Management Limited - Management Company				
Remuneration to the Management Company	1,006	1,086	517	498
Sindh sales tax	131	141	67	65
Expenses allocated by the Management Company	-	123	-	123
Central Depository Company of Pakistan Limited - Trustee				
- Remuneration of Trustee	100	109	51	50
- Sindh Sales Tax on Trustee's remuneration	13	14	7	6
- CDC Charges	7	12	2	7
AL Habib Capital Markets (Private) Limited - Brokerage House				
- Brokerage	28	78	20	10
December 31 June 30, 2022 2022 (Un-Audited) (Audited) (Rupees in '000)				

Details of balances with connected persons / related parties at period end are as follows:

AL Habib Asset Management Limited - Management Company			
- Payable to Management Company (Inclusive of Sindh Sales Tax)		195	122
Central Depository Company of Pakistan Limited - Trustee			
- Remuneration payable (Inclusive of Sindh Sales Tax)		20	12
- Security deposit - Non interest bearing		100	100

13.1 Sale / Redemption of units

	December 31, 2022 (Un-Audited)		December 31, 2021 (Un-Audited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
Units sold to:				
<i>Management Company</i>				
AL Habib Asset Management Limited	210,337	20,053	613,076	64,155
Units redeemed by:				
<i>Management Company</i>				
AL Habib Asset Management Limited	-	-	47,110	4,983

13.2 Units held by:

	December 31, 2022 (Un-audited)		June 30, 2022 (Audited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
<i>Management Company</i>				
AL Habib Asset Management Limited	597,997	57,699	387,660	36,896
<i>Parent company of AL Habib Asset Management Limited</i>				
- Bank AL Habib Limited	200,149	19,312	200,149	19,049
<i>Other related parties</i>				
- Key executive of the Management Company	-	-	4	-
<i>Connected party holding 10% or more of the units in issue</i>				
	155,684	15,022	365,297	34,768

AL HABIB ASSET ALLOCATION FUND

14. TOTAL EXPENSE RATIO (TER)

Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/18/2016 dated July 20, 2016, requires that collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS/ the fund. TER of the Fund for the period ended December 31, 2022 is 3.22% which include 0.27% representing government levy and SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an asset allocation scheme.

15. GENERAL

15.1 This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2022 as reported in this condensed interim financial information has not been subject to limited scope review by the auditors.

16. DATE OF AUTHORISATION FOR ISSUE

16.1 This condensed interim financial information was authorised for issue by the board of directors of the Management Company on February 09, 2023.

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

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB STOCK FUND
Half Yearly Report
December 31, 2022

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

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

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

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

Human Resource Committee

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

Auditors

EY Ford Rhodes
Progressive Plaza,
Beaumont Road,
Karachi 75530, Pakistan

Legal Advisor

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

Trustee

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

Rating

AM2+ Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

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

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

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



TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB STOCK FUND

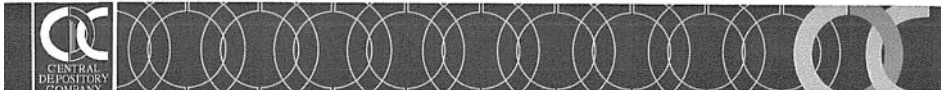
Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Stock Fund (the Fund) are of the opinion that AL Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023





EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan

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Tel: +9221 3565 0017-11
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ey.kh@pk.ey.com
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INDEPENDENT AUDITORS' REVIEW REPORT

To the unit holders of AL Habib Stock Fund

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of AL Habib Stock Fund (the Fund) as at 31 December 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2022.

Scope of review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

Chartered Accountants

Engagement Partner: Arslan Khalid

Date: 24 February 2023

Karachi

UDIN Number: RR202210191uK0Dqf9VU

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022

		December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
Assets			
Bank balances	4	13,182	27,388
Investments	5	91,428	87,033
Dividend and Profit receivable		144	72
Receivable against sale of investment		1,340	6,478
Advance tax, deposits and prepayments		1,304	2,792
Total assets		107,398	123,763
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	6	201	233
Provision for Federal Excise Duty on remuneration of the Management Company	7	2,043	2,043
Payable to Central Depository Company of Pakistan Limited - Trustee	8	20	23
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	11	48
Accrued expenses and other liabilities		781	958
Total liabilities		3,056	3,305
Net assets		104,342	120,458
Unit Holders' Fund (as per the statement attached)		104,342	120,458
Contingencies and commitments	10		
		(Number of units)	
Number of units in issue (face value of units is Rs. 100 each)		1,395,068	1,507,062
		(Rupees)	
Net assets value per unit		74.79	79.93

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half year ended December 31,		Quarter ended December 31,	
	2022	2021	2022	2021
Note ----- (Rupees in '000) -----				
Income				
Profit on bank deposits	1,117	717	285	421
Dividend income	5,434	9,642	2,221	5,876
Net (loss) / gain on investments designated at fair value through profit or loss				
- Net capital (loss) / gain on sale of investments	(1,198)	(4,445)	(890)	(4,360)
- Net unrealised (loss) / gain on revaluation of investments	5.2 (10,161)	(6,289)	(4,672)	1,674
	(11,359)	(10,734)	(5,562)	(2,686)
Total (loss) / income	(4,808)	(375)	(3,056)	3,611
Expenses				
Remuneration of AL Habib Asset Management Limited - Management Company	6.1 1,148	2,548	548	1,319
Sindh Sales Tax on Management Company's remuneration	6.2 149	331	71	171
Expenses allocated by the Management Company	-	259	-	259
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8 115	255	55	132
Sindh Sales Tax on Trustee's remuneration	8.1 15	33	7	17
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	9 11	25	5	13
Brokerage expense	222	496	84	228
Settlement and bank charges	185	204	96	115
Annual listing fee	15	15	9	6
Auditors' remuneration	289	223	177	111
Printing charges	33	33	17	17
Total expenses	2,182	4,422	1,069	2,388
Net (loss) / income from operating activities	(6,990)	(4,797)	(4,125)	1,223
Reversal / (Provision) for Sindh Workers' Welfare fund	-	1,570	-	-
Net (loss) / income for the period before taxation	(6,990)	(3,227)	(4,125)	1,223
Taxation	11 -	-	-	-
Net (loss) / income for the period after taxation	(6,990)	(3,227)	(4,125)	1,223
Allocation of net income for the period after taxation				
Net income for the period after taxation	-	-	-	1,223
Income already paid on units redeemed	-	-	-	1,243
	-	-	-	2,466
Accounting income available for distribution:				
- Relating to capital gains	-	-	-	1,674
- Excluding capital gains	-	-	-	792
	-	-	-	2,466

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half year ended		Quarter ended	
	December 31,		December 31,	
	2022	2021	2022	2021
	----- (Rupees in '000) -----			
Net (loss) / income for the period after taxation	(6,990)	(3,227)	(4,125)	1,223
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(6,990)</u>	<u>(3,227)</u>	<u>(4,125)</u>	<u>1,223</u>

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB STOCK FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	For the half-year ended December 31,					
	2022			2021		
	Capital Value	Undistributed (loss) /	Total	Capital Value	Undistributed (loss) /	Total
	------(Rupees in '000)-----					
Net assets at beginning of the period	177,793	(57,335)	120,458	271,621	(37,148)	234,473
Issuance of 48,502 units (December 31, 2021: 2,235,593 units)						
- Capital value	3,877	-	3,877	199,414	-	199,414
- Element of loss / income	(186)	-	(186)	481	-	481
Amount received on issuance of units	3,691	-	3,691	199,895	-	199,895
Redemption of 160,496 units (December 31, 2021: 1,309,877 units)						
- Capital value	(12,828)	-	(12,828)	(116,836)	-	(116,836)
- Element of income	11	-	11	(1,787)	-	(1,787)
Amount paid on redemption of units	(12,817)	-	(12,817)	(118,623)	-	(118,623)
Total comprehensive (loss) for the period	-	(6,990)	(6,990)	-	(3,227)	(3,227)
Net assets at end of the period	168,667	(64,325)	104,342	352,893	(40,375)	312,518
Number of units in issue (face value of units is Rs. 100 each)			1,395,068			3,554,396
Accumulated loss brought forward						
- Realised loss		(45,387)			(51,161)	
- Unrealised (loss) / gain		(11,948)			14,013	
		(57,335)			(37,148)	
Accounting income available for distribution						
- Relating to capital gain	-			-		
- Excluding capital gain	-			-		
	-			-		
Net loss for the period after taxation		(6,990)			(3,227)	
Accumulated loss carried forward		(64,325)			(40,375)	
Accumulated loss carried forward comprises of:						
- Realised loss		(54,164)			(34,086)	
- Unrealised (loss)		(10,161)			(6,289)	
		(64,325)			(40,375)	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period	79.93			89.20		
Net assets value per unit at end of the period	74.79			87.92		

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

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

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended 31 December	
	2022	2021
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period before taxation	(6,990)	(3,227)
Adjustments:		
Capital loss / (gain) on sale of investments	1,198	4,445
Net unrealised loss / (gain) on revaluation of investments classified as 'at fair value through profit or loss'	5.2 10,161	6,289
(Reversal)/ provision of provision for Sindh Workers' Welfare Fund	-	(1,570)
Net cash generated	4,369	5,937
Working capital changes		
Decrease in assets		
Investments	(15,754)	(70,902)
Dividend and Profit receivable	(72)	975
Receivable against sale of units	-	622
Receivable against sale of investment	5,138	20
Advance tax, deposits and prepayments	1,488	(14)
	(9,200)	(69,299)
(Decrease) / increase in liabilities		
Payable to AL Habib Asset Management Limited - Management Company	(32)	358
Payable to Central Depository Company of Pakistan Limited - Trustee	(3)	10
Payable to Securities and Exchange Commission of Pakistan (SECP)	(37)	(3)
Payable against purchase of investment	-	28,462
Accrued expenses and other liabilities	(177)	(364)
	(249)	28,463
Net cash used in operating activities	(5,080)	(34,899)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issuance of units	3,691	199,895
Amount paid on redemption of units	(12,817)	(118,623)
Net cash generated from / (used in) financing activities	(9,126)	81,272
Net (decrease) / increase in cash and cash equivalents during the period	(14,206)	46,373
Cash and cash equivalents at beginning of the period	27,388	9,510
Cash and cash equivalents at end of the period	13,182	55,883
Cash and cash equivalents comprise of :		
Bank balances	4 13,182	55,883

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** AL Habib Stock Fund (the "Fund") was established under a Trust Deed between AL Habib Asset Management Limited (HAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on August 21, 2008 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 11, 2008 under Rule 67 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2** The Management Company of the Fund has been licensed to undertake Asset Management Services as Non Banking Finance Company under the NBFC Rules by the SECP. The registered office of the Management Company is situated at 3rd Floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3** The Fund has been categorized as an Open-End Asset Allocation Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS). and is listed on Pakistan Stock Exchange Limited (PSX). Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder. Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.
- 1.4** The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio invested primarily in diversified pool of listed equities and related instruments. The Fund will primarily focus on Investment in undervalued shares listed on Stock Exchanges. From time to time the Fund may invest in money and debt markets, Continuous Funding System, ready future spread transactions, fixed income securities or low risk assets when it has a bearish view on stock market.
- 1.5** Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' (2020: 'AM2') to the Management Company on 12 August 2022.
- 1.6** The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company had submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1** This condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

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

- 2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund as at and for the year ended June 30, 2022.
- 2.1.3** This condensed interim financial information is un-audited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the (NBFC Regulation). However, a limited scope review has been carried out by the auditors.
- 2.1.4** The comparative statement of assets and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2022, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, and condensed interim statement of movement in unit holders' fund are extracted from the un-audited condensed interim financial information for the period ended December 31, 2021.
- 2.1.5** In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at December 31, 2022.

2.2 New / Revised Standards, Interpretations and Amendments

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards, interpretations and amendments	Effective date
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	January 01, 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

AL HABIB STOCK FUND

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

Further, following standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009
IFRS 17 – Insurance Contracts	January 01, 2023

2.4 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for the investments which are stated at fair value.

2.5 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees, which is the Fund's functional and presentation currency. All amount have been rounded to the nearest thousand rupees, unless stated otherwise.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

- 3.1 The accounting policies applied in this 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 The preparation of this condensed interim financial information in conformity with approved accounting and reporting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.
- 3.3 The Fund's 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	December 31, 2022	June 30, 2022
		(Un-Audited)	(Audited)
		----- (Rupees in '000) -----	
Current Accounts		215	215
Saving Accounts	4.1	12,967	27,173
		<u>13,182</u>	<u>27,388</u>

- 4.1 This represents saving accounts held with various commercial banks carrying profit rates ranging from 13.50% to 15.5% (June 30, 2022: 10.00% to 12.50%) per annum. It also includes a balance of Rs. 12.86 million (June 30, 2022: Rs. 27.03 million) with Bank AL Habib Limited, a related party (Parent Company of Fund's Management Company), carrying profit rate of 13.75% (June 30, 2022: 12.50%) per annum.

5. INVESTMENTS	Note	December 31, 2022	June 30, 2022
		(Un-Audited)	(Audited)
		----- (Rupees in '000) -----	
At fair value through profit or loss (FVTPL)			
Listed equity securities	5.1	<u>91,428</u>	<u>87,033</u>

5.1 Listed equity securities

Name of the Investee	Note	As at July 01, 2022	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at December 31, 2022	Carrying value as at December 31, 202	Market value as at December 31, 2022	Unrealised (loss)	Market Value as a percentage of:		Face value of investments as a percentage of the paid up capital of the investee company
										Net Assets	Total Investment	
						-----Number of shares-----		----- (Rupees in '000) -----		----- (%) -----		
Unless stated otherwise, the holdings are in ordinary shares of Rs 10 each.												
Commercial Banks												
Askari Bank Limited		89,000	-	-	89,000	-	-	-	0.00%	0.00%	0.00%	
Bank AL Falah Limited		-	230,000	-	30,000	200,000	6,899	6,028	(871)	5.78%	6.59%	
Bank AL Habib Limited - Related party	5.1.1	26,000	-	-	-	26,000	1,510	1,437	(73)	1.38%	1.57%	
Faysal Bank Limited	5.1.1	130,000	50,000	-	80,000	100,000	2,649	2,583	(66)	2.48%	2.83%	
Habib Bank Limited	5.1.1	14,000	-	-	4,000	10,000	913	637	(276)	0.61%	0.70%	
Habib metro Bank Limited	5.1.1	63,000	-	-	33,000	30,000	1,172	1,019	(153)	0.98%	1.11%	
MCB Bank Limited		-	18,000	-	-	18,000	2,150	2,091	(59)	2.00%	2.29%	
Mezzan Bank Limited	5.1.1	65,000	25,000	9,000	2,500	96,500	10,152	9,606	(546)	9.21%	10.51%	
United Bank Limited		30,000	-	-	30,000	-	-	-	-	0.00%	0.00%	
		417,000	323,000	9,000	268,500	480,500	25,445	23,401	(2,044)	22.44%	25.60%	
Oil and gas marketing companies												
Pakistan State Oil Company Limited		-	14,000	-	10,000	4,000	719	576	(143)	0.55%	0.63%	
Attock Petroleum Limited		-	12,500	3,125	9,000	6,625	2,033	1,919	(114)	1.84%	2.10%	
		-	26,500	3,125	19,000	10,625	2,752	2,495	(257)	2.39%	2.73%	
Engineering												
Mughal Iron and steel Industries Limited		-	26,000	-	18,000	8,000	541	386	(155)	0.37%	0.42%	
Amreli Steel Limited		-	60,000	-	20,000	40,000	1,149	718	(431)	0.69%	0.79%	
Agha Steel Industries Limited		-	35,000	-	35,000	-	-	-	-	0.00%	0.00%	
		-	121,000	-	73,000	48,000	1,690	1,104	(586)	1.06%	1.21%	
Chemicals												
Engro Polymer and Chemicals Limited		30,000	45,000	-	29,000	46,000	3,371	1,947	(1,424)	1.87%	2.13%	
Lotte Chemical Pakistan Ltd		-	90,000	-	50,000	40,000	1,266	1,036	(230)	0.99%	1.13%	
Nimir Ind.Chemical Ltd		-	13,000	-	-	13,000	1,144	695	(449)	0.67%	0.76%	
Dynea Pakistan Limited (Par value: Rs 5 per share)		16,300	-	-	-	16,300	2,836	2,526	(310)	2.42%	2.76%	
		46,300	148,000	-	79,000	115,300	8,617	6,204	(2,413)	5.95%	6.78%	
Fertilizers												
Fauji Fertilizer Company Limited		36,000	8,000	-	12,000	32,000	3,468	3,159	(309)	3.03%	3.46%	
Engro Fertilizers Limited	5.1.1	54,000	29,000	-	40,500	42,500	3,505	3,268	(237)	3.13%	3.57%	
Engro Corporation Limited	5.1.1	11,500	5,000	-	1,500	15,000	3,945	3,930	(15)	3.77%	4.30%	
Fauji Fertilizer Bin Qasim Limited		15,000	-	-	15,000	-	-	-	-	0.00%	0.00%	
		116,500	42,000	-	69,000	89,500	10,918	10,357	(561)	9.93%	11.33%	
Oil and gas exploration companies												
Oil and Gas Development Company Limited	5.1.1	70,000	-	-	8,000	62,000	4,877	4,939	62	4.73%	5.40%	
Pakistan Oil Fields Limited		29,000	-	-	12,000	17,000	6,899	6,678	(221)	6.40%	7.30%	
Pakistan Petroleum Limited	5.1.1	35,000	20,000	-	5,000	50,000	3,423	3,407	(16)	3.27%	3.73%	
Mari Petroleum Company Limited	5.1.1	4,300	-	-	1,300	3,000	5,219	4,641	(578)	4.45%	5.08%	
		138,300	20,000	-	26,300	132,000	20,418	19,665	(753)	18.85%	21.51%	
Glass & Ceramics												
Tariq Glass Industries Limited		17,000	12,000	-	17,000	12,000	1,097	781	(316)	0.75%	0.85%	
		17,000	12,000	-	17,000	12,000	1,097	781	(316)	0.75%	0.85%	
Leather and Tanneries												
Service Global footwear Limited		20,000	-	-	-	20,000	804	663	(141)	0.64%	0.73%	
		20,000	-	-	-	20,000	804	663	(141)	0.64%	0.73%	

AL HABIB STOCK FUND

Name of the Investee	Note	As at July 01, 2022	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised (loss)	Market Value as a percentage of:		Face value of investments as a percentage of the paid up capital of the investee company
										Net Assets	Total Investment	
						Number of shares			(Rupees in '000)		(%)	
Unstated otherwise, the holdings are in ordinary shares of Rs 10 each.												
Food and Personal Care Products												
AL Tahir Limited		20,000	-	2,000	-	22,000	381	376	(5)	0.36%	0.41%	0.011%
		20,000	-	2,000	-	22,000	381	376	(5)	0.36%	0.41%	
Miscellaneous												
Synthetic Products Enterprise Limited		35,000	-	-	-	35,000	493	347	(146)	0.33%	0.38%	0.035%
TPL Properties Limited		40,000	-	4,000	-	44,000	806	748	(58)	0.72%	0.82%	0.011%
		75,000	-	4,000	-	79,000	1,299	1,095	(204)	1.05%	1.20%	
Refinery												
Attock Refinery limited		6,000	-	-	6,000	-	-	-	-	0.00%	0.00%	0.000%
National Refinery limited		5,000	-	-	5,000	-	-	-	-	0.00%	0.00%	0.000%
Engro Powergen limited		-	50,000	-	50,000	-	-	-	-	0.00%	0.00%	0.000%
		11,000	50,000	-	61,000	-	-	-	-	0.00%	0.00%	
Construction and Materials (Cement)												
Attock Cement Pakistan Limited		-	14,000	-	-	14,000	1,214	792	(422)	0.76%	0.87%	0.010%
Bestway Cement Limited		9,000	-	-	-	9,000	1,143	1,152	9	1.10%	1.26%	0.002%
Cherat Cement Company Limited		9,000	26,000	-	18,000	17,000	1,812	1,732	(80)	1.66%	1.89%	0.009%
Fauji Cement Company limited		50,000	155,000	17,500	47,500	175,000	2,393	2,104	(289)	2.02%	2.30%	0.013%
Gharibwal Cement Limited		90,000	-	-	-	90,000	1,755	1,439	(316)	1.38%	1.57%	0.022%
Kohat Cement Limited		5,000	5,000	-	-	10,000	1,453	1,477	24	1.42%	1.62%	0.005%
Lucky Cement Limited		-	10,500	-	7,000	3,500	1,726	1,563	(163)	1.50%	1.71%	0.001%
Maple Leaf Cement Factory Limited		30,000	123,000	-	48,000	105,000	3,014	2,370	(644)	2.27%	2.59%	0.010%
Power Cement Limited		-	250,000	-	250,000	-	-	-	-	0.00%	0.00%	0.000%
		193,000	583,500	17,500	370,500	423,500	14,510	12,629	(1,881)	12.11%	13.81%	
Textile composition												
Interloop Limited		14,000	-	-	14,000	-	-	-	-	0.00%	0.00%	0.000%
		14,000	-	-	14,000	-	-	-	-	0.00%	0.00%	
Pharmaceutical												
Abbott Laboratories (Pakistan) Limited		2,400	-	-	-	2,400	1,571	1,112	(459)	1.07%	1.22%	0.002%
		2,400	-	-	-	2,400	1,571	1,112	(459)	1.07%	1.22%	
Power generation and distribution												
The Hub Power Company Limited		-	15,000	-	-	15,000	1,162	946	(216)	0.91%	1.03%	0.001%
		-	15,000	-	-	15,000	1,162	946	(216)	0.91%	1.03%	
Technology & Communications												
Air Link Communication Limited		75,000	-	-	31,000	44,000	1,778	1,301	(477)	1.25%	1.42%	0.011%
Avanceon Limited		-	50,000	-	14,000	36,000	3,011	2,378	(633)	2.28%	2.60%	0.014%
Octopus Digital Limited		-	15,000	-	-	15,000	1,059	850	(209)	0.81%	0.93%	0.011%
Systems Limited		7,500	3,000	-	4,100	6,400	2,210	3,097	887	2.97%	3.39%	0.005%
Netsol Technologies Limited		-	25,000	-	15,000	10,000	1,137	858	(279)	-	-	0.000%
TPL Trakker Limited	5.1.1	200,000	-	-	-	200,000	1,730	2,116	386	2.03%	2.31%	0.107%
		282,500	93,000	-	64,100	311,400	10,925	10,600	(325)	9.34%	10.65%	
Total equity securities as at December 31 2022		1,353,000	1,434,000	35,625	1,061,400	1,761,225	101,589	91,428	(10,161)			
Total equity securities as at June 30 2022						1,761,225	98,981	87,033	(11,948)			

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

	December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	(Number of Shares)	
Askari Bank Limited	-	89,000
Bank AL Habib Limited	26,000	26,000
Engro Fertilizers Limited	15,000	15,000
Engro Corporation Limited	10,000	10,000
Faysal Bank Limited	50,000	100,000
Habib Bank Limited	10,000	14,000
Habib Metropolitan Bank Limited	28,000	50,000
Mari Petroleum Company Limited	3,000	4,300
Meezan Bank Limited	65,000	65,000
Oil & Gas Development Company Limited	40,000	40,000
Pakistan Petroleum Limited	36	36
TPL Trakker Limited	100,000	100,000
United Bank Limited	-	13,000
	347,036	526,336

5.2 Net unrealized (loss) / gain on revaluation of investments at fair value through profit or loss

	December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	(Rupees in '000)	
Market value of investments	91,428	87,033
Less: Carrying value of investments	(101,589)	(98,981)
	(10,161)	(11,948)

6. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

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

6.2 Sindh Sales Tax has been charged at 13% (June 30, 2022: 13%) on the Management Company's remuneration during the period.

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

There is no change in the status of the legal proceeding on this matter which has been fully disclosed in note 9 to the annual audited financial statements for the year ended June 30, 2022.

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

Had the provision on FED not been made, net assets value per unit of the Fund as at December 31, 2022 would have been higher by Rs. 1.46 (June 30, 2022: Rs. 1.36) per unit.

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

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

AL HABIB STOCK FUND

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

8.1 Sindh Sales Tax has been charged at 13% (June 30, 2022: 13%) on the Trustee's remuneration charged during the period.

9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.02% of net assets in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(I) 2019, dated June 28, 2019.

10. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at December 31, 2022 (30 June 2022: Nil)

11. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded any tax liability as the Fund does not have income during the period.

12. EARNINGS PER UNIT

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

13. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include:

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

Related parties include directors and officers of the above entities as at December 31, 2022 and staff retirement benefit funds of the above related parties.

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

13.1 Details of the transactions with connected persons / related parties are as follows:

	Half Year ended December 31,		Quarter ended December 31,	
	2022 (Un-Audited)	2021	2022 (Un-Audited)	2021 (Un-Audited)
----- (Rupees in '000) -----				
AL Habib Asset Management Limited				
Management Company's Remuneration	1,148	2,548	548	1,319
Sindh Sales Tax on Management Company's remuneration	149	331	71	171
Expenses allocated by the Management Company	-	259	-	259
AL Habib Capital Markets (private) Limited				
Brokerage	47	224	22	28
Central Depository Company of Pakistan Limited				
Remuneration of Trustee	115	255	55	132
Sindh Sales Tax on Trustee's remuneration	15	33	7	17
Bank AL Habib Limited - Parent Company of AL Habib Asset Management Company				
Profit on bank balances	1,106	713	274	420

Details of the balances with connected persons / related parties as at period end are as follows:

	December 31 2022 (Un-Audited)	June 30 2022 (Audited)
	----- (Rupees in '000) -----	
Bank AL Habib Limited - Parent Company of AL Habib Asset Management Company		
Bank balance	12,865	27,034
AL Habib Asset Management Limited		
Payable to Management Company (inclusive of Sindh Sales tax)	201	233
Federal excise duty on Management Fee payable	2,043	2,043
Central Depository Company of Pakistan Limited		
Remuneration payable (inclusive of Sindh Sales Tax)	20	23
Security deposit - non interest bearing	100	100
AL Habib Capital Markets (private) Limited		
Brokerage payable	47	9

13.2 Sale / redemption of units during the period

	Half Year ended December 31, 2022 (Un-Audited)		Half Year ended December 31, 2021 (Un-Audited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
Units sold to:				
<i>Management Company</i>				
- AL Habib Asset Management Limited	35,725	2,652	1,053,447	94,457
<i>Key Management Executives</i>				
	128	10	46,810	4,322

	Half Year ended December 31, 2022 (Un-Audited)		Half Year ended December 31, 2021 (Un-Audited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
Units redeemed by:				
<i>Management Company</i>				
- AL Habib Asset Management Limited	-	-	-	-
<i>Directors & their relatives of the Management Company</i>	-	-	1,600	150
<i>Key Management Executives</i>	99,640	7,975	1,094	100
13.3 Units held by:				
<i>Management Company</i>				
- AL Habib Asset Management Limited	35,725	2,672	-	-
<i>Parent Company of AL Habib Asset Management Limited</i>				
- Bank AL Habib Limited	100,000	7,479	100,000	7,993
<i>Directors & their relative of the Management Company</i>	10,047	751	10,047	803
<i>Key Management Executives & their relatives of Directors</i>	1,391	104	100,904	8,065
Connected party holding 10% or more of the units in issue):	621,008	46,445	621,008	49,637

14. TOTAL EXPENSE RATIO (TER)

Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/18/2016 dated July 20, 2016, requires that collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS/ the fund.TER of the Fund for the period ended December 31, 2022 is 3.80% which includes 0.35% representing Government levy and SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

15. FAIR VALUE OF ASSETS AND LIABILITIES

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.

The investment of the Fund in equity securities is valued on the basis of rates quoted on Pakistan Stock Exchange. The estimated fair values of all other financial assets and liabilities are considered not to be significantly different from carrying values.

15.1 Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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

Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability.

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

	Note	Fair value		
		Level 1	Level 2	Level 3
		----- (Rupees in '000) -----		
December 31, 2022 (Un-Audited)				
Listed equity securities	5	91,428	-	-
		91,428	-	-
June 30, 2022 (Audited)				
Listed equity securities	5	87,033	-	-
		87,033	-	-

15.2 There were no transfers amongst the levels during the period.

16 GENERAL

16.1 This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2022 and December 31, 2021 as reported in this condensed interim financial information has not been subject to limited scope review by the auditors.

16.2 Corresponding figures

16.2.1 Corresponding figures have been re-classified and re-arranged in these financial statements, whenever necessary to facilitate comparison and to confirm with changes in presentation in the current year.

16.2.2 Accounting income available for distribution as reported in last period's income statement has been adjusted to reflect a reclassification between "income relating to capital gain" and "income excluding capital gain" as follows:

	Quarter ended 31 December	
	As previously reported	Adjusted
(Rupees in '000')		
Accounting income available for distribution:		
- Relating to capital gain	(2,686)	1,674
- Excluding capital gain	5,152	792
	2,466	2,466

17. DATE OF AUTHORISATION FOR ISSUE

17.1 This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on **February 09, 2023**.

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

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC CASH FUND
Half Yearly Report
December 31, 2022

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

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

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

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

Human Resource Committee

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

Auditors

EY Ford Rhodes
Progressive Plaza,
Beaumont Road,
Karachi 75530, Pakistan

Legal Advisor

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

Trustee

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

Rating

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

Bankers to the Fund

Bank Islami Pakistan Limited
Bank Al Habib Limited
Meezan Bank Limited

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

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



TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB ISLAMIC CASH FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Islamic Cash Fund (the Fund) are of the opinion that AL Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023





EY Ford Rhodes
Chartered Accountants
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Pakistan

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INDEPENDENT AUDITORS' REVIEW REPORT

To the unit holders of AL Habib Islamic Cash Fund

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of AL Habib Islamic Cash Fund (the Fund) as at 31 December 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2022.

Scope of review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

Chartered Accountants

Engagement Partner: Arslan Khalid

Date: 24 February 2023

Karachi

UDIN Number: RR202210191x0IRCW4ty

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022

		December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
Assets			
Bank balances and Term deposit receipt	6	12,560,607	10,038,254
Profit receivable		119,397	112,588
Other receivable		28	13
Preliminary expenses and floatation costs		628	663
Total assets		12,680,660	10,151,518
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	7	7,820	2,120
Payable to Central Depository Company of Pakistan Limited - Trustee	8	541	424
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	760	287
Accrued expenses and other liabilities		17,184	14,802
Total liabilities		26,305	17,633
Net assets		12,654,355	10,133,885
Unit holders' fund (as per the statement attached)		12,654,355	10,133,885
Contingencies and commitments	10		
		(Number of Units)	
Number of units in issue (face value of units is Rs. 100 each) - Growth Units		126,543,592	101,338,852
		(Rupees)	
Net asset value per unit		100.00	100.00

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

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

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022**

		For the half year ended December 31, 2022	For the period from December 20, 2021 to December 31, 2021	For the Quarter ended December 31, 2022
	Note	----- (Rupees in '000) -----		
Income				
Profit on bank deposits		538,306	910	299,645
Profit on term deposits receipts		<u>36,473</u>	-	<u>7,241</u>
Total income		<u>574,779</u>	910	<u>306,886</u>
Expenses				
Remuneration of AL Habib Asset Management Limited - Management Company	7	20,773	5	10,838
Sindh sales tax on management company's remuneration	7.1	2,701	1	1,409
Expense allocated by Management Company		7,447	-	3,792
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8	2,089	5	1,100
Sindh sales tax on trustee remuneration	8.1	272	1	143
Annual fee to Securities and Exchange Commission of Pakistan (SECP)	9	760	2	399
Listing fee		13	-	7
Auditors' remuneration		386	18	280
Amortization of preliminary expenses and floatation costs		35	2	17
Other expense		42	-	25
Total expenses		<u>34,518</u>	34	<u>18,010</u>
Net income for the period before taxation		<u>540,261</u>	876	<u>288,876</u>
Taxation	11	-		
Net income for the period after taxation		<u>540,261</u>	876	<u>288,876</u>
Allocation of net income for the period after taxation:				
Net income for the period		540,261	876	288,876
Income already paid on units redeemed		-	-	-
		<u>540,261</u>	876	<u>288,876</u>
Accounting income available for distribution:				
Relating to capital gains		-	-	-
Excluding capital gains		<u>540,261</u>	876	<u>288,876</u>
		<u>540,261</u>	876	<u>288,876</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC CASH FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	For the half year ended December 31, 2022	For the period from December 20, 2021 to December 31, 2021	For the Quarter ended December 31, 2022
	----- (Rupees in '000) -----		
Net income for the period after taxation	540,261	876	288,876
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	<u>540,261</u>	<u>876</u>	<u>288,876</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	Half year ended December 31, 2022			For the period from December 20, 2021 to December 31, 2021		
	Capital Value	Undistributed income	Net Asset	Capital Value	Undistributed income	Net Asset
Note	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	10,133,885	-	10,133,885	-	-	-
Issuance of 38,441,306 units						
- Capital value	15,043,915	-	15,043,915	450,753	-	450,753
- Element of income	-	-	-	-	-	-
Amount received on issuance of units	15,043,915	-	15,043,915	450,753	-	450,753
Redemption of 83,601,826 units						
- Capital value	(12,523,445)	-	(12,523,445)	-	-	-
- Element of income	-	-	-	-	-	-
Amount paid on redemption of units	(12,523,445)	-	(12,523,445)	-	-	-
Total comprehensive income for the period	-	540,261	540,261	-	876	876
Cash distribution for the period ended 30 June 2023: Rs. 7.1572 per unit (2022: Rs 0.3158 per unit)	-	(540,261)	(540,261)	-	(876)	(876)
	-	-	-	-	-	-
Net assets at the end of the period	12,654,355	-	12,654,355	450,753	-	450,753
Undistributed income brought forward						
- Realised income		-			-	
- Unrealised income		-			-	
		-			-	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		540,261			876	
		540,261			876	
Cash distribution for the period ended 30 June 2023: Rs. 7.1572 per unit (2022: Rs 0.3158 per unit)		(540,261)			(876)	
Undistributed income carried forward		-			-	
Undistributed income carried forward						
- Realised income		-			-	
- Unrealised income		-			-	
		-			-	
		(Rupees)			(Rupees)	
Net assets value per unit at end of the period		100.00			100.00	

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

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

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	For the half year ended December 31, 2022	For the period from December 20, 2021 to December 31, 2021
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	540,261	876
Adjustments for:		
Profit on bank deposits	(538,306)	-
Profit on term deposits receipts	(36,473)	-
Amortization of preliminary expenses and floatation costs	35	2
	(34,483)	878
<i>Increase in assets</i>		
Other receivable	(15)	(910)
Preliminary expenses and floatation costs	-	(585)
	(15)	(1,495)
<i>Increase in liabilities</i>		
Payable to AL Habib Asset Management Limited - Management Company	5,700	6
Payable to Central Depository Company of Pakistan Limited - Trustee	117	6
Payable to Securities and Exchange Commission of Pakistan	473	2
Accrued expenses and other liabilities	2,382	712
	8,672	726
Profit on bank deposit and term deposit receipt received	567,970	-
Net cash generated from operating activities	542,144	109
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	15,043,915	450,753
Payments against redemption of units	(12,523,445)	-
Dividend paid during the period	(540,261)	(876)
Net cash used in financing activities	1,980,209	449,877
Net decrease in cash and cash equivalents during the period	2,522,353	449,986
Cash and cash equivalents at beginning of the period	10,038,254	-
Cash and cash equivalents at the end of the period	12,560,607	449,986
Cash and cash equivalents comprise of :		
Bank balances and Term deposit receipt	6 12,560,607	449,986
	12,560,607	449,986

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

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

Chief Executive Officer

Chief Financial Officer

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** AL Habib Islamic Cash Fund ("the Fund") was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on 27 September 2021 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 31 May 2021 under Regulation 44 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).
- 1.2** The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the management company is situated at 3rd floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3** The Fund is an open-end mutual fund and is listed on the Paistan Stock Exchange. Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.4** The investment objective of the Fund is to provide its unit-holders optimum return from a shariah compliant portfolio of low risk and short duration assets while being highly liquid.
- 1.5** The Fund has been categorized as an Open-ended Shariah Compliant Money Market Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS).
- 1.6** Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.
- 1.7** On December 30, 2022 PACRA has assigned initial Fund Stability Rating (FSR) to AL Habib Islamic Savings Fund (AHISAVF) at 'AA+ (f)' (Double A plus (f)) and asset management rating of 'AM2+' to the Management Company on August 12, 2022.
- 1.8** As per the offering document of the Fund, the Management Company may decide to distribute all net profit (after deducting all expenses of the Fund) on a periodic basis (that is Daily, Weekly, Monthly, Quarterly and Yearly) as dividend. During the period, the management has distributed all the net income earned by the Fund as Dividend to the unit holders which has been reinvested on daily basis.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1** These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies, Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

- 2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements.
- 2.1.3** This condensed interim financial information is un-audited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the (NBFC Regulation). However, a limited scope review has been carried out by the auditors.
- 2.1.4** In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at December 31, 2022.

2.2 New / Revised Standards, Interpretations and Amendments

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards, interpretations and amendments	Effective date
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12	January 01, 2023
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

The above standards and amendments are not expected to have any material impact on the Fund's condensed interim financial statements.

Further, following standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009
IFRS 17 – Insurance Contracts	January 01, 2023

2.4 Critical accounting estimates and judgements

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of

policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

2.5 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for the investments which are stated at fair value.

2.6 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees, which is the Fund's functional and presentation currency. All amount have been rounded to the nearest thousand rupees, unless stated otherwise.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

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

3.2 Unit holders' fund

Unit holders' fund representing the units issued by the Fund, is carried at the net assets value representing the investors' right to a residual interest in the Fund's assets.

3.3 Issue and redemption of units

Units issued are recorded at the net assets value, determined by the Management Company for the applications received during business hours on that day. Allotment of units is recorded on acceptance of application and realization of the proceeds in the Fund's bank account.

Units redeemed are recorded at the net assets value, applicable on units for which the management company receives redemption applications during business hours on that day. Redemption of units is recorded on acceptance of application for redemption.

3.4 Element of income

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to Unit holders' Fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in Unit holders' Fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP), the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in Statement of Movement in Unit holders' Fund.

3.5 Net asset value - per unit

The net asset value per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units outstanding at the year end.

3.6 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least ninety percent of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

3.7 Revenue recognition

- Profit on deposits with banks and mark-up / return on investments in debt securities are recognised using effective yield method.

3.8 Expenses

All expenses including management fee, trustee fee and annual fee of SECP are recognised in the income statement on an accrual basis.

3.9 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred up to the close of Initial Public Offer (IPO) period of the Fund. These costs are being amortised over a period of ten years commencing from December 20, 2021 as per the Trust Deed of the Fund.

3.10 Distribution

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP), distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital, if any, based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

3.11 Earnings per unit (EPU)

Earnings Per Unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

4 ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial information in conformity with approved accounting standards, as applicable in Pakistan, requires the Management Company to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual result may differ from these estimates.

The significant judgments made by the Management Company in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended June 30, 2022.

5 FINANCIAL RISK MANAGEMENT

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

		(Unaudited) December 31 2022	(Audited) June 30 2022
	Note	(Rupees in '000)	
6 BANK BALANCES AND TERM DEPOSIT RECEIPT			
Saving accounts	6.1	12,560,607	9,138,254
Term deposit receipt		-	900,000
		12,560,607	10,038,254

6.1 The profit rates effective at period end on these accounts range from 11.48% to 16.00% (June 30, 2022: 15.50% to 16.00%) per annum. It includes balance of Rs. 826.45 million (June 30, 2022: 665.61 million) with Bank AL Habib Limited (ultimate parent), a related party carrying profit rate effective at period end is 15.49% (June 30, 2022: 15.50%) per annum.

7. REMUNERATION OF AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

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

7.1 Sindh Sales Tax has been charged at 13% on the management company's remuneration charged during the period.

8 REMUNERATION OF CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily Net Asset Value of the Fund. The remuneration of the Trustee is fixed at 0.075% per annum of net assets.

8.1 Sindh Sales Tax has been charged at 13% on the Trustee's remuneration charged during the period.

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

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.02% of net assets in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(I) 2019, dated June 28, 2019.

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2022.

11. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the period as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the period, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from

AL HABIB ISLAMIC CASH FUND

the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management has distributed the income earned by the Fund during the period to the unit holders accordingly, no provision for taxation has been made in these condensed interim financial information.

12 EARNINGS PER UNIT

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

13 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

Connected persons / related parties include:

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

Related parties includes directors and officers of the above entities as at 31 December 2022 and staff retirement benefit funds of the above companies.

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

Details of the transactions with connected persons are as follows:

	----- (Unaudited) -----		
	For the half year ended December 31, 2022	For the period from December 20, 2021 to December 31, 2021	Quarter ended December 31, 2022
AL Habib Asset Management Limited - Management Company			
- Management company remuneration	20,773	5	10,838
- Sindh sales tax	2,701	1	1,409
- Expense allocated by Management Company	7,447	-	3,792
Bank AL Habib Limited			
- Profit on bank deposits	82,119	908	46,940
- Dividend paid	9,680	99,937	6,121
Central Depository Company of Pakistan Limited - Trustee			
- Remuneration to the Trustee	2,089	5	1,100
- Sindh sales tax	272	1	143

Details of balances with connected persons at period end are as follows:

	(Unaudited) December 31 2022	(Audited) June 30 2022
	(Rupees in '000)	
AL Habib Asset Management Limited - Management Company		
- Management Fee payable (Inclusive of Sindh sales tax)	7,820	2,120
- Formation cost payable	585	585
- Initial deposit payable	50	50
Bank AL Habib Limited		
- Bank balance	826,449	665,614
- Profit receivable	8,959	42,086
Central Depository Company of Pakistan Limited - Trustee		
- Remuneration payable (Inclusive of Sindh sales tax)	541	424

	2022 (Un-audited)		2021 (Un-audited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
13.1 Sale / Redemption of units				
<u>Units sold to:</u>				
<i>Parent of AL Habib Asset Management Limited</i>				
- Bank Al Habib Limited	96,797	9,680	1,000,000	100,000
<i>Other related parties</i>				
- Directors & their relative of the Management Company	190	19	-	-
- Delhi Punjabi Saudagran Foundation	174,868	17,487	-	-
- Habib Public School Alumni Association	13,692	1,376	-	-
Units sold to Connected Party holding 10% or more of the units in issue:	53,983,790	5,398,379	250,000	25,000
<u>Units redeemed by:</u>				
<i>Parent of AL Habib Asset Management Limited</i>				
- Bank Al Habib Limited	20,212,261	2,021,226	-	-
<i>Other related parties</i>				
- Delhi Punjabi Saudagran Foundation	98,500	9,850	-	-
Connected Party holding 10% or more of the units in issue:	21,960,272	2,196,027	-	-
13.2 <u>Units held by:</u>				
	(Unaudited) 31 December 2022		(Audited) 30 June 2022	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
<i>Parent of AL Habib Asset Management Limited</i>				
- Bank AL Habib Limited	1,011,105	101,111	21,126,570	2,112,657
<i>Other related parties</i>				
- Directors & their relative of the Management Company	3,238	324	305	30
- Delhi Punjabi Saudagran Foundation	224,176	22,418	147,807	14,781
- Habib Public School Alumni Association	8,892	889	-	-
Connected Party holding 10% or more of the units in issue:	77,654,469	7,765,447	45,630,951	4,563,095

AL HABIB ISLAMIC CASH FUND

14 TOTAL EXPENSE RATIO (TER)

TER of the Fund for the period ended 31 December 2022 is 0.91% which includes 0.10% representing Government levies and SECP fee and 0.09% p.a. representing selling and marketing expenses. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

15 GENERAL

15.1 This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2022 as reported in this condensed interim financial information has not been subject to limited scope review by the auditors.

16. DATE OF AUTHORIZATION FOR ISSUE

16.1 These condensed interim financial information were authorised for issue by the board of directors of the Management Company on **February 09, 2023**.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC INCOME FUND
Half Yearly Report
December 31, 2022

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

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

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

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

Human Resource Committee

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

Auditors

EY Ford Rhodes
Progressive Plaza,
Beaumont Road,
Karachi 75530, Pakistan

Legal Advisor

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

Trustee

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

Rating

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

Bankers to the Fund

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

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

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

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB ISLAMIC INCOME FUND

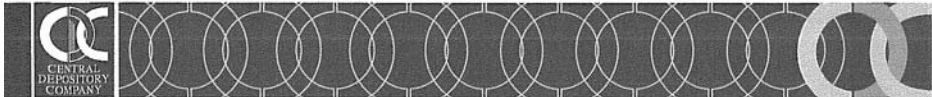
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Islamic Income Fund (the Fund) are of the opinion that AL Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 24, 2023





EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan

UAN: +9221 111 11 39 37 (EYFR)
Tel: +9221 3565 0017-11
Fax: +9221 3568 1965
ey.kh@pk.ey.com
ey.com/pk

INDEPENDENT AUDITORS' REVIEW REPORT

To the unit holders of AL Habib Islamic Income Fund

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of AL Habib Islamic Income Fund (the Fund) as at 31 December 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2022.

Scope of review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

Chartered Accountants

Engagement Partner: Arslan Khalid

Date: 24 February 2023

Karachi

UDIN Number: RR202210191vsMOP8Va5

AL HABIB ISLAMIC INCOME FUND**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES***AS AT DECEMBER 31, 2022*

		December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
Assets			
Bank balances	4	2,434,186	6,939,307
Investments	5	3,580,703	2,389,898
Profit receivable		180,703	155,524
Advances tax, deposits and prepayments		9,451	9,513
Total assets		6,205,043	9,494,242
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	6	3,205	2,560
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	7	439	525
Payable to Securities and Exchange Commission of Pakistan (SECP)	8	737	1,792
Payable against purchase of Investment		-	1,040,225
Payable against redemption of units		-	87
Accrued expenses and other liabilities		23,990	31,175
Total liabilities		28,371	1,076,364
Net assets		6,176,672	8,417,878
Unit holders' Fund (as per the statement attached)		6,176,672	8,417,878
Contingencies and commitment			
	9	----- (Number of Units) -----	
Number of units in issue (face value of units is Rs. 100 each)		61,178,474	83,592,275
		----- (Rupees in '000) -----	
Net assets value per unit		100.96	100.70

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

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

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022**

	Note	Half year ended December 31,		Quarter ended December 31,	
		2022	2021	2022	2021
(Rupees in '000)					
Income					
Profit on bank deposits		239,415	143,622	77,060	63,573
Income from Term finance certificates and Sukuk certificates		216,715	200,024	125,218	53,839
Profit on term deposit receipts and COM		38,287	44,826	19,428	44,826
Profit on deposit with National Clearing Company of Pakistan Limited (NCCPL)		-	3	-	2
Profit on advance against IPO subscription		1,110	50	1,110	50
Net gain / (loss) on investments classified at fair value through profit or loss					
- Net capital loss on sale of investments		(24,955)	(18,585)	(26,456)	(23,392)
- Net unrealised gain on revaluation of investments at fair value through profit or loss	5.1	25,457	32,977	12,784	19,339
Total income		496,029	402,917	209,144	158,237
Expenses					
Remuneration of AL Habib Asset Management Limited - Management Company	6.1	8,068	25,377	622	2,121
Sindh Sales Tax on Management company's remuneration	6.2	1,049	3,299	81	276
Expenses allocated by the Management company		5,477	10,512	692	5,765
Remuneration of Central Depository Company of Pakistan Limited - Trustee	7.1	2,764	4,082	1,201	1,657
Sindh Sales Tax on Trustee's remuneration	7.2	359	531	156	216
Annual fee to Securities and Exchange Commission of Pakistan	8	737	1,089	320	442
Brokerage expense		281	352	242	260
Settlement and bank charges		163	164	78	80
Annual listing fee		16	16	8	7
Auditors' remuneration		467	344	295	172
Amortisation of floatation costs		-	171	-	85
Printing charges		33	33	17	17
Mutual fund rating fee		74	74	37	37
Total expenses		19,488	46,044	3,749	11,135
Net income from operating activities		476,541	356,873	205,395	147,102
(Reversal)/Provision for sindh worker's welfare fund		-	24,627	-	24,627
Net income for the period before taxation		476,541	381,500	205,395	171,729
Taxation	10	-	-	-	-
Net income for the period after taxation		476,541	381,500	205,395	171,729
Allocation of net income for the period after taxation					
Net income for the period		476,541	381,500	205,395	134,839
Income already paid on units redeemed		(228,582)	(146,147)	(166,196)	(30,355)
		247,959	235,353	39,199	104,484
Accounting income available for distribution:					
Relating to capital gains		25,457	32,977	12,784	19,339
Excluding capital gains		222,502	202,376	26,415	85,145
		247,959	235,353	39,199	104,484

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

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

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC INCOME FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half year ended		Quarter ended	
	December 31,		December 31,	
	2022	2021	2022	2021
	----- (Rupees in '000) -----			
Net income for the period after taxation	476,541	381,500	205,395	171,729
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>476,541</u>	<u>381,500</u>	<u>205,395</u>	<u>171,729</u>

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	Half-year ended December 31,					
	2022			2021		
	Capital Value	Undistributed income /	Net Asset	Capital Value	Undistributed income /	Net Asset
----- (Rupees in '000) -----						
Net assets at the beginning of the period	8,356,553	61,325	8,417,878	14,087,993	41,784	14,129,777
Issuance of 63,321,255 units (December 31 2021: 138,437,527 units) including additional units 1,565,188 units issued at nil value						
- Capital value	6,376,450	-	6,376,450	13,921,278	-	13,921,278
- Element of income	171,737	-	171,737	203,484	-	203,484
Amount received on issuance of units	6,548,187	-	6,548,187	14,124,762	-	14,124,762
Redemption of 85,735,056 units (December 31 2021: 214,642,123 units)						
- Capital value	(8,633,520)	-	(8,633,520)	(21,584,412)	-	(21,584,412)
- Element of income	(14,888)	(228,582)	(243,470)	(155,355)	(146,147)	(301,502)
Amount paid on redemption of units	(8,648,408)	(228,582)	(8,876,990)	(21,739,767)	(146,147)	(21,885,914)
Total comprehensive income for the period	-	476,541	476,541	-	381,500	381,500
Interim cash distribution for the year ended June 30 2023: Rs. 6.4006 per unit (December 31, 2021: Rs. 2.9988 per unit)	(157,614)	(231,330)	(388,944)	(86,943)	(158,552)	(245,495)
Net income for the year less distribution	(157,614)	245,211	87,597	(86,943)	222,948	136,005
Net assets at the end of the period	<u>6,098,718</u>	<u>77,954</u>	<u>6,176,672</u>	<u>6,386,045</u>	<u>118,585</u>	<u>6,504,630</u>
Number of units in issue (face value of units is Rs. 100 each)			<u>61,178,474</u>			<u>64,307,698</u>
Undistributed income brought forward						
- Realised (loss) / income		35,726			(6,861)	
- Unrealised income		25,599			48,645	
		<u>61,325</u>			<u>41,784</u>	
Accounting income available for distribution						
- Relating to capital gains		25,457			14,392	
- Excluding capital gains		222,502			220,961	
		<u>247,959</u>			<u>235,353</u>	
Interim cash distribution for the year ended June 30 2023: Rs. 6.4006 per unit (December 31, 2021: Rs. 2.9988 per unit)		(231,330)			(158,552)	
Undistributed income carried forward		<u>77,954</u>			<u>118,585</u>	
Undistributed income carried forward comprises of:						
- Realised income		52,497			85,608	
- Unrealised income		25,457			32,977	
		<u>77,954</u>			<u>118,585</u>	
		<u>(Rupees)</u>			<u>(Rupees)</u>	
Net assets value per unit at beginning of the period		<u>100.70</u>			<u>100.56</u>	
Net assets value per unit at end of the period		<u>100.96</u>			<u>101.15</u>	

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

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

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended	
	December 31,	
	2022	2021
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	476,541	381,500
Adjustments:		
Net capital loss on sale of investments	24,955	18,585
Net unrealised gain on revaluation of investments at fair value through profit or loss	(25,457)	(32,977)
Amortisation of floatation costs	-	171
(Reversal) / provision for Sindh Worker's Welfare Fund	-	(24,627)
Net cash generated from operation before working capital changes	476,039	342,652
Working Capital changes		
(Increase) / decrease in assets		
Investments	(1,190,303)	8,974,881
Profit receivable	(25,179)	108,479
Receivable against sale of investment	-	78,914
Advances tax, deposits and prepayments	62	83
Advances against IPO subscription of GO Pakistan Limited	-	(75,000)
	(1,215,420)	9,087,357
Increase / (decrease) in liabilities		
Payable to AL Habib Asset Management Limited - Management Company	645	(4,628)
Payable to Central Depository Company of Pakistan Limited - Trustee	(86)	(697)
Payable to Securities and Exchange Commission of Pakistan	(1,055)	(1,339)
Payable against purchase of Investment	(1,040,225)	-
Payable against redemption of units	(87)	(6,872)
Accrued expenses and other liabilities	(7,185)	(3,873)
	(1,047,993)	(17,409)
Net cash generated from operating activities	(1,787,374)	9,412,600
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	6,548,187	14,124,762
Payments on redemption of units	(8,876,990)	(21,885,914)
Dividend paid	(388,944)	(245,495)
Net cash (used in) / generated from financing activities	(2,717,747)	(8,006,647)
Net increase in cash and cash equivalents during the period	(4,505,121)	1,405,953
Cash and cash equivalents at beginning of the period	6,939,307	3,041,766
Cash and cash equivalents at end of the period	2,434,186	4,447,719
CASH AND CASH EQUIVALENTS COMPRISES OF:		
Bank balances	4	2,434,186
Term Deposit Receipts (TDRs)	-	3,947,719
	2,434,186	500,000
	2,434,186	4,447,719

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022****1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 AL Habib Islamic Income Fund ("the Fund") was established under a Trust Deed executed between AL Habib Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on August 30, 2016 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 22, 2016 under Rule 67 of the Non- banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the management company is situated at 3rd floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-end mutual fund and is listed on the Pakistan Stock Exchange Limited (PSX). Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder. Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.
- 1.4 The Fund has been formed to provide reasonable rate of return consistent with reasonable concern for safety of principal amount to the unit holders, along with facility to join or leave the fund at their convenience. The management team also seeks to enhance returns through active portfolio management using efficiency tools. The Fund has been categorized as an Open-End Shariah Compliant (Islamic) Income Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS).
- 1.5 Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' (2021: 'AM2') to the Management Company on August 12, 2022 and 'AA-(f)' (2020: 'AA-(f)') to the Fund on 04 September 2021.
- 1.6 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company had submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. Subsequent to the year ended June 30, 2021, the Trust deed has been registered under the Sindh Trusts Act, 2020.

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

- 2.1.1 This condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

AL HABIB ISLAMIC INCOME FUND

repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund as at and for the year ended June 30, 2022.
- 2.1.3** This condensed interim financial information is un-audited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the (NBFC Regulation). However, a limited scope review has been carried out by the auditors.
- 2.1.4** The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2022, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, and condensed interim statement of movement in unit holders' fund are extracted from the un-audited condensed interim financial information for the period ended December 31, 2021.
- 2.1.5** In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at December 31, 2022.

2.2 New / Revised Standards, Interpretations and Amendments

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards, interpretations and amendments	Effective date
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12	January 01, 2023
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

The above standards and amendments are not expected to have any material impact on the Fund's condensed interim financial statements.

Further, following standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009
IFRS 17 – Insurance Contracts	January 01, 2023

2.4 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for the investments which are stated at fair value.

2.5 Functional and presentation currency

This condensed interim financial information is presented in Pakistan Rupees, which is the Fund's functional and presentation currency. All amount have been rounded to the nearest thousand rupees, unless stated otherwise.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

3.1 The accounting policies applied in this 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 The preparation of this condensed interim financial information in conformity with approved accounting and reporting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.

3.3 The Fund's 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	December 31, 2022 (Un-Audited) (Rupees in '000)	June 30, 2022 (Audited)
Savings account	4.1	2,433,756	6,938,795
Current account	4.2	<u>430</u>	<u>512</u>
		<u>2,434,186</u>	<u>6,939,307</u>

4.1 This represents saving accounts held with various commercial banks carrying profit rates ranging from 14.25% to 15.00% (June 30 2022: 14.75% to 16.20%) per annum.

4.2 This relates to the balance with Bank AL Habib Limited, a related party (Parent Company of Fund's Management Company).

5. INVESTMENTS	Note	December 31, 2022 (Un-Audited) (Rupees in '000)	June 30, 2022 (Audited)
At fair value through profit or loss:			
Term finance certificates (TFCs) and Sukuk certificates (Sukus)	5.1	<u>3,580,703</u>	<u>2,389,898</u>
		<u>3,580,703</u>	<u>2,389,898</u>

AL HABIB ISLAMIC INCOME FUND

5.1 Term finance certificates and sukus

Name of the Investee	As at July 01, 2022	Purchased during the period	Sold / matured during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised gain / (loss)	Market value as percentage of	
								Net Assets	Total Investments
Unquoted									
	(Number of certificates)			(Rupees in '000)					
Ghani Gases Limited (certificates of Rs. 100,000 each)	105	-	-	105	2,061	2,012	(49)	0.03%	0.06%
Meezan Bank Limited Sukuk (certificates of Rs. 100,000 each)	275	-	-	275	283,719	282,480	(1,239)	4.57%	7.89%
Meezan Bank Limited Sukuk (certificates of Rs. 100,000 each)	-	250	-	250	247,024	247,500	476	4.01%	6.91%
Pakistan Energy Sukuk (certificates of Rs. 100,000 each)	24,900	-	24,900	-	-	-	-	0.00%	0.00%
Quoted									
Dubai Islamic Bank Sukuk (certificates of Rs. 5000 each)	397	222	397	222	221,934	222,000	66	3.59%	6.20%
Engro Polymer & Chemical Limited Sukuk (certificates of Rs. 5000 each)	4,630	1,732	6,362	-	-	-	-	0.00%	0.00%
GOP Ijara Sukuk FRR (29-07-2020) (certificates of Rs. 5000 each)	10,000	4,770	14,770	-	-	-	-	0.00%	0.00%
Gas and Oil Pakistan Limited Sukuk (certificates of Rs. 100,000 each)	75	-	-	75	74,547	74,476	(71)	1.21%	2.08%
GOP Ijara Sukuk (29-05-2022) (certificates of Rs. 5000 each)	-	120,000	64,520	55,480	272,473	276,124	3,651	4.47%	7.71%
GOP Ijara Sukuk VRR (26-10-2022)	-	15,270	3,360	11,910	1,188,918	1,185,403	(3,515)	19.19%	33.11%
GOP Ijara Sukuk VRR	-	12,920	-	12,920	1,264,570	1,290,708	26,138	20.90%	36.05%
Total as at December 31, 2022	40,382	155,164	114,309	81,237	3,555,246	3,580,703	25,457		
Total as at June 30, 2022	-	-	-	-	2,364,299	2,389,898	25,599		

6. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

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

6.2 Sindh Sales Tax has been charged at 13% on the Management Company's remuneration during the period (June 30, 2022: 13%).

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

7.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document based on the daily Net Asset Value of the Fund. The remuneration is paid to the Trustee

on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the trustee fee has been revised effective from July 01, 2019, whereby the revised tariff is 0.075% of average daily net assets of the Fund.

7.2 Sindh Sales Tax has been charged at 13% on the Trustee's remuneration charged during the period (June 30, 2022: 13%).

8. ANNUAL FEE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.02% of net assets in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(I) 2019, dated June 28, 2019.

9. CONTINGENCY AND COMMITMENT

There are no contingencies and commitments as at December 31, 2022 (June 30, 2022: Nil).

10. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded tax liability in respect of income relating to the current period as the Management Company intends to distribute in cash at least 90 percent of the Fund's accounting income for the year ending June 30, 2023 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

11. EARNINGS PER UNIT

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

12. 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 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.

The investments of the Fund in debt securities are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities. In the determination of the rates MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The investments of the Fund in government securities are valued on the basis of rates announced by the Financial Markets Association of Pakistan. The estimated fair values of all other financial assets and liabilities are considered not to be significantly different from carrying values.

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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

AL HABIB ISLAMIC INCOME FUND

Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability.

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

	Note	Fair value		
		Level 1	Level 2	Level 3
		(Rupees in '000)		
December 31, 2022 (Un-Audited)				
Financial assets - measured at fair value				
Investment in Sukuk certificate	5	-	3,580,703	-
		-	3,580,703	-
June 30 2022 (Audited)				
Financial assets - measured at fair value				
measured at fair value Investment in Sukuk certificate	5	-	2,389,898	-
		-	2,389,898	-

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

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

13. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include:

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

Related parties includes directors and officers of the above entities as at December 31, 2022 and staff retirement benefit funds of the above companies.

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

Details of transactions with connected persons / related parties are as follows:

	Half year ended December 31, 2022		Quarter ended December 31, 2021	
	(Un-audited)		(Un-audited)	
	(Rupees in '000)		(Rupees in '000)	
AL Habib Asset Management Limited - Management Company				
Management Company's Remuneration	8,068	25,377	622	2,121
Sindh Sales Tax on Management Company's remuneration	1,049	3,299	81	276
Expenses Allocated by the Management Company	5,477	10,512	692	5,765
Central Depository Company of Pakistan Limited - Trustee				
Remuneration to the Trustee	2,764	4,082	1,201	1,657
Sindh Sales Tax on trustee remuneration	359	531	156	216
CDC charges	3	3	2	2
Bank AL Habib Limited - Parent of AL Habib Asset Management Limited				
Profit on Bank deposits	82,278	5,179	81,279	4,512
Dividend Paid	671	841	671	646

	December 31, 2022		June 30, 2021	
	(Un-audited)		(Audited)	
	(Rupees in '000)			
Details of balances with connected persons / related parties at period end are as follows:				

Bank AL Habib Limited - Parent of AL Habib Asset Management Limited				
Bank balance			1,399,019	3,640,573
AL Habib Asset Management Limited - Management Company				
Management Company payable			3,205	2,560
Central Depository Company of Pakistan Limited - Trustee				
Remuneration payable (Inclusive of Sindh Sales Tax)			439	525
Security deposit - Non interest bearing			100	100

		December 31, 2022		December 31, 2021	
		(Un-audited)		(Un-audited)	
		(Units) (Rupees in '000)		(Units) (Rupees in '000)	
13.1 Sale / redemption of units					
Units sold to:					
Management Company					
AL Habib Asset Management Limited	6,140,264	628,304	13,379,021	1,357,000	
Parent of AL Habib Asset Management Limited					
Bank AL Habib Limited	-	-	27,352,050	2,800,474	
Other related parties					
Directors & Their Relatives of the Management Company	696,829	72,222	247,343	25,237	
Key Management Executives	426,851	44,303	49,258	5,019	
Habib Asset Management Ltd.Emp.Provident Fund	74,959	7,620	745	75	
Habib Insurance Company Limited	2	-	-	-	
Units sold to Connected Party holding 10% or more of the units in issue:	33,427,963	3,318,469	20,172,409	2,065,979	

AL HABIB ISLAMIC INCOME FUND

	December 31, 2022		December 31, 2021	
	(Un-audited)		(Un-audited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
Units redeemed by:				
<i>Management Company</i>				
AL Habib Asset Management Limited	<u>6,189,091</u>	<u>634,445</u>	<u>6,694,762</u>	<u>674,575</u>
<i>Parent of AL Habib Asset Management Limited</i>				
Bank AL Habib Limited	<u> </u>	<u> </u>	<u>27,352,050</u>	<u>2,810,491</u>
<i>Other related parties</i>				
Directors & Their Relatives of the Management Company	<u>772,627</u>	<u>79,842</u>	<u>171,872</u>	<u>17,500</u>
Key Management Executives	<u>417,708</u>	<u>43,249</u>	<u>46,617</u>	<u>4,764</u>
Habib Asset Management Ltd.Emp.Provident Fund	<u>37,293</u>	<u>3,894</u>	<u>-</u>	<u>-</u>
<i>Units redeemed to Connected Party holding 10% or more of the units in issue:</i>	<u>47,265,809</u>	<u>4,881,685</u>	<u>101,286,242</u>	<u>10,315,453</u>
	December 31, 2022		June 30, 2022	
	(Unaudited)		(Audited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
13.2 Units held by:				
<i>Parent of AL Habib Asset Management Limited</i>				
Bank AL Habib Limited	<u>250,421</u>	<u>25,283</u>	<u>250,421</u>	<u>25,217</u>
<i>Other related parties</i>				
Directors and their spouse	<u>323,393</u>	<u>32,650</u>	<u>375,934</u>	<u>37,857</u>
Key executive of the Management Company	<u>188,094</u>	<u>18,990</u>	<u>40,929</u>	<u>4,122</u>
Habib Asset Management Ltd.Emp. Provident Fund	<u>74,959</u>	<u>7,568</u>	<u>37,293</u>	<u>3,755</u>
Habib Insurance Company Limited	<u>39</u>	<u>4</u>	<u>-</u>	<u>-</u>
<i>Units held by Connected Party holding 10% or more of the units in issue:</i>	<u>51,746,733</u>	<u>5,224,350</u>	<u>65,583,325</u>	<u>6,604,241</u>

14. TOTAL EXPENSE RATIO (TER)

SECP vide its directive no. SCD/PRDD/Direction/18/2016 dated July 20, 2016 requires that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the period ended December 31, 2022 is 0.53% which includes 0.06% representing Government levy and SECP fee. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

15. GENERAL

15.1 This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2022 as reported in this condensed interim financial information has not been subject to limited scope review by the auditors.

15.2 Corresponding figures

15.2.1 Corresponding figures have been re-classified and re-arranged in theses financial statements, whenever necessary to facilitate comparison and to confirm with changes in presentation in the current year.

16.2.2 Accounting income available for distribution as reported in last period's income statement has been adjusted to reflect a reclassification between "income relating to capital gain" and "income excluding capital gain" as follows:

AL HABIB ISLAMIC INCOME FUND

	Half Year ended 31 December 2021		Quarter ended 31 December 2021	
	As previously (Rupees in '000')	Adjusted	As previously (Rupees in '000')	Adjusted
Accounting income available for distribution:				
- Relating to capital gain	14,392	32,977	(4,053)	19,339
- Excluding capital gain	<u>220,961</u>	<u>202,376</u>	<u>108,537</u>	<u>85,145</u>
	<u>235,353</u>	<u>235,353</u>	<u>104,484</u>	<u>104,484</u>

16 DATE OF AUTHORIZATION FOR ISSUE

- 16.1** This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on **February 09, 2023.**

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

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC STOCK FUND
Half Yearly Report
December 31, 2022

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

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

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

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

Human Resource Committee

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

Auditors

EY Ford Rhodes
Progressive Plaza,
Beaumont Road,
Karachi 75530, Pakistan

Legal Advisor

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

Trustee

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

Rating

AM2+ Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Bank Islami Pakistan Limited
MCB Bank Limited
National Bank of Pakistan Limited

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

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

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



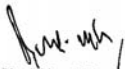
TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB ISLAMIC STOCK FUND

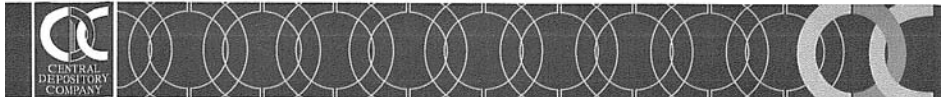
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Islamic Stock Fund (the Fund) are of the opinion that AL Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023





EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan

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INDEPENDENT AUDITORS' REVIEW REPORT

To the unit holders of AL Habib Islamic Stock Fund

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of AL Habib Islamic Stock Fund (the Fund) as at 31 December 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2022.

Scope of review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

Chartered Accountants

Engagement Partner: Arslan Khalid

Date: 24 February 2023

Karachi

UDIN Number: RR202210191FZdijuJVH

AL HABIB ISLAMIC STOCK FUND**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES***AS AT DECEMBER 31, 2022*

		December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
Assets			
Bank balances	4	36,571	65,078
Investments	5	228,273	209,810
Profit receivable		392	1,126
Receivable against sale of investment		6,897	24,675
Receivable against issuance of units		-	48
Advance tax, deposits and prepayments		1,574	5,681
Total assets		<u>273,707</u>	<u>306,418</u>
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	6	545	707
Provision for Federal Excise Duty on remuneration of the Management Company	7	1,478	1,478
Payable to Central Depository Company of Pakistan Limited - Trustee	8	53	67
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	29	65
Accrued expenses and other liabilities		832	1,356
Total liabilities		<u>2,937</u>	<u>3,673</u>
Net assets		<u>270,770</u>	<u>302,745</u>
Unit holders' fund (as per the statement attached)		<u>270,770</u>	<u>302,745</u>
Contingencies and commitments	10		
		----- (Number of units) -----	
Number of units in issue (face value of units is Rs.100 each)		<u>3,732,997</u>	<u>4,062,928</u>
		----- (Rupees in '000) -----	
Net assets value per unit		<u>72.53</u>	<u>74.51</u>

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

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

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half year ended December 31,		Quarter ended December 31,	
	2022	2021	2022	2021
Note	----- (Rupees in '000) -----			
Income				
Profit on bank deposits	3,419	750	1,533	432
Dividend income	11,585	11,716	3,800	7,138
Return on margin deposit with National Clearing Company of Pakistan Limited (NCCPL)	84	15	84	15
Net (loss) / gain on investments classified at fair value through profit or loss				
- Net realised gain / (loss) sale of investments	132	(4,131)	(757)	(562)
- Net unrealized (loss) on revaluation of investments	(17,559)	(626)	(5,592)	(1,177)
	(17,427)	(4,757)	(6,349)	(1,739)
Total (loss) / income	(2,339)	7,724	(932)	5,846
Expenses				
Remuneration of Al Habib Asset Management Limited - Management Company	2,901	3,070	1,435	1,565
Sindh Sales Tax on Management Company's remuneration	377	399	186	203
Expenses allocated by the Management Company	-	75	-	59
Remuneration of Central Depository Company of Pakistan Limited - Trustee	290	307	143	157
Sindh Sales Tax on Trustee's Remuneration	38	40	19	20
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	32	33	17	15
Brokerage expense	412	567	178	210
Settlement and bank charges	185	200	89	104
Annual listing fee	13	13	7	6
Auditors' remuneration	388	295	240	147
Printing charges	32	34	16	17
Charity expense	287	233	81	143
Total expenses	4,955	5,266	2,411	2,646
Net (loss) / income from operating activities	(7,294)	2,458	(3,343)	3,200
Reversal / (Provision) for sindh worker's welfare fund	-	935	-	(1)
Net (loss) / income for the period before taxation	(7,294)	3,393	(3,343)	3,199
Taxation	-	-	-	-
Net (loss) / income for the period after taxation	(7,294)	3,393	(3,343)	3,199
Allocation of net income for the period after taxation				
Net income for the period	-	3,393	-	3,199
Income already paid on units redeemed	-	(131)	-	715
	-	3,262	-	3,914
Accounting income available for distribution:				
- Relating to capital (loss)	-	-	-	-
- Excluding capital gains	-	3,262	-	3,914
	-	3,262	-	3,914

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC STOCK FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half year ended		Quarter ended	
	December 31,		December 31,	
	2022	2021	2022	2021
	----- (Rupees in '000) -----			
Net (loss) / Income for the period after taxation	(7,294)	3,393	(3,343)	3,199
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / Income for the period	<u>(7,294)</u>	<u>3,393</u>	<u>(3,343)</u>	<u>3,199</u>

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC STOCK FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	For the half-year ended December 31,					
	2022			2021		
	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Total
	(Rupees in '000)					
Net assets at beginning of the period	360,433	(57,688)	302,745	320,463	(32,095)	288,368
Issuance of 75,145 units (December 31, 2021: 1,065,244 units)						
- Capital value	5,599	-	5,599	84,399	-	84,399
- Element of income	125	-	125	1,094	-	1,094
Amount received on issuance of units	5,724	-	5,724	85,493	-	85,493
Redemption of 405,076 units (December 31 2021: 831,528 units)						
- Capital value	(30,182)	-	(30,182)	(65,882)	-	(65,882)
- Element of income	(223)	-	(223)	(869)	(131)	(1,000)
Amount paid / payable on redemption of units	(30,405)	-	(30,405)	(66,751)	(131)	(66,882)
Total comprehensive income for the period	-	(7,294)	(7,294)	-	3,393	3,393
Net assets at end of the period	335,752	(64,982)	270,770	339,205	(28,833)	310,372
Number of units in issue (face value of units is Rs. 100 each)			3,732,997			3,873,259
Accumulated loss brought forward						
- Realised loss		(57,688)			(38,860)	
- Unrealised gain / (loss)		-			6,765	
		(57,688)			(32,095)	
Accounting income available for distribution						
- Relating to capital gain		-			(4,131)	
- Excluding capital gain / (loss)		-			7,393	
		-			3,262	
Net loss for the period after taxation		(7,294)			-	
Accumulated loss carried forward		(64,982)			(28,833)	
Accumulated loss carried forward comprises of:						
- Realised loss		(47,423)			(28,207)	
- Unrealised (loss) / gain		(17,559)			(626)	
		(64,982)			(28,833)	
Net assets value per unit at beginning of the period		74.51			79.23	
Net assets value per unit at end of the period		72.53			80.13	

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

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

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC STOCK FUND**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	Half year ended December 31,	
	2022	2021
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period before taxation	(7,294)	3,393
Adjustments:		
Capital (loss) / gain on sale of investments	(132)	4,131
Net unrealized loss on revaluation of investments	5.1 17,559	626
(Reversal) / provision for Sindh Workers' Welfare Fund	-	(935)
Net cash generated from operations before working capital changes	10,133	7,215
Working capital adjustments		
Decrease in assets:		
Investments	(35,890)	(15,591)
Profit receivable	734	1,800
Receivable against sale of investments	17,778	2,364
Receivable against issuance of units	48	1,200
Advance tax, deposits and prepayments	4,107	(2,756)
	(13,223)	(12,983)
<i>Increase / (decrease) in liabilities:</i>		
Payable to AL Habib Asset Management Limited - Management Company	(162)	84
Payable to Central Depository Company of Pakistan Limited - Trustee	(14)	1
Payable to Securities and Exchange Commission of Pakistan (SECP)	(36)	(8)
Payable against purchase of investment	-	3,146
Payable against redemption of units	-	1
Accrued expenses and other liabilities	(524)	(1,389)
	(736)	1,835
Net cash used in operating activities	(3,826)	(3,933)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	5,724	85,493
Payments on redemption of units	(30,405)	(66,882)
Net cash (used in) / generated from financing activities	(24,681)	18,611
Net increase / (decrease) in cash and cash equivalents during the period	(28,507)	14,678
Cash and cash equivalents at beginning of the period	65,078	775
Cash and cash equivalents at end of the period	36,571	15,453
Cash and cash equivalents comprise of:		
Bank balances	4 36,571	15,453

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

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

Chief Executive Officer

Chief Financial Officer

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** AL Habib Islamic Stock Fund (the "Fund") was established under a Trust Deed between AL Habib Asset Management Limited (HAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on November 24, 2011 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 03, 2011 under Rule 67 of the Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 (NBFC Rules). The Fund revised its Trust Deed (the Deed) dated December 06, 2016 under the Trusts Act, 1882 entered into and between AL Habib Asset Management Limited (Wakeel), the Management Company, and Central Depository Company of Pakistan Limited, the Trustee. The Trust Deed (revised) was approved by SECP on November 24, 2016.
- 1.2** The Management Company of the Fund has been licensed to undertake Asset Management Services as Non Banking Finance Company under the NBFC Rules by the SECP. The registered office of the Management Company is situated at 3rd floor, Mackinnon's Building, I,I Chundrigar Road, Karachi, Pakistan.
- 1.3** The Fund has been categorized as an Open-End Asset Allocation Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS) and is listed on the Pakistan Stock Exchange Limited (PSX). Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder. Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.
- 1.4** The investment objective of the fund is to seek long-term capital growth by investing primarily in a Shariah Compliant diversified pool of equities and equity related instruments. The management team shall ensure the active implementation of prudent investment practices, the highest professional standards and compliance of applicable laws.
- 1.5** Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' (2021: 'AM2') to the Management Company on 12 August 2022.
- 1.6** The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company had submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1** This condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

- 2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund as at and for the year ended June 30, 2022.
- 2.1.3 This condensed interim financial information is un-audited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the NBFC Regulation). However, a limited scope review has been carried out by the auditors.
- 2.1.4 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2022, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, and condensed interim statement of movement in unit holders' fund are extracted from the un-audited condensed interim financial information for the period ended December 31, 2021.
- 2.1.5 In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at December 31, 2022.

2.2 New / Revised Standards, Interpretations and Amendments

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards, interpretations and amendments	Effective date
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12	January 01, 2023
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024

AL HABIB ISLAMIC STOCK FUND

The above standards and amendments are not expected to have any material impact on the Fund's condensed interim financial statements.

Further, following standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009
IFRS 17 – Insurance Contracts	January 01, 2023

2.4 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for the investments which are stated at fair value.

2.5 Functional and presentation currency

This condensed interim financial information is presented in Pak Rupees, which is the Fund's functional and presentation currency. All amount have been rounded to the nearest thousand rupees, unless stated otherwise.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

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

3.3 The Fund's 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.

		December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	Note	----- (Rupees in '000) -----	-----
4 BANK BALANCES			
Current accounts		16,031	139
Saving accounts	4.1	<u>20,540</u>	<u>64,939</u>
		<u>36,571</u>	<u>65,078</u>

4.1 This represents saving accounts held with various commercial banks carrying profit rates ranging from 13.50% to 15.00% (June 30, 2022: 10% to 15.50%) per annum. It also includes a balance of Rs.29.12 million (June 30, 2022: Rs. 12.19 million) with Bank AL Habib Limited, Parent Company of Fund's Management Company, carrying profit rate of 14.75% (June 30, 2022: 15.50%) per annum.

		December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	Note	----- (Rupees in '000) -----	-----
5 INVESTMENTS			
At fair value through profit or loss (FVPL)			
Listed equity securities	5.1	<u>228,273</u>	<u>209,810</u>

5.1 Listed equity securities

Name of the Investee	Note	As at July 01, 2022	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at December 31, 2022	Cost / carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised gain / (loss)	Market Value as a percentage of:		Face value of investments as a percentage of paid up capital of the investee company
										Net Assets	Total Investment	
						(Number of shares)	(Rupees in '000)		(%)			
Unless stated otherwise, the holdings are in ordinary shares of Rs 10 each.												
Commercial Banks												
Bank Islami Pakistan limited	5.1.1	1,448,500	-	-	450,000	998,500	12,022	13,340	1,318	4.93%	5.84%	0.090%
Meezan Bank Limited	5.1.1	363,000	-	35,800	40,000	358,800	36,852	35,715	(1,137)	13.19%	15.65%	0.022%
		1,811,500	-	35,800	490,000	1,357,300	48,874	49,055	181	18.12%	21.49%	
Chemicals												
Dynca Pakistan limited (Par value: Rs 5 per share)		12,000	-	-	-	12,000	2,088	1,860	(228)	0.69%	0.81%	0.127%
Engro Polymer & Chemicals Limited		70,000	80,000	-	50,000	100,000	7,460	4,232	(3,228)	1.56%	1.85%	0.011%
		82,000	80,000	-	50,000	112,000	9,548	6,092	(3,456)	2.25%	2.66%	
Fertilizers												
Engro Fertilizers Limited		135,000	112,000	-	102,000	145,000	12,027	11,149	(878)	4.12%	4.88%	0.011%
Engro Corporation Limited		41,000	24,000	-	8,000	57,000	14,877	14,935	58	5.52%	6.54%	0.010%
		176,000	136,000	-	110,000	202,000	26,904	26,084	(820)	9.64%	11.42%	
Cement												
Cherat Cement Company Limited		23,000	38,000	-	23,000	38,000	3,978	3,872	(106)	1.43%	1.70%	0.020%
Kohat Cement Company Limited		15,000	21,000	-	5,000	31,000	4,531	4,579	48	1.69%	2.01%	0.015%
Bestway Cement Limited		18,000	-	-	-	18,000	2,286	2,304	18	0.85%	1.01%	0.003%
Fauji Cement Company Limited		200,000	250,000	48,750	40,000	458,750	6,159	5,514	(645)	2.04%	2.42%	0.033%
Lucky Cement Limited		-	25,500	-	15,500	10,000	4,959	4,466	(493)	1.65%	1.96%	0.003%
Maple Leaf Cement Factory Limited		120,000	326,000	-	170,000	276,000	7,902	6,229	(1,673)	2.30%	2.73%	0.025%
Attock Cement Pakistan limited		-	34,000	-	-	34,000	2,981	1,923	(1,058)	0.71%	0.84%	0.025%
Gharbwal Cement Limited		144,500	-	-	-	144,500	2,818	2,311	(507)	0.85%	1.01%	0.036%
Pioneer Cement Limited		10,000	70,000	-	50,000	30,000	2,088	1,543	(545)	0.57%	0.68%	0.013%
Power Cement Limited		-	500,000	-	500,000	-	-	-	-	0.00%	0.00%	0.000%
		530,500	1,264,500	48,750	803,500	1,040,250	37,702	32,741	(4,961)	12.09%	14.36%	
Power generation and distribution												
The Hub Power Company Limited		-	40,000	-	-	40,000	3,100	2,523	(577)	0.93%	1.11%	0.003%
		-	40,000	-	-	40,000	3,100	2,523	(577)	0.93%	1.11%	
Engineering												
Internation Steels Limited		10,000	-	-	10,000	-	-	-	-	0.00%	0.00%	0.000%
Mughal Iron & Steel Limited		27,189	83,000	-	45,000	65,189	4,300	3,149	(1,151)	0.00%	0.00%	0.000%
		37,189	83,000	-	55,000	65,189	4,300	3,149	(1,151)	0.00%	0.00%	
Paper and Board												
Century Paper & Board Mills Limited		25,700	-	2,570	-	28,270	1,588	1,399	(189)	0.00%	0.00%	0.000%
		25,700	-	2,570	-	28,270	1,588	1,399	(189)	0.00%	0.00%	
Oil and gas exploration companies												
Mari Petroleum Company Limited		8,900	1,000	-	2,800	7,100	12,184	10,983	(1,201)	4.06%	4.81%	0.005%
Oil & Gas Development Company Limited		140,000	15,000	-	10,000	145,000	11,344	11,551	207	4.27%	5.06%	0.003%
Pakistan Oilfields Limited		75,000	29,000	-	24,000	80,000	32,527	31,428	(1,099)	11.61%	13.77%	0.028%
Pakistan Petroleum Limited	5.1.1	90,000	45,000	-	-	135,000	9,056	9,199	143	3.40%	4.03%	0.005%
		313,900	90,000	-	36,800	367,100	65,111	63,161	(1,950)	23.34%	27.67%	
Oil and gas marketing companies												
Attock Petroleum Limited		3,500	26,000	7,375	17,875	19,000	5,707	5,504	(203)	2.03%	2.41%	0.019%
Pakistan State Oil Company Limited		12,000	20,000	-	22,000	10,000	1,771	1,440	(331)	0.53%	0.63%	0.002%
		15,500	46,000	7,375	39,875	29,000	7,478	6,944	(534)	2.56%	3.04%	
Refinery												
National Refinery Limited		5,000	-	-	5,000	-	-	-	-	0.00%	0.00%	0.000%
		5,000	-	-	5,000	-	-	-	-	-	-	
Textile composition												
Interloop Limited		43,976	-	1,000	18,976	26,000	1,525	1,473	(52)	0.54%	0.65%	0.003%
Kohinoor Textile Mills Limited		14,000	-	-	4,000	10,000	500	472	(28)	0.17%	0.21%	0.003%
		57,976	-	1,000	22,976	36,000	2,025	1,945	(80)	0.71%	0.86%	
Pharmaceutical												
Abbott Laboratories		4,500	2,500	-	-	7,000	4,196	3,243	(953)	1.20%	1.42%	0.007%
Hinson Industries Limited		9,500	-	-	4,500	5,000	2,649	2,701	52	1.00%	1.18%	0.000%
		14,000	2,500	-	4,500	12,000	6,845	5,944	(901)	-	-	

AL HABIB ISLAMIC STOCK FUND

Name of the Investee	Note	As at July 01, 2022	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at December 31, 2022	Cost / carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised gain / (loss)	Market Value as a percentage of:		Face value of investments as a percentage of paid up capital of the investee company
										Net Assets	Total Investment	
						(Number of shares)	(Rupees in '000)			(%)		
Unless stated otherwise, the holdings are in ordinary shares of Rs 10 each.												
Food & Personal Care Products												
Al Tahir Limited		91,000	-	9,100	-	100,100	1,735	1,711	(24)	0.63%	0.75%	0.050%
		91,000	-	9,100	-	100,100	1,735	1,711	(24)	0.63%	0.75%	
Glass & Ceramics												
Shabbir Tiles & Ceramics Limited (Par value: Rs 5 per share)		93,000	-	-	-	93,000	1,361	800	(561)	0.30%	0.35%	0.078%
Tariq Glass Industries Limited		55,850	26,000	7,500	31,850	57,500	4,939	3,744	(1,195)	1.38%	1.64%	0.042%
		148,850	26,000	7,500	31,850	150,500	6,300	4,544	(1,756)	1.68%	1.99%	
Technology and Communications												
Airlink Communication Limited		148,875	-	-	35,000	113,875	4,599	3,368	(1,231)	1.24%	1.48%	0.029%
Avanceon Limited		-	140,000	-	40,000	100,000	8,344	6,603	(1,741)	2.44%	2.89%	0.039%
Octopus Digital Limited		-	40,000	-	-	40,000	2,844	2,266	(578)	0.84%	0.99%	0.029%
Netsol Technologies Limited		18,000	-	-	18,000	-	-	-	-	0.00%	0.00%	0.000%
Systems Limited		18,200	16,500	-	12,500	22,200	8,535	10,744	2,209	3.97%	4.71%	0.016%
		185,075	196,500	-	105,500	276,075	24,322	22,981	(1,341)	8.49%	10.07%	
Total equity securities as at December 31, 2022		3,494,190	1,964,500	112,095	1,755,001	3,815,784	245,832	228,273	(17,559)			
Total equity securities as at June 30, 2022							229,873	209,810	(20,063)			

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

	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	(Number of Shares)	
Bank Islami Pakistan Limited	500,000	500,000
Pakistan Petroleum limited	2,310	2,310
Meezan Bank Limited	90,000	90,000
	<u>592,310</u>	<u>592,310</u>

6. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

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

6.2 Sindh Sales Tax has been charged at 13% (June 30, 2022:13%) on the Management Company's remuneration during the period.

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

There is no change in the status of the legal proceeding on this matter which has been fully disclosed in note 8 to the annual audited financial statements for the year ended June 30, 2022.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from June 13, 2013 to June 30, 2016 aggregating to Rs. 1.478 million.

Had the provision on FED not been made, net assets value per unit of the Fund as at December 31, 2022 would have been higher by Rs. 0.55 (June 30, 2022: Rs. 0.49) per unit.

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

The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily Net Asset Value of the Fund. The remuneration of the Trustee has been calculated as per following applicable tariff;

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

8.1 Sindh Sales Tax has been charged at 13% (30 June 2022: 13%) on the Trustee's remuneration charged during the period.

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

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.02% of net assets in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(I) 2019, dated June 28, 2019.

10. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at 31 December 2022 (30 June 2022: Nil).

11. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a liability in respect of income relating to the current period as the Management Company intends to distribute in cash at least 90 percent of the Fund's accounting income for the year ending June 30, 2023 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash. The Fund has not recorded any tax liability as the Fund does not have income during the period.

12. EARNINGS PER UNIT

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

13. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include:

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

Related parties include directors and officers of the above entities as at December 31, 2022 and staff retirement benefit funds of the above related parties.

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

13.1 Details of the transactions with connected persons / related parties are as follows:

	Half year ended December 31,		Quarter ended December 31,	
	2022	2021	2022	2021
	----- (Un-audited) -----			
	----- (Rupees in '000) -----			
AL Habib Asset Management Limited				
Management Company's Remuneration	2,901	3,070	1,435	1,565
Sindh Sales Tax on Management Company's remuneration	377	399	186	203
Expenses Allocated by the Management Company	-	75	-	59
AL Habib Capital Markets (Private) Limited				
Brokerage	70	198	20	51
Central Depository Company of Pakistan Limited				
Remuneration of the trustee	290	307	143	157
Sindh Sales Tax on Trustee's remuneration	38	40	19	20
CDC Charges	12	15	6	9
Bank AL Habib Limited - Parent Company of AL Habib Asset Management Limited				
Profit on bank balance	552	23	333	9

AL HABIB ISLAMIC STOCK FUND

13.2	Details of the balances with connected persons / related parties are as follows:	December 31, 2022 (Un-audited) ----- (Rupees in '000) -----	June 30, 2022 (Audited) ----- (Rupees in '000) -----
	Bank AL Habib Limited - Parent of AL Habib Asset Management Limited		
	Bank balance	29,119	12,238
	Profit receivable on savings account	296	5
	AL Habib Asset Management Limited - Management Company		
	Payable to Management Company (inclusive of Sindh Sales tax)	545	707
	Federal Excise Duty on remuneration payable	1,478	1,478
	Central Depository Company of Pakistan Limited - Trustee		
	Remuneration payable (inclusive of Sindh Sales Tax)	53	67
	Security deposit - non interest bearing	100	100
13.3	Sale / redemption of units during the period	Half year ended December 31, 2022 (Un-audited) (Units) (Rupees in '000)	Half year ended December 31, 2021 (Un-audited) (Units) (Rupees in '000)
	<u>Units sold to:</u>		
	<i>Management Company</i>		
	- AL Habib Asset Management Limited	552	42
		583,813	47,535
	<i>Directors & their Relatives of the Management Company</i>	-	-
		44	4
	<i>Key Executives their Relatives</i>	3	-
		-	-
	<u>Units redeemed by:</u>		
	<i>Management Company</i>		
	- AL Habib Asset Management Limited	161,595	12,048
	<i>Other related parties</i>		
	- Habib Insurance company Limited - Employee Provident Fund	16,950	1,261
	<i>Key Executives their Relatives</i>	1,010	79
		-	-
		-	-
13.4	Units held as on	December 31, 2022 (Un-audited) (Units) (Rupees in '000)	June 30, 2022 (Audited) (Units) (Rupees in '000)
	<u>Units held by:</u>		
	<i>Management Company</i>		
	- AL Habib Asset Management Limited	-	-
		161,044	11,999
	<i>Parent of AL Habib Asset Management Limited</i>		
	- Bank AL Habib Limited	100,929	7,320
	<i>Other related parties</i>		
	- Directors & Their Relatives of the Management Company	3,196,075	231,811
	- Key Executives their Relatives	6,040	438
	- Habib Insurance company Limited - Employee Provident Fund	2	-
		-	-
		-	-

14. 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.

The investment of the Fund in equity securities is valued on the basis of rates quoted on Pakistan Stock Exchange. The estimated fair values of all other financial assets and liabilities are considered not to be significantly different from carrying values.

14.1 Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability.

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

	Note	Level 1 -----	Level 2 (Rupees in '000)	Level 3 -----
December 31, 2022 (Un-audited)				
Listed equity securities -				
At fair value through profit or loss	5	<u>228,273</u>	-	-
		<u>228,273</u>	-	-
June 30, 2022 (Audited)				
Listed equity securities -				
At fair value through profit or loss	5	<u>209,810</u>	-	-
		<u>209,810</u>	-	-

14.2 There were no transfers amongst the levels during the period.

15. TOTAL EXPENSE RATIO (TER)

SECP vide its directive no. SCD/PRDD/Direction/18/2016 dated July 20, 2016 requires that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the period ended December 31, 2022 is 3.42% which includes 0.34% representing Government levy and SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

16. GENERAL

16.1 This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2022 and December 31, 2021 as reported in this condensed interim financial information has not been subject to limited scope review by the auditors.

AL HABIB ISLAMIC STOCK FUND

16.2 Corresponding figures

16.2.1 Corresponding figures have been re-classified and re-arranged in these financial statements, whenever necessary to facilitate comparison and to confirm with changes in presentation in the current year.

16.2.2 Accounting income available for distribution as reported in last period's income statement has been adjusted to reflect a reclassification between "income relating to capital gain" and "income excluding capital gain" as follows:

	Half Year ended 31 December 2021		Quarter ended 31 December 2021	
	As previously (Rupees in '000')	Adjusted	As previously (Rupees in '000')	Adjusted
Accounting income available for distribution:				
- Relating to capital gain	(4,131)	-	(562)	-
- Excluding capital gain	7,393	3,262	4,476	3,914
	3,262	3,262	3,914	3,914

17. DATE OF AUTHORISATION FOR ISSUE

17.1 This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on February 09, 2023.

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

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC SAVINGS FUND
Half Yearly Report
December 31, 2022

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

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

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

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

Human Resource Committee

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

Auditors

EY Ford Rhodes
Progressive Plaza,
Beaumont Road,
Karachi 75530, Pakistan

Legal Advisor

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

Trustee

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

Rating

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

Bankers to the Fund

Bank AL Habib Limited
Bank Islami Pakistan Limited
Al Baraka Bank Pakistan Limited
Allied Bank Limited

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:
CDC House, 99-8, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



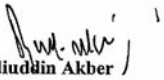
TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB ISLAMIC SAVINGS FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Islamic Savings Fund (the Fund) are of the opinion that AL Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023





EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan

UAN: +9221 111 11 39 37 (EYFR)
Tel: +9221 3565 0017-11
Fax: +9221 3568 1965
ey.khi@pk.ey.com
ey.com/pk

INDEPENDENT AUDITORS' REVIEW REPORT

To the unit holders of AL Habib Islamic Saving Fund

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of AL Habib Islamic Saving Fund (the Fund) as at 31 December 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2022.

Scope of review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

Chartered Accountants

Engagement Partner: Arslan Khalid

Date: 24 February 2023

Karachi

UDIN Number: RR2022101918HbnujlPG

AL HABIB ISLAMIC SAVINGS FUND**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES***AS AT DECEMBER 31, 2022*

		December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	Note	(Rupees in '000)	
Assets			
Bank balances and Term deposit receipt	6	1,136,417	3,311,222
Investments	7	2,496,212	-
Profit receivable		90,675	33,474
Deposit & other receivable		123	109
Preliminary expenses and floatation costs		628	663
Total assets		3,724,055	3,345,468
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	8	1,105	1,882
Payable to Central Depository Company of Pakistan Limited - Trustee	9	289	178
Payable to Securities and Exchange Commission of Pakistan (SECP)	10	325	151
Accrued expenses and other liabilities		13,295	984
Total liabilities		15,014	3,195
Net assets		3,709,041	3,342,273
Unit holders' fund (as per the statement attached)		3,709,041	3,342,273
Contingencies and commitments			
	11	(Number of Units)	
Number of units in issue (face value of units is Rs. 100 each) - Growth Units		36,793,938	33,422,733
(Rupees)			
Net asset value per unit		100.81	100.00

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

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

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	For the half year ended December 31, 2022	For the period from December 20, 2021 to December 31, 2021	For the Quarter ended December 31, 2022
Note	----- (Rupees in '000) -----		
Income			
Profit on bank deposits	175,555	4,926	78,434
Profit on term deposits receipts	7,615	-	-
Income from government securities	57,102	-	-
Net (loss) / gain on investments classified at fair value through profit or loss			
- Net realised gain on sale of investments	574	-	574
- Net unrealised (loss) on revaluation of investments at fair value through profit or loss	(6,724)	-	(6,724)
	(6,150)	-	(6,150)
Total income	234,122	4,926	72,284
Expenses			
Remuneration of AL Habib Asset Management Limited - Management Company	8 7,244	100	2,253
Sindh sales tax on management company's remuneration	8.1 942	13	293
Expense allocated by the Management Company	1,866	-	726
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9 1,219	32	690
Sindh sales tax on trustee remuneration	9.1 159	4	90
Annual fee to Securities and Exchange Commission of Pakistan (SECP)	10 325	8	184
Brokerage expense	13	-	13
Settlement & bank charges	14	-	14
Listing fee	13	-	7
Auditors' remuneration	298	18	186
Other expenses	66	-	49
Amortization of preliminary expenses and floatation costs	35	2	17
Total expenses	12,194	177	4,522
Net income for the period before taxation	221,928	4,749	67,762
Taxation	12 -	-	-
Net income for the period after taxation	221,928	4,749	67,762
Allocation of net income for the period after taxation:			
Net income for the period	221,928	4,749	67,762
Income already paid on units redeemed	(17,116)	-	-
	204,812	4,749	67,762
Accounting income available for distribution:			
Relating to capital gains	574	-	574
Excluding capital gains	204,238	4,749	68,336
	204,812	4,749	67,762

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

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC SAVINGS FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	For the half year ended December 31, 2022	For the period from December 20, 2021 to December 31, 2021	For the Quarter ended December 31, 2022
	----- (Rupees in '000) -----		
Net income for the period after taxation	221,928	4,749	67,762
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	<u><u>221,928</u></u>	<u><u>4,749</u></u>	<u><u>67,762</u></u>

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

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

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	Half year ended December 31, 2022			For the period from December 20, 2021 to December 31, 2021		
	Capital Value	Undistributed income	Net Asset	Capital Value	Undistributed income	Net Asset
	----- (Rupees in '000) -----					
Net assets at the beginning of the period	3,342,273	-	3,342,273	-	-	-
Issuance of 51,404,642 units						
- Capital value	5,182,102	-	5,182,102	2,029,156	-	2,029,156
- Element of income	(7,568)	-	(7,568)	-	-	-
Amount received on issuance of units	5,174,534	-	5,174,534	2,029,156	-	2,029,156
Redemption of 48,033,437 units						
- Capital value	(4,842,251)	-	(4,842,251)	(225,505)	-	(225,505)
- Element of income	32,401	(17,116)	15,285	-	-	-
Amount paid on redemption of units	(4,809,850)	(17,116)	(4,826,966)	(225,505)	-	(225,505)
Total comprehensive income for the period	-	221,928	221,928	-	4,749	4,749
Interim cash distribution for the year ended June 30 2023: Rs. 6.1486 per unit (2022: Rs 0.3582 per unit)	(176,893)	(25,835)	(202,728)	-	(4,749)	(4,749)
	(176,893)	196,093	19,200	-	-	-
Net assets at the end of the period	3,530,064	178,977	3,709,041	1,803,651	-	1,803,651
Undistributed income brought forward						
- Realised income		-				
- Unrealised income		-				
		-				
Accounting income available for distribution						
- Relating to capital gains	574					
- Excluding capital gains	204,238					
	204,812					
Cash distribution for the period ended 30 June 2023: Rs. 6.1486 per unit (2022: Rs 0.3582 per unit)		(25,835)			(4,749)	
Undistributed income carried forward		178,977			(4,749)	
Undistributed income carried forward						
- Realised income		178,977			(4,749)	
- Unrealised income		-			-	
		178,977			(4,749)	
		(Rupees)			(Rupees)	
Net assets value per unit at end of the period	100.81				100.81	

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

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

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC SAVINGS FUND**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	For the half year ended December 31, 2022	For the period from December 20, 2021 to December 31, 2021
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	221,928	4,749
Adjustments for :		
Net unrealised gain / (loss) on revaluation of investments at fair value through profit or loss	6,724	-
Amortization of preliminary expenses and floatation costs	35	2
	228,687	4,751
<i>Increase in assets</i>		
Investments	(2,502,936)	-
Profit receivable	(57,201)	(4,926)
Deposit & other receivable	(14)	-
Preliminary expenses and floatation costs	-	(585)
	(2,560,151)	(5,511)
<i>Increase in liabilities</i>		
Payable to AL Habib Asset Management Limited - Management Company	(777)	113
Payable to Central Depository Company of Pakistan Limited - Trustee	111	36
Payable to Securities and Exchange Commission of Pakistan	174	8
Accrued expenses and other liabilities	12,311	1,266
	11,819	1,423
Net cash (used in) / generated from operating activities	(2,319,645)	663
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	5,174,534	2,029,156
Payments against redemption of units	(4,826,966)	(225,505)
Dividend paid during the period	(202,728)	(4,749)
Net cash generated from financing activities	144,840	1,798,902
Net (decrease) / increase in cash and cash equivalents during the period	(2,174,805)	1,799,565
Cash and cash equivalents at beginning of the period	3,311,222	-
Cash and cash equivalents at the end of the period	1,136,417	1,799,565
Cash and cash equivalents comprise of :		
Bank balances and Term deposit receipt	6 1,136,417	1,799,565
	1,136,417	1,799,565

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

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

Chief Executive Officer

Chief Financial Officer

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** AL Habib Islamic Savings Fund ("the Fund") was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on 27 September 2021 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 31 May 2021 under Regulation 44 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).
- 1.2** The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the management company is situated at 3rd floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3** The Fund is an open-end mutual fund and is listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.4** The Investment objective of AL Habib Islamic Savings Fund is to provide competitive risk adjusted return to its investors by investing in a diversified portfolio of long, medium and short term shariah compliant debt instrument while taking into account liquidity considerations.
- 1.5** The Fund has been categorized as an Open-ended Shariah Compliant Income Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS).
- 1.6** Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.
- 1.7** On December 30, 2022 PACRA has assigned initial Fund Stability Rating (FSR) to AL Habib Islamic Savings Fund (AHISAVF) at 'AA (f)' (Double A (f)). and asset management rating of 'AM2+' to the Management Company on August 12, 2022.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1** These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies, Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements.

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

2.1.4 In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at December 31, 2022.

2.2 New / Revised Standards, Interpretations and Amendments

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards, interpretations and amendments	Effective date
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Classification of liabilities as current or non-current - Amendment to IAS 1	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12	January 01, 2023

The above standards and amendments are not expected to have any material impact on the Fund's condensed interim financial statements.

Further, following standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009
IFRS 17 - Insurance Contracts	January 01, 2023

2.4 Critical accounting estimates and judgements

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

2.5 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for the investments which are stated at fair value.

2.6 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees, which is the Fund's functional and presentation currency. All amount have been rounded to the nearest thousand rupees, unless stated otherwise.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

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

3.2 Unit holders' fund

Unit holders' fund representing the units issued by the Fund, is carried at the net assets value representing the investors' right to a residual interest in the Fund's assets.

3.3 Issue and redemption of units

Units issued are recorded at the net assets value, determined by the Management Company for the applications received during business hours on that day. Allotment of units is recorded on acceptance of application and realization of the proceeds in the Fund's bank account.

Units redeemed are recorded at the net assets value, applicable on units for which the management company receives redemption applications during business hours on that day. Redemption of units is recorded on acceptance of application for redemption.

3.4 Element of income

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to Unit holders' Fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in Unit holders' Fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP), the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and

is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in Statement of Movement in Unit holders' Fund.

3.5 Net asset value - per unit

The net asset value per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units outstanding at the year end.

3.6 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least ninety percent of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

3.7 Revenue recognition

- Profit on deposits with banks and mark-up / return on investments in debt securities are recognised using effective yield method.

3.8 Expenses

All expenses including management fee, trustee fee and annual fee of SECP are recognised in the income statement on an accrual basis.

3.9 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred up to the close of Initial Public Offer (IPO) period of the Fund. These costs are being amortised over a period of ten years commencing from December 20, 2021 as per the Trust Deed of the Fund.

3.10 Distribution

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP), distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital, if any, based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

3.11 Earnings per unit (EPU)

Earnings Per Unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

4 Estimates and judgements

The preparation of condensed interim financial information in conformity with approved accounting standards ,as applicable in Pakistan, requires the Management Company to make judgments, estimates and assumptions

that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual result may differ from these estimates.

The significant judgments made by the Management Company in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended June 30, 2022.

5 FINANCIAL RISK MANAGEMENT

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

		(Unaudited) December 31 2022	(Audited) June 30 2022
6 BANK BALANCES AND TERM DEPOSIT RECEIPT	Note	----- (Rupees in '000) -----	
Saving accounts	6.1	1,136,417	3,211,222
Term deposit receipt		-	100,000
		<u>1,136,417</u>	<u>3,311,222</u>

- 6.1 The profit rates effective at Period end on these accounts range from 12.5% to 16.00% per annum. It includes balance of Rs. 114.39 million with Bank AL Habib Limited (ultimate parent) (June 30, 2022 Rs. 1732.714 million), a related party carrying profit rate effective at Period end is 15.49% per annum (June 30, 2022 15.50%).

		December 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
7 INVESTMENTS	Note	----- (Rupees in '000) -----	
At fair value through profit or loss:			
Sukuk certificates (Sukuks)	7.1	2,496,212	-
		<u>2,496,212</u>	<u>-</u>

7.1 Sukuks

Name of the Investee	As at July 01, 2022	Purchased during the period	Sold / matured during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised gain / (loss)	Market value as percentage of	
								Net Assets	Total Investments
		----- (Number of certificates) -----			----- (Rupees in '000) -----				
GOP Ijara Sukuk (26-10-2022)	-	28,000	2,920	25,080	2,502,936	2,496,212	(6,724)	67.30%	100.00%
Total as at December 31, 2022	<u>-</u>	<u>28,000</u>	<u>2,920</u>	<u>25,080</u>	<u>2,502,936</u>	<u>2,496,212</u>	<u>(6,724)</u>		
Total as at June 30, 2022	-	-	-	-	-	-	-		

8. REMUNERATION OF AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

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

- 8.1 Sindh Sales Tax has been charged at 13% on the management company's remuneration charged during the period.

AL HABIB ISLAMIC SAVINGS FUND

9 REMUNERATION OF CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily Net Asset Value of the Fund. The remuneration of the Trustee is fixed at 0.075% per annum of net assets.

9.1 Sindh Sales Tax has been charged at 13% on the Trustee's remuneration charged during the period.

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

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.02% of net assets in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(I) 2019, dated June 28, 2019.

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2022.

12 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the Period as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the Period, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management has distributed the income earned by the Fund during the period to the unit holders, accordingly, no provision for taxation has been made in these condensed interim financial information.

13 EARNINGS PER UNIT

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

14 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include:

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

Related parties includes directors and officers of the above entities as at 31 December 2022 and staff retirement benefit funds of the above companies.

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

	(Unaudited)		
	For the half year ended December 31, 2022	For the period from December 20, 2021 to December 31, 2021	Quarter ended December 31, 2022
	(Rupees in '000)		
AL Habib Asset Management Limited - Management Company			
- Management company remuneration	7,244	100	2,253
- Sindh sales tax	942	13	293
- Expense allocated by the Management Company	1,866	-	726
- Formation Cost	-	635	-
Bank AL Habib Limited			
- Profit on bank deposits	58,353	804	28,399
- Dividend paid	6,166	125	2,862
Central Depository Company of Pakistan Limited - Trustee			
- Remuneration to the Trustee	1,219	32	690
- Sindh sales tax	159	4	90
Connected Party holding 10% or more of the units in issue:			
- Cash dividend paid	154,077	-	71,560

	(Unaudited) December 31 2022	(Audited) June 30 2022
	(Rupees in '000)	
Details of balances with connected persons at period end are as follows:		

AL Habib Asset Management Limited - Management Company		
- Management Fee payable (Inclusive of Sindh sales tax)	1,105	1,247
- Formation cost payable	585	585
- Initial deposit payable	50	50
Bank AL Habib Limited		
- Bank balance	114,394	1,732,714
- Profit receivable	9,284	15,371
Central Depository Company of Pakistan Limited - Trustee		
- Remuneration payable (Inclusive of Sindh sales tax)	289	178
- Security deposit - Non interest bearing	100	100

AL HABIB ISLAMIC SAVINGS FUND

14.1 Sale / Redemption of units

	Half year ended December 31, 2022 (Un-audited)		Half year ended December 31, 2021 (Un-audited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
Units sold to:				
<i>Management Company</i>				
- AL Habib Asset Management Limited	6,359,734	640,508	2,251,000	225,100
- Habib Asset Management Limited Employees Provident Fund	73,143	7,354	-	-
<i>Parent of AL Habib Asset Management Limited</i>				
- Bank AL Habib Limited	40,499	4,050	1,000,000	100,000
<i>Other related parties</i>				
- Directors & their relative of the Management Company	1,077,750	108,612	-	-
- Key Executives of the Management Company	80,502	8,129	-	-
Connected Party holding 10% or more of the units in issue:	1,309,655	130,966	17,000,000	1,700,000
Units redeemed by:				
<i>Management Company</i>				
- AL Habib Asset Management Limited	6,302,429	635,000	2,255,050	225,505
- Habib Asset Management Limited Employees Provident Fund	73,143	7,424	-	-
<i>Parent of AL Habib Asset Management Limited</i>				
- Bank AL Habib Limited	6,085,975	608,598	-	-
<i>Other related parties</i>				
- Directors & their relative of the Management Company	720,031	72,478	-	-
- Key Executives of the Management Company	60,193	6,072	-	-
Connected Party holding 10% or more of the units in issue:	910,508	91,113	-	-

	(Unaudited) 31 December 2022		(Audited) 30 June 2022	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
14.2 Units held by:				
<i>Parent of Al Habib Asset Management Limited</i>				
- Bank AL Habib Limited	1,000,000	100,810	7,045,476	704,548
<i>Other related parties</i>				
- Directors & their relative of the Management Company	357,719	36,060	-	-
- Key Executives of the Management Company	20,309	2,047	-	-
Connected Party holding 10% or more of the units in issue:	25,000,000	2,520,250	25,209,113	2,520,911

15 TOTAL EXPENSE RATIO (TER)

TER of the Fund for the period ended December 31, 2022 is 0.75% which includes 0.66% representing Government levies and SECP fee and 0.05% p.a. representing selling and marketing expenses. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

16 GENERAL

16.1 This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2022 as reported in this condensed interim financial information has not been subject to limited scope review by the auditors.

17 DATE OF AUTHORIZATION FOR ISSUE

17.1 These condensed interim financial information were authorised for issue by the board of directors of the Management Company on February 09, 2023.

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

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB PENSION FUND
Half Yearly Report
December 31, 2022

FUND'S INFORMATION**Management Company**

AL Habib Asset Management Limited

Board of Directors of the Management Company

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

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

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

Human Resource Committee

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

Auditors

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

Legal Advisor

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

Trustee

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

Rating

AM2+ Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited

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

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022**

		December 31, 2022 (Un-audited)			
		Equity	Debt	Money Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund	
Note		-----Rupees in '000-----			
Assets					
	Balances with bank	3,219	1,078	1,974	6,271
3					
	Investments	31,070	50,214	49,768	131,052
4					
	Dividend and profit receivable	32	391	20	443
	Deposits and other receivables	226	233	147	606
	Total assets	34,547	51,916	51,909	138,372
Liabilities					
	Payable to Central Depository Company of Pakistan Limited - Trustee	19	28	27	74
	Payable to the Securities and Exchange Commission of Pakistan	7	10	10	27
	Payable against purchase of equity securities	352	-	-	352
5	Accrued expenses and other liabilities	53	43	36	132
	Total liabilities	431	81	73	585
	Net assets	34,116	51,835	51,836	137,787
	Participants' Sub - Funds (as per statement attached)	34,116	51,835	51,836	137,787
	Contingencies and commitments				
6					
		----- Number of units -----			
	Number of units in issue	344,809	480,099	481,954	
		----- Rupees -----			
	Net asset value per unit	98.9384	107.9660	107.5532	

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

**For AL Habib Asset Management Limited
(Pension Fund Manager)**

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022

	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note -----Rupees in '000-----				
Income				
Interest / profit earned	7	1,136	3,631	3,691
Dividend income		1,166	-	1,166
Capital gain on sale of investments		254	89	-
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5	(2,792)	94	28
Total (loss) / Income		(236)	3,814	3,719
				7,297
Expenses				
Remuneration of Central Depository Company of Pakistan Limited - Trustee	39	55	56	150
Sindh Sales Tax on remuneration of the Trustee	5	7	7	19
Annual fees to the Securities and Exchange Commission of Pakistan	7	10	10	27
Auditors' remuneration	43	43	43	129
Security transaction charges	79	-	1	80
Printing charges	8	8	8	24
Settlement and Bank charges	18	11	13	42
Total expenses	199	134	138	471
Taxation	9	-	-	-
Net (loss) / income for the period after taxation		(435)	3,680	3,581
Other comprehensive income for the period		-	-	-
Total comprehensive (loss) / income for the period		(435)	3,680	3,581
Earnings per unit	10			

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For AL Habib Asset Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB PENSION FUND**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022**

	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees in '000-----			
Net assets at the beginning of the period	-	-	-	-
Issue of units*	34,562	55,968	59,962	150,492
Redemption of units*	(11)	(7,813)	(11,707)	(19,531)
	34,551	48,155	48,255	130,961
Gain on sale of investments - net	254	89	-	343
Unrealised (diminution) / appreciation on 're-measurement of investments classified as financial assets at fair value through profit or loss' - net	(2,792)	94	28	(2,670)
Other income for the period - net	2,103	3,497	3,553	9,153
Total comprehensive (loss) / income for the period	(435)	3,680	3,581	6,826
Net assets at the end of the period	<u>34,116</u>	<u>51,835</u>	<u>51,836</u>	<u>137,787</u>

* Total number of units issued and redeemed during the period is disclosed in note 10 of these financial statements.

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

**For AL Habib Asset Management Limited
(Pension Fund Manager)**

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022

	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees in '000-----			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net (loss) / income for the period after taxation	(435)	3,680	3,581	6,826
Adjustments for:				
Unrealised diminution / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	2,792	(94)	(28)	2,670
Interest / profit earned	(1,136)	(3,631)	(3,691)	(8,458)
Dividend income	(1,166)	-	-	(1,166)
	490	(3,725)	(3,719)	(6,954)
	55	(45)	(138)	(128)
Decrease / (Increase) in assets				
Deposits and other receivables	(226)	(233)	(147)	(606)
Increase / (decrease) in liabilities				
Payable to Central Depository Company of Pakistan Limited - Trustee	19	28	27	74
Payable to the Securities and Exchange Commission of Pakistan	7	10	10	27
Accrued expenses and other liabilities	53	43	36	132
	79	81	73	233
Interest received	1,104	3,240	3,671	8,015
Net amount received / (paid) on purchase and sale of investments	(33,510)	(50,120)	(49,740)	(133,370)
Net cash (used in) operating activities	(31,332)	(47,077)	(46,281)	(124,690)
CASH FLOW FROM FINANCING ACTIVITIES				
Receipts from issuance of units	34,562	55,968	59,962	150,492
Payments against redemption of units	(11)	(7,813)	(11,707)	(19,531)
Net cash generated from financing activities	34,551	48,155	48,255	130,961
Net increase in cash and cash equivalents during the period	3,219	1,078	1,974	6,271
Cash and cash equivalents at the beginning of the period	-	-	-	-
Cash and cash equivalents at the end of the period	3,219	1,078	1,974	6,271

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For AL Habib Asset Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Financial Officer

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** AL Habib Pension Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on June 20, 2022 between AL Habib Asset Management Company Limited as the Pension Fund Manager and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Fund as a Pension Fund dated May 16, 2022 in accordance with the requirements of the Voluntary Pension Scheme Rules, 2005.

The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the Voluntary Pension Scheme Rules, 2005 (the VPS Rules) through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 3rd Floor Mackinnon's Building I, I Chundrigar Road Karachi.

- 1.2** The units of the Sub Funds are offered to the public for subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in the Voluntary Pension System Rules, 2005 and can be redeemed by surrendering them to the Sub Funds. Further, as per the Offering Document, the Fund shall not distribute any income or dividend from the Fund whether in cash or otherwise from any of the Sub-Funds.
- 1.3** The objective of the Fund is to provide a secure source of savings and retirement income to individuals. It is a portable pension scheme allowing individuals the flexibility of contributions and portfolio customisation through allocation of such contributions in equity and fixed income investment avenues suited to their specific needs and risk profile.
- 1.4** The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.5** The Fund consists of three sub-funds namely, AL Habib Pension Fund Equity Sub-Fund (Equity Sub-Fund), AL Habib Pension Fund Debt Sub-Fund (Debt Sub-Fund) and AL Habib pension Fund Money Market Sub-Fund (Money Market Sub-Fund) (collectively the "Sub-Funds"). Investment policy for each of the sub-funds is as follows:
- 1.6** As per SECP directive, as the fund was launched on June 30, 2022, subject to the condition that the first financial statements of the fund shall be prepared for the period from June 30, 2022 to December 31, 2022, these financial statements have been prepared from June 30, 2022.

a) AL Habib Pension Fund - Equity Sub-Fund (AHAMPF - ESF)

The Investment Objective of the Equity Sub Fund of the Pension Fund is to earn returns from investments in Pakistani Capital Markets. Assets of Equity Sub-fund shall be invested in equity securities which are listed on a Stock Exchange or for the listing of which an application has been approved by a Stock Exchange and Equity sub-fund shall be eligible to invest in units of Real Estate Investment Trusts and Exchange Traded Funds provided that entity/sector/group exposure limits as prescribed are complied with At least ninety percent (90%) of Net Assets of Equity Sub-fund shall remain invested in listed equity securities during the year based on rolling average investment of last ninety (90) days calculated on daily basis

b) AL Habib Pension Fund - Debt Sub-Fund (AHAMPF - DSF)

The investment objective of the Debt Sub Fund is to earn returns from investments in debt markets of Pakistan, thus incurring a relatively lower risk than equity sub fund. The Investment limits of the Debt Sub Fund are determined by the Commission. The current Investment policy/limits for debt sub-fund as stated below: The Debt Sub-fund shall consist of government securities, placement in the banks, money market placements,

deposits, certificate of deposits (COD), certificate of musharakas (COM), TDRs, TFC / Sukuk or any other mode of placement, deposits/placements with any other approved debt/money market security issued from time to time

c) AL Habib Pension Fund - Money Market Sub-Fund (AHAMPF - MMSF)

The Investment Objective of the Money Market Sub-Fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than debt sub fund. The Investment limits of the Money Market Sub Fund are determined by the Commission. The current Investment policy/limits for money market sub-fund as stated below Investment avenues - government securities, cash and near cash instruments which include cash in bank accounts (excluding TDRs), treasury bills, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM) or any other mode of placement, TDRs, reverse repo;

- 1.6 The Fund offers four types of allocation schemes, as prescribed by the SECP under VPS Rules 2005 vide its Circular no. 36 of 2009 dated December 10, 2009, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub-Funds. The allocation to the sub-funds has to be done at the date of the opening of the participant's pension account and on an anniversary date thereafter.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

		December 31, 2022 (Un-audited)			
		Equity	Debt	Money Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund	
		-----Rupees in '000-----			
3	BANK BALANCES				
		Note			
	Profit and loss sharing accounts	3.1	3,219	1,078	1,974
			6,271		

- 3.1 This includes a balance of Rs 3.219 million, Rs 1.078 million and Rs 1.974 million in Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively maintained with Bank AL Habib Limited (a related party) that carries profit at the rate of 15.25% per annum.

AL HABIB PENSION FUND

		December 31, 2022 (Un-audited)			
		Equity	Debt	Money Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund	
		-----Rupees in '000-----			
4	INVESTMENTS	Note			
	At fair value through profit or loss				
	Listed equity securities	4.1	31,070	-	31,070
	Government Securities - Treasury Bills	4.2	-	18,915	49,768
	Pakistan Investment Bonds	4.3	-	31,299	31,299
			31,070	50,214	49,768
					131,052

4.1 Listed equity securities

Ordinary shares having face value of Rs. 10 each unless stated otherwise.

Name of the investee company	Number of shares/ certificates				As at December 31, 2022			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company	
	As at June 30, 2022	Purchased during the period	Bonus received during the period	Sold during the period	As at December 31, 2022	Carrying value	Market value	Unrealised gain / (loss)	Net assets of the Sub-Fund		Total investment of the Sub-Fund
	(Number of shares)				Rupees in '000			%age			
CEMENT											
Cherat Cement Company Limited	-	6,000	-	-	6,000	723	611	(112)	1.79%	1.97%	0.00%
Fauji Cement Company Limited	-	75,000	6,250	-	81,250	1,121	977	(144)	2.86%	3.14%	0.01%
Kohat Cement Limited	-	6,000	-	-	6,000	974	886	(88)	2.60%	2.85%	0.00%
Lucky Cement Limited	-	2,700	-	-	2,700	1,376	1,206	(170)	3.53%	3.88%	0.00%
Maple Leaf Cement Factory Limited	-	45,000	-	-	45,000	1,266	1,016	(250)	2.98%	3.27%	0.00%
Bestway Cement Limited	-	2,500	-	-	2,500	326	320	(6)	0.94%	1.03%	0.00%
						5,786	5,016	(770)	14.70%	16.14%	
CHEMICALS											
Lotte Chemical Pakistan Limited	-	37,000	-	15,000	22,000	637	570	(67)	1.67%	1.83%	0.00%
Engro Polymer and Chemicals Limited	-	12,000	-	-	12,000	694	508	(186)	1.49%	1.64%	0.00%
						1,331	1,078	(253)	3.16%	3.47%	
COMMERCIAL BANKS											
Habib Bank Limited	-	4,000	-	-	4,000	328	255	(73)	0.75%	0.82%	0.00%
MCB Bank Limited	-	12,500	-	-	12,500	1,462	1,452	(10)	4.26%	4.67%	0.00%
Faysal Bank Limited	-	37,000	-	-	37,000	1,046	956	(90)	2.80%	3.08%	0.00%
Bank Alfalah Limited	-	35,000	-	-	35,000	1,120	1,054	(66)	3.09%	3.39%	0.00%
Meezan Bank Limited	-	33,000	-	-	33,000	3,817	3,285	(532)	9.63%	10.57%	0.00%
The Bank of Punjab	-	70,000	-	-	70,000	384	320	(64)	0.94%	1.03%	0.00%
United Bank Limited	-	8,000	-	-	8,000	906	806	(100)	2.36%	2.59%	0.00%
						9,063	8,128	(935)	23.83%	26.15%	
ENGINEERING											
Mughal Iron & Steel Industries	-	10,000	-	-	10,000	664	483	(181)	1.42%	1.55%	0.00%
						664	483	(181)	1.42%	1.55%	
FERTILIZER											
Engro Fertilizer Limited	-	22,000	-	-	22,000	1,745	1,692	(53)	4.96%	5.45%	0.00%
Fauji Fertilizer Company	-	20,000	-	-	20,000	2,027	1,974	(53)	5.79%	6.35%	0.00%
Engro Corporation Limited	-	5,500	-	-	5,500	1,325	1,441	116	4.22%	4.64%	0.00%
						5,097	5,107	10	14.97%	16.44%	
GLASS & CERAMIC											
Tariq Glass Industries Limited	-	9,000	2,250	-	11,250	1,070	733	(337)	2.15%	2.36%	0.01%
						1,070	733	(337)	2.15%	2.36%	
OIL & GAS MARKETING COMPANIES											
Pakistan State Oil Co. Limited	-	2,000	-	-	2,000	343	288	(55)	0.84%	0.93%	0.00%
Attock Petroleum Limited	-	5,000	-	2,000	3,000	931	869	(62)	2.55%	2.80%	0.00%
						1,274	1,157	(117)	3.39%	3.73%	
OIL & GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited	-	1,100	-	-	1,100	1,780	1,702	(78)	4.99%	5.48%	0.00%
Oil & Gas Development Company Limited	-	21,000	-	-	21,000	1,637	1,673	36	4.90%	5.38%	0.00%
Pak Oilfields Limited	-	9,500	-	4,000	5,500	2,205	2,161	(44)	6.33%	6.96%	0.00%
Pakistan Petroleum Limited	-	22,000	-	-	22,000	1,400	1,499	99	4.39%	4.82%	0.00%
						7,022	7,035	13	20.61%	22.64%	

AL HABIB PENSION FUND

Name of the investee company	Number of shares/ certificates					As at December 31, 2022			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at June 30, 2022	Purchased during the period	Bonus received during the period	Sold during the period	As at December 31, 2022	Carrying value	Market value	Unrealised gain / (loss)	Net assets of the Sub-Fund	Total investment of the Sub-Fund	
-----Number of shares-----					-----Rupees in '000-----			-----%			
PHARMACEUTICALS											
Highmoon Laboratories	-	700	-	-	700	381	378	(3)	1.11%	1.22%	0.00%
Abbott Lab (Pakistan) Limited	-	600	-	-	600	348	278	(70)	0.81%	0.89%	0.00%
						729	656	(73)	1.92%	2.11%	
TECHNOLOGY & COMMUNICATION											
NetSol Technologies Limited	-	3,500	-	-	3,500	349	300	(49)	0.88%	0.97%	0.00%
Avanceon Limited	-	10,000	-	-	10,000	757	660	(97)	1.93%	2.12%	0.00%
Systems Limited	-	5,200	-	4,500	700	274	339	65	0.99%	1.09%	0.00%
						1,380	1,299	(81)	3.80%	4.18%	
AUTOMOBILE ASSEMBLER											
Milat Tractors Limited	-	400	80	400	80	55	39	(16)	0.11%	0.13%	0.00%
						55	39	(16)	0.11%	0.13%	
PROPERTY											
TPL Properties Limited	-	20,000	-	-	20,000	391	339	(52)	0.99%	1.09%	0.00%
						391	339	(52)	0.99%	1.09%	
Total as at December 31, 2022						33,862	31,070	(2,792)	91.05%	100%	

4.2 Government Securities - Market Treasury Bills

4.2.1 Debt Sub Fund

Tenure	As at June 30, 2022	Purchased during the period	Disposed / matured during the period	As at December 31, 2022	Cost of holding as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation / (diminution)	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
-----Number of certificates-----					-----Rupees in '000-----		-----%		
T- BILL 3 MONTHS (06-10-2022)	-	140,000	140,000	-	-	-	-	0.00%	0.00%
T- BILL 3 MONTHS (20-10-2022)	-	190,000	0	190,000	18,910	18,915	5	36.49%	37.67%
T- BILL 3 MONTHS (28-07-2022)	-	180,200	180,200	-	-	-	-	0.00%	0.00%
Total as at December 31, 2022					18,910	18,915	5	36.49%	37.67%

4.2.2 Money Market Sub Fund

Tenure	As at June 30, 2022	Purchased during the period	Disposed / matured during the period	As at December 31, 2022	Cost of holding as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation / (diminution)	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
-----Number of certificates-----					-----Rupees in '000-----		-----%		
T- Bill 03 Months (28-07-2022)	-	526,400	526,400	-	-	-	-	0.00%	0.00%
T- Bill 03 Months (06-10-2022)	-	500,000	500,000	-	-	-	-	0.00%	0.00%
T- Bill 03 Months (20-10-2022)	-	120,000	-	120,000	11,942	11,946	(4)	23.05%	23.79%
T- Bill 03 Months (03-11-2022)	-	382,150	-	382,150	37,797	37,822	(25)	72.97%	75.32%
Total as at December 31, 2022					50,215	49,768	(29)	96.02%	99.11%

4.3 Pakistan Investment Bonds & Sukuk
4.3.1 Debt Sub Fund

Name of the security	As at June 30, 2022	Purchased during the period	Disposed of / matured during the period	As at December 31, 2022	Cost of holding as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation / (diminution)	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
	-----Number of certificates-----			-----Rupees in '000-----			-----%age-----		
GOP IJARA Sukuk - VRR (26-10-2022)	-	100	100	-	-	-	-	0.00%	0.00%
PIB 5 Y (13-10-2022)	-	350	350	-	-	-	-	0.00%	0.00%
PIB 3 Y (08-09-2022)	-	1,020	700	320	31,211	31,299	88	60.38%	62.33%
PIB 2 Y (30-12-2021)	-	600	600	-	-	-	-	0.00%	0.00%
PIB 5 Y (13-10-2022)	-	350	350	-	-	-	-	0.00%	0.00%
PIB 5 Y (29-04-2022)	-	400,000	400,000	-	-	-	-	0.00%	0.00%
Total as at December 31, 2022					31,211	31,299	88	60.38%	62.33%

December 31, 2022 (Un-audited)

Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
-----------------	---------------	-----------------------	-------

4.5 Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net

	-----Rupees in '000-----			
Market value of investments	31,070	50,214	49,768	131,052
Less: carrying value of investments	33,862	50,121	49,739	133,722
	(2,792)	93	(29)	(2,670)

5 ACCRUED EXPENSES AND OTHER LIABILITIES

Withholding tax	14	4	7	25
Auditors' remuneration payable	21	21	21	63
Other payable	10	10	-	20
Printing charges	8	8	8	24
	53	43	36	132

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022.

(Un-audited)

For the period from June 30, 2022 to December 31, 2022				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
-----Rupees in '000-----				
Income on bank balances	1,137	805	900	2,842
Income on Pakistan Investment Bonds	-	2,040	-	2,040
Income on Market Treasury Bills	-	786	2,790	3,576
	1,137	3,631	3,690	8,458

(Un-audited)

For the period from June 30, 2022 to December 31, 2022				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
-----Number of units-----				
Total units in issue at the beginning of the period	-	-	-	-
Add: issue of units during the period	344,910	563,314	606,761	1,514,985
Less: units redeemed during the period	(101)	(83,215)	(124,807)	(208,123)
Total units in issue at the end of the period	344,809	480,099	481,954	1,306,862

9 TAXATION

No provision for taxation has been made in these condensed interim financial statements in view of the exemption available to the Fund under clause 57(3)(viii) of Part-1 of the second schedule to the Income Tax Ordinance, 2001. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

10 EARNING / (LOSS) PER UNIT

Earning / (Loss) per unit calculated based on the number of units outstanding as at period end as in the opinion of the management, the determination of the cumulative weighted average number of outstanding units for calculating Earning / (Loss) per unit is not practicable.

11 TOTAL EXPENSE RATIO

The AHAM Pension Fund - Equity Sub Fund has maintained Total expense ratio (TER) 1.15% [0.12% representing Government Levies, SECP Fee].

The AHAM Pension Fund - Debt Sub Fund has maintained Total expense ratio (TER) 0.56% [0.07% representing Government Levies, SECP Fee].

The AHAM Pension Fund - Money Market Sub Fund has maintained Total expense ratio (TER) 0.56% [0.08% representing Government Levies, SECP Fee].

12 TRANSACTIONS WITH CONNECTED PERSONS

12.1 Connected persons include AL Habib Asset Management Company Limited being the Pension Fund Manager, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Pension Fund Manager, any entity in which the Pension Fund Manager, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Pension Fund Manager or the net assets of the Fund, directors and their close family members and key management personnel of the Pension Fund Manager.

12.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise Contribution and early redemption of units, fee on account of managing the affairs of the Fund, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

12.3 Remuneration to the Pension Fund Manager of the Fund is determined in accordance with the provisions of the VPS Rules, 2005.

12.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the VPS Rules, 2005 and the Trust Deed.

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

	(Un-audited)			
	For the period from June 30, 2022 to December 31, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees in '000			
12.6 Details of transactions with connected persons / related parties during the period are as follows:				
Central Depository Company of Pakistan Limited - Trustee				
Remuneration of the Trustee	39	55	56	150
Sindh Sales Tax on remuneration of the Trustee	5	7	7	19
Bank AL Habib Limited				
Bank charges	9	9	9	27
Profit on savings account	1,137	805	900	2,842
AL Habib Capital Markets (Pvt) Ltd				
Brokerage	12	-	-	12

AL HABIB PENSION FUND

	(Un-audited)			
	For the period from June 30, 2022 to December 31, 2022			
	Equity	Debt	Money Market	Total
	Sub-Fund	Sub-Fund	Sub-Fund	
----- Rupees in '000 -----				
Details of the balances with connected persons are as follows:				
Central Depository Company of Pakistan Limited - Trustee				
Trustee fee payable	17	24	24	65
Sindh Sales Tax Payable on trustee fee	2	3	3	8
Security deposit	-	100	-	100
Bank AL Habib Limited				
Bank Balance	3,219	1,078	1,974	6,271
Bank charges	9	9	9	27
Profit receivable on savings account	32	59	20	111
AL Habib Capital Markets (Pvt) Ltd				
Brokerage	12	-	-	12
For the period from June 30, 2022 to December 31, 2022				
Equity	Debt	Money Market	Total	
Sub-Fund	Sub-Fund	Sub-Fund		
----- Rupees in '000 -----				
Units sold to:				
Management Company				
AL Habib Asset Management Company Limited - Pension Fund Manager	30,000	30,000	30,000	90,000
Other related parties				
Directors and their relatives of the Management Company	-	7,393	11,089	18,482
Key Executives of the Management Company	1,005	2,265	1,065	4,335
Units redeemed by:				
Other related parties				
Directors and their relatives of the Management Company	-	4,108	6,159	10,267
Key Executives of the Management Company	5	-	-	5
December 31, 2022 (Un-audited)				
Equity	Debt	Money Market	Total	
Sub-Fund	Sub-Fund	Sub-Fund		
----- Rupees in '000 -----				
Units held by:				
Management Company				
AL Habib Asset Management Company Limited - Pension Fund Manager	29,682	32,390	32,266	94,338
Other related parties				
Directors and their relatives of the Management Company	-	3,624	5,417	9,041
Key Executives of the Management Company	989	2,444	1,145	4,578

13 GENERAL

13.1 Figures have been rounded off to the nearest (thousand) Rupee unless otherwise stated.

14 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on **February 09, 2023** by the Board of Directors of the Pension Fund Manager.

**For AL Habib Asset Management Limited
(Pension Fund Manager)**

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC PENSION FUND
Half Yearly Report
December 31, 2022

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

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

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

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

Human Resource Committee

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

Auditors

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

Legal Advisor

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

Trustee

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

Rating

AM2+ Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited

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

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022

		December 31, 2022 (Un-audited)			
		Equity	Debt	Money Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund	Total
Note	----- Rupees in '000 -----				
Assets					
	3	3,079	18,014	46,686	67,779
	4	29,979	24,883	-	54,862
		1,055	1,402	1,215	3,672
		34,113	44,299	47,901	126,313
Liabilities					
		28	27	27	82
		4	5	5	14
		1,392	-	-	1,392
	5	52	33	30	115
		1,476	65	62	1,603
		32,637	44,234	47,839	124,710
		32,637	44,234	47,839	124,710
	6	----- Number of units -----			
		324,580	423,120	457,719	
		----- Rupees -----			
		100.55	104.54	104.52	

The annexed notes 1 to 14 form an integral part of these condensed interim financial information.

For AL Habib Asset Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC PENSION FUND

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE PERIOD FROM SEPTEMBER 05, 2022 TO DECEMBER 31, 2022**

FOR THE PERIOD FROM SEPTEMBER 05, 2022 TO DECEMBER 31, 2022					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note	Rupees in '000				
Income					
Profit on bank deposit	7	387	1,101	1,808	3,296
Income from government securities		-	621	-	621
Dividend income		817	-	-	817
Capital gain on sale of investments		538	92	-	630
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	4.5	(1,403)	(81)	-	(1,484)
Total Income / (loss)		339	1,733	1,808	3,880
Expenses					
Remuneration of Central Depository Company of Pakistan Limited - Trustee	32	32	31		95
Sindh Sales Tax on remuneration of the Trustee	4	4	4		12
Annual fees to the Securities and Exchange Commission of Pakistan	4	5	5		14
Auditors' remuneration	21	21	21		63
Security transaction charges	75	3	-		78
Printing charges	8	8	8		24
Charity expense	22	-	-		22
Total expenses	166	73	69		308
Net (loss) / income for the period before taxation	173	1,660	1,739		3,572
Taxation	9	-	-		-
Net (loss) / income for the period after taxation	173	1,660	1,739		3,572
Other comprehensive income for the period		-	-		-
Total comprehensive (loss) / income for the period	173	1,660	1,739		3,572
Earnings / (loss) per unit	10				

The annexed notes 1 to 14 form an integral part of these condensed interim financial information.

**For AL Habib Asset Management Limited
(Pension Fund Manager)**

Chief Executive Officer

Chief Financial Officer

Director

AL HABIB ISLAMIC PENSION FUND

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND (UN-AUDITED)
FOR THE PERIOD FROM SEPTEMBER 05, 2022 TO DECEMBER 31, 2022**

**FOR THE PERIOD FROM SEPTEMBER 05, 2022 TO
DECEMBER 31, 2022**

	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees in '000-----			
Issue of units*	32,464	42,574	46,100	121,138
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss' - net	(1,403)	(81)	-	(1,484)
Other income for the period - net	1,576	1,741	1,739	5,056
Total comprehensive (loss) / income for the period	173	1,660	1,739	3,572
Net assets at the end of the period	32,637	44,234	47,839	124,710

* Total number of units issued during the period is disclosed in note 8 of these financial statements.

The annexed notes 1 to 14 form an integral part of these condensed interim financial information.

**For AL Habib Asset Management Limited
(Pension Fund Manager)**

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE PERIOD FROM SEPTEMBER 05, 2022 TO DECEMBER 31, 2022**

**FOR THE PERIOD FROM SEPTEMBER 05, 2022 TO
DECEMBER 31, 2022**

	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees in '000-----			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net (loss) / income for the period before taxation	173	1,660	1,739	3,572
Adjustments for:				
Unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	1,403	81	-	1,484
Interest / profit earned	(387)	(1,722)	(1,808)	(3,917)
Dividend income	(817)	-	-	(817)
	<u>199</u>	<u>(1,641)</u>	<u>(1,808)</u>	<u>(3,250)</u>
	372	19	(69)	322
Decrease / (Increase) in assets				
Deposits and other receivables	-	-	-	-
Increase / (decrease) in liabilities				
Payable to Central Depository Company of Pakistan Limited - Trustee	28	27	27	82
Payable to the Securities and Exchange Commission of Pakistan	4	5	5	14
Accrued expenses and other liabilities	52	33	30	115
	84	65	62	211
Interest received	149	320	593	1,062
Net amount received / (paid) on purchase and sale of investments	(29,990)	(24,964)	-	(54,954)
Net cash (used in) / generated from operating activities	<u>(29,385)</u>	<u>(24,560)</u>	<u>586</u>	<u>(53,359)</u>
CASH FLOW FROM FINANCING ACTIVITIES				
Receipts from issuance of units	32,464	42,574	46,100	121,138
Net cash generated from financing activities	<u>32,464</u>	<u>42,574</u>	<u>46,100</u>	<u>121,138</u>
Net increase in cash and cash equivalents during the period	<u>3,079</u>	<u>18,014</u>	<u>46,686</u>	<u>67,779</u>
Cash and cash equivalents at the beginning of the period	-	-	-	-
Cash and cash equivalents at the end of the period	<u><u>3,079</u></u>	<u><u>18,014</u></u>	<u><u>46,686</u></u>	<u><u>67,779</u></u>

The annexed notes 1 to 14 form an integral part of these condensed interim financial information.

**For AL Habib Asset Management Limited
(Pension Fund Manager)**

Chief Executive Officer

Chief Financial Officer

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD FROM SEPTEMBER 05, 2022 TO DECEMBER 31, 2022**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** AL Habib Islamic Pension Fund (the Fund) is an open ended pension scheme constituted under a Trust Deed entered into on June 24, 2022 between AL Habib Asset Management Company Limited as the Pension Fund Manager and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Fund as a Pension Fund dated May 16, 2022 in accordance with the requirements of the Voluntary Pension Scheme Rules, 2005.

The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the Voluntary Pension Scheme Rules, 2005 (the VPS Rules) through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 3rd Floor Mackinnon's Building I, I Chundrigar Road Karachi.

- 1.2** The units of the Fund are offered to the public for subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in the Voluntary Pension System Rules, 2005 and can be redeemed by surrendering them to the Fund. Further, as per the Offering Document, the Fund shall not distribute any income or dividend from the Fund whether in cash or otherwise from any of the Sub-Funds.
- 1.3** The objective of the Fund is to provide a secure source of savings and retirement income to individuals. It is a portable pension scheme allowing individuals the flexibility of contributions and portfolio customisation through allocation of such contributions in equity and fixed income investment avenues suited to their specific needs and risk profile.
- 1.4** The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.5** The Fund consists of three sub-funds namely, AL Habib Pension Fund Equity Sub-Fund (Equity Sub-Fund), AL Habib Pension Fund Debt Sub-Fund (Debt Sub-Fund) and AL Habib pension Fund Money Market Sub-Fund (Money Market Sub-Fund) (collectively the "Sub-Funds"). Investment policy for each of the sub-funds is as follows:

a) AL Habib Islamic Pension Fund - Equity Sub-Fund

The Investment Objective of the Equity Sub Fund of the Islamic Pension Fund is to earn returns from investments in Pakistani Capital Markets. Assets of Equity Sub-fund shall be invested in equity securities which are listed on a Stock Exchange or for the listing of which an application has been approved by a Stock Exchange and Equity sub-fund shall be eligible to invest in units of Real Estate Investment Trusts and Exchange Traded Funds provided that entity/sector/group exposure limits as prescribed are complied with At least ninety percent (90%) of Net Assets of Equity Sub-fund shall remain invested in listed equity securities during the year based on rolling average investment of last ninety (90) days calculated on daily basis

b) AL Habib Islamic Pension Fund - Debt Sub-Fund

The investment objective of the Debt Sub Fund is to earn returns from investments in debt markets of Pakistan, thus incurring a relatively lower risk than equity sub fund. The Investment limits of the Debt Sub Fund are determined by the Commission. The current Investment policy/limits for debt sub-fund as stated below: The Debt Sub-fund shall consist of Shariah Compliant government securities, in the Islamic banks or Islamic windows of commercial banks, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM), TDRs, Sukuk or any other Islamic mode of placement, deposits/placements with any other approved debt/money market security issued from time to time

c) AL Habib Islamic Pension Fund - Money Market Sub-Fund

The Investment Objective of the Money Market Sub-Fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than debt sub fund. The Investment limits of the Money Market Sub Fund are determined by the Commission. The current Investment policy/limits for money

AL HABIB ISLAMIC PENSION FUND

market sub-fund as stated below Investment avenues - government securities, cash and near cash instruments which include cash in bank accounts (excluding TDRs), treasury bills, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM) or any other mode of placement, TDRs.

1.6 The Fund offers four types of allocation schemes, as prescribed by the SECP under VPS Rules 2005 vide its Circular no. 36 of 2009 dated December 10, 2009, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub-Funds. The allocation to the sub-funds has to be done at the date of the opening of the participant's pension account and on an anniversary date thereafter.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

		December 31, 2022 (Un-audited)			
		Equity	Debt	Money Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund	
3	BANK BALANCES	-----Rupees in '000-----			
	Profit and loss sharing accounts	3.1	3,079	18,014	46,686
					67,779

3.1 These are maintained with Bank AL Habib Limited (a related party) that carries profit at the rate of 14.74% per annum.

		December 31, 2022 (Un-audited)			
		Equity	Debt	Money Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund	
4	INVESTMENTS	-----Rupees in '000-----			
	At fair value through profit or loss				
	Listed equity securities	4.1	29,979	-	29,979
	GOP Ijara Sukuk	4.2	-	24,883	24,883
			29,979	24,883	54,862

4.1 Listed equity securities

Ordinary shares having face value of Rs. 10 each unless stated otherwise.

Name of the investee company	Number of shares/ certificates					As at December 31, 2022			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at September 6, 2022	Purchased during the period	Bonus received during the period	Sold during the period	As at December 31, 2022	Carrying value	Market value	Unrealised gain / (loss)	Net assets of the Sub-Fund	Total investment of the Sub-Fund	
(Number of shares)					Rupees in '000			%age			
CEMENT											
Cherat Cement Company Limited	-	6,000	-	-	6,000	690	612	(78)	1.88%	2.04%	0.00%
Kohat Cement Company Limited	-	4,000	-	-	4,000	631	591	(40)	1.81%	1.97%	0.00%
Fauji Cement Company Limited	-	65,000	5,000	-	70,000	963	842	(121)	2.58%	2.81%	0.00%
Bestway cement Limited	-	2,500	-	-	2,500	330	320	(10)	0.98%	1.07%	0.00%
Lucky Cement Limited	-	2,300	-	-	2,300	1,137	1,027	(110)	3.15%	3.43%	0.00%
Maple Leaf Cement Factory Limited	-	34,000	-	-	34,000	948	767	(181)	2.35%	2.56%	0.00%
Pioneer Cement Limited	-	5,000	-	-	5,000	351	257	(94)	0.79%	0.86%	0.00%
						5,050	4,416	(634)	13.54%	14.74%	
CHEMICALS											
Engro Polymer and Chemicals Limited	-	24,000	-	8,000	16,000	807	677	(130)	2.07%	2.26%	0.00%
						807	677	(130)	2.07%	2.26%	
COMMERCIAL BANKS											
Bank Islami Pakistan Limited	-	90,000	-	-	90,000	972	1,202	230	3.68%	4.01%	0.01%
Meezan Bank Limited	-	45,500	-	-	45,500	5,172	4,529	(643)	13.88%	15.11%	0.00%
						6,144	5,731	(413)	17.56%	19.12%	
ENGINEERING											
Mughal Iron & Steel Industries	-	10,000	-	-	10,000	649	483	(166)	1.48%	1.61%	0.00%
						649	483	(166)	1.48%	1.61%	
FERTILIZER											
Engro Fertilizer Limited	-	25,000	-	-	25,000	1,957	1,922	(35)	5.89%	6.41%	0.00%
Engro Corporation Limited	-	6,500	-	-	6,500	1,595	1,703	108	5.22%	5.68%	0.00%
						3,552	3,625	73	11.11%	12.09%	
GLASS & CERAMIC											
Tariq Glass Industries Limited	-	13,500	2,125	-	15,625	1,287	1,018	(269)	3.12%	3.40%	0.01%
						1,287	1,018	(269)	3.12%	3.40%	
OIL & GAS MARKETING COMPANIES											
Pakistan State Oil Co. Limited (Note 5.1.1)	-	4,000	-	-	4,000	611	576	(35)	1.76%	1.92%	0.00%
Attock Petroleum Limited	-	3,000	750	1,500	2,250	699	652	(47)	2.00%	2.17%	0.00%
Sui Northern Gas Pipelines Limited	-	8,000	-	-	8,000	302	300	(2)	0.92%	1.00%	0.00%
						1,612	1,528	(84)	4.68%	5.09%	
REFINERY											
OIL & GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited	-	1,500	-	-	1,500	2,415	2,321	(94)	7.11%	7.74%	0.00%
Oil & Gas Development Company Limited	-	25,500	-	-	25,500	1,970	2,031	61	6.22%	6.77%	0.00%
Pak Oilfields Limited	-	13,000	-	3,500	9,500	3,759	3,732	(27)	11.43%	12.45%	0.00%
Pakistan Petroleum Limited	-	26,000	-	-	26,000	1,557	1,772	215	5.43%	5.91%	0.00%
						9,701	9,856	155	30.19%	32.87%	
PHARMACEUTICALS											
Highmoon Laboratories	-	600	-	-	600	318	324	6	0.99%	1.08%	0.00%
Abbott Lab (Pakistan) Limited	-	500	-	-	500	293	232	(61)	0.71%	0.77%	0.00%
						611	556	(55)	1.70%	1.85%	
TECHNOLOGY & COMMUNICATION											
NetSol Technologies Limited	-	3,000	-	3,000	-	-	-	-	0.00%	0.00%	0.00%
Avanceon Limited	-	12,000	-	-	12,000	903	792	(111)	2.43%	2.64%	0.00%
Systems Limited	-	9,300	-	6,700	2,600	1,011	1,258	247	3.85%	4.20%	0.00%
						1,914	2,050	136	6.28%	6.84%	
AUTOMOBILE ASSEMBLER											
Milat Tractors Limited	-	400	80	400	80	55	39	(16)	0.12%	0.13%	0.00%
						55	39	(16)	0.12%	0.13%	
Total as at December 31, 2022						31,382	29,979	(1,403)	91.85%	100.00%	

AL HABIB ISLAMIC PENSION FUND

4.2 GOP Ijara Sukuk

Name of the security	As at September 6, 2022	Purchased during the period	Sold during the period	As at December 31, 2022	Cost of holding as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation / (diminution)	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
	-----Number of certificates-----			-----Rupees in '000-----		-----%age-----			
GOP Ijara Sukuk VRR (26-10-2022)	-	750	500	250	24,964	24,883	(81)	56.25%	100.00%
Total as at December 31, 2022					24,964	24,883	(81)	56.25%	100.00%

December 31, 2022 (Un-audited)

	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees in '000 -----			
4.3 Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net				
Market value of investments		29,979	24,883	54,862
Less: carrying value of investments		31,382	24,964	56,346
		(1,403)	(81)	(1,484)

5 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration payable	21	21	21	63
Printing charges	9	9	9	27
Charity Payable	22	-	-	22
	52	33	30	115

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022.

(Un-audited)

	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees in '000 -----			
7 FINANCIAL PROFIT				
Income on bank balances	387	1,774	1,808	3,969
Income on government securities		621		
	387	2,395	1,808	3,969

December 31, 2022 (Un-audited)

	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Number of units -----			
8 NUMBER OF UNITS IN ISSUE				
Issue of units during the period	324,580	423,120	457,719	1,205,419
Total units in issue at the end of the period	324,580	423,120	457,719	1,205,419

9 TAXATION

No provision for taxation has been made in these condensed interim financial statements in view of the exemption available to the Fund under clause 57(3)(viii) of Part-1 of the second schedule to the Income Tax Ordinance, 2001. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

10 EARNING / (LOSS) PER UNIT

Earning / (Loss) per unit calculated based on the number of units outstanding as at period end as in the opinion of the management, the determination of the cumulative weighted average number of outstanding units for calculating Earning / (Loss) per unit is not practicable.

11 TOTAL EXPENSE RATIO

The AHAM Islamic Pension Fund - Equity Sub Fund has maintained Total expense ratio (TER) 1.49% [0.10% representing Government Levies, SECP Fee].

The AHAM Islamic Pension Fund - Debt Sub Fund has maintained Total expense ratio (TER) 0.59% [0.05% representing Government Levies, SECP Fee].

The AHAM Islamic Pension Fund - Money Market Sub Fund has maintained Total expense ratio (TER) 0.55% [0.05% representing Government Levies,SECP Fee].

12 TRANSACTIONS WITH CONNECTED PERSONS

12.1 Connected persons include AL Habib Asset Management Company Limited being the Pension Fund Manager, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Pension Fund Manager, any entity in which the Pension Fund Manager, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Pension Fund Manager or the net assets of the Fund, directors and their close family members and key management personnel of the Pension Fund Manager.

12.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

12.3 Remuneration to the Pension Fund Manager of the Fund is determined in accordance with the provisions of the VPS Rules, 2005.

12.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the VPS Rules, 2005 and the Trust Deed.

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

(Un-audited)			
For the period from September 05, 2022 to December 31, 2022			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
-----Rupees in '000-----			

12.6 Details of transactions with connected persons / related parties during the period are as follows:

Central Depository Company of Pakistan Limited - Trustee				
Remuneration of the Trustee	32	32	31	95
Sindh Sales Tax on remuneration of the Trustee	4	4	4	12
Bank AL Habib Limited				
Profit on savings account	387	1,774	1,808	3,969
AL Habib Capital Markets (Pvt) Ltd				
Brokerage	12	-	-	12

AL HABIB ISLAMIC PENSION FUND

		December 31, 2022 (Un-audited)			
		Equity	Debt	Money Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund	
		-----Rupees in '000-----			
12.7	Details of balances with connected persons / related parties as at period end are as follows:				
	Central Depository Company of Pakistan Limited - Trustee				
	Trustee fee payable	25	24	24	73
	Sindh Sales Tax Payable on trustee fee	3	3	3	9
	Bank AL Habib Limited				
	Bank Balance	3,079	18,014	46,686	67,779
	Profit receivable on savings account	238	1,402	1,215	2,855
		-	-	-	-
	Units sold to:				
	Management Company				
	AL Habib Asset Management Company Limited - Pension Fund Manager	30,000	30,000	30,000	90,000
	Other related parties				
	Directors and their relatives of the Management Company	-	8,122	12,184	20,306
	Key Executives of the Management Company	10	4	6	20
	Units held by:				
	Management Company				
	AL Habib Asset Management Company Limited - Pension Fund Manager	29,728	30,291	30,290	90,309
	Other related parties				
	Directors and their relatives of the Management Company	-	10,481	15,734	26,215
	Key Executives of the Management Company	10	4	6	20

13 GENERAL

13.1 Figures have been rounded off to the nearest (thousand) Rupee unless otherwise stated.

14 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorised for issue on **February 09,2023** by the Board of Directors of the Pension Fund Manager.

**For AL Habib Asset Management Limited
(Pension Fund Manager)**

Chief Executive Officer

Chief Financial Officer

Director

الحیب اسلامک بینشن فنڈ کو 05 ستمبر 2022 کو متعارف کرایا گیا تھا، اس نے 31 دسمبر 2022 کو ختم ہونے والی ششماہی میں منی مارکیٹ، ڈیٹ اور ایکویٹی سب فنڈز کیلئے بالترتیب 13.98 فیصد، 14.04 فیصد اور 0.55 فیصد کا خالص سالانہ منافع حاصل کیا۔ منی مارکیٹ اور ڈیٹ سب فنڈز کی مجموعی آمدنی بالترتیب 1.81 ملین روپے اور 1.73 ملین روپے رہی جو بینک ڈپازٹس، ڈیٹ انسٹرومنٹس اور سرکاری سیکورٹیز سے حاصل آمدنی پر مشتمل تھی۔ ایکویٹی کے سب فنڈز کی مجموعی آمدنی 0.34 ملین روپے تھی جس میں بنیادی طور پر منافع منقسمہ سے 0.82 ملین روپے کی آمدنی، بینک ڈپازٹس سے 0.39 ملین روپے کی آمدنی اور ایکویٹی سرمایہ کاری پر 0.87 ملین روپے کا خسارہ شامل تھا۔

ہم اپنے یونٹ ہولڈرز کا مستقل اعتماد اور تعاون، سیکورٹیز اینڈ اینڈ اسٹیٹ کیچج کمیشن آف پاکستان کی رہنمائی اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ کی معاونت کا شکریہ ادا کرتے ہیں۔ ہم اپنے تمام اسٹاف ممبران کی محنت، خلوص اور لگن کے لئے شکرگزار ہیں۔

منجانب ڈائریکٹران از بورڈ

عباس ڈی حبیب
چیرمین
(ڈائریکٹران از بورڈ)

کاشف رفیع
چیف ایگزیکٹو

کراچی:
۹ فروری ۲۰۲۳ء

الحیب اسلامک کیش فنڈ نے 31 دسمبر 2022 کو ختم ہونے والی ششماہی میں 14.71 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 574.78 ملین روپے رہی جس میں بنیادی طور پر 538.31 ملین روپے کے بینک ڈپازٹس اور 36.47 ملین روپے کی ٹرم ڈپازٹس سے حاصل ہونے والی آمدنی شامل ہے۔ اس مدت کے دوران فنڈ نے 7.16 روپے فی یونٹ کا مجموعی عبوری منافع منقسمہ تقسیم کیا۔ PACRA نے 30 دسمبر 2022 کو فنڈ اسٹیٹمنٹ ریٹنگ کے تحت الحیب اسلامک کیش فنڈ کو (f) AA+ ریٹنگ پر تقویض کیا ہے۔

الحیب اسلامک آکم فنڈ نے 31 دسمبر 2022 کو ختم ہونے والی ششماہی میں 13.35 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 496.03 ملین روپے رہی جس میں بنیادی طور پر 239.41 ملین روپے کے بینک ڈپازٹس، 38.29 ملین روپے کی ٹرم ڈپازٹس اور

218.33 ملین روپے کی سکوکس میں سرمایہ کاری سے حاصل ہونے والی آمدنی شامل ہیں۔ اس مدت کے دوران فنڈ نے 6.40 روپے فی یونٹ کا مجموعی عبوری منافع منقسمہ تقسیم کیا۔ PACRA نے 2 ستمبر 2022 کو فنڈ اسٹیٹمنٹ ریٹنگ کے تحت الحیب اسلامک آکم فنڈ کی (f) AA ریٹنگ پر دوبارہ توسیع دی۔

الحیب اسلامک سیونگنز فنڈ نے 31 دسمبر 2022 کو ختم ہونے والی ششماہی میں 14.24 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 234.12 ملین روپے رہی جس میں بنیادی طور پر 175.55 ملین روپے کے بینک ڈپازٹس، 7.62 ملین روپے کی ٹرم ڈپازٹس اور 50.95 ملین روپے کی سکوکس میں سرمایہ کاری سے حاصل ہونے والی آمدنی شامل ہے۔ اس مدت کے دوران فنڈ نے 6.15 روپے فی یونٹ کا مجموعی عبوری منافع منقسمہ تقسیم کیا۔ PACRA نے 30 دسمبر 2022 کو فنڈ اسٹیٹمنٹ ریٹنگ کے تحت الحیب اسلامک سیونگنز فنڈ کو (f) AA ریٹنگ پر تقویض کیا۔

الحیب ایسیٹ ایلوکیشن فنڈ نے 31 دسمبر 2022 کو ختم ہونے والی ششماہی میں 1.38 فیصد کا خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 3.45 ملین روپے رہی جس میں بنیادی طور پر 2.02 ملین روپے منقسمہ، 2.05 ملین روپے کی سرکاری سیکورٹیز میں سرمایہ کاری، 2.32 ملین روپے کے بینک ڈپازٹس اور 2.94 ملین روپے کے حقیقی اور غیر حقیقی کپٹل خسارے شامل ہیں۔

الحیب اسٹاک فنڈ نے 31 دسمبر 2022 کو ختم ہونے والی ششماہی میں 6.43 فیصد کا منفی منافع حاصل کیا، فنڈ کا مجموعی خسارہ 4.81 ملین روپے رہا جس میں بنیادی طور پر منافع منقسمہ سے حاصل ہونے والی 5.43 ملین روپے کی آمدنی، بینک ڈپازٹس سے حاصل 1.12 ملین روپے کی آمدنی اور ایکویٹی سرمایہ کاریوں پر 11.36 ملین روپے کے حقیقی اور غیر حقیقی کپٹل خسارے شامل ہیں۔

الحیب اسلامک اسٹاک فنڈ نے 31 دسمبر 2022 کو ختم ہونے والی ششماہی میں 2.66 فیصد کا منفی منافع حاصل کیا، فنڈ کا مجموعی خسارہ 2.34 ملین روپے رہا جس میں بنیادی طور پر منافع منقسمہ سے حاصل ہونے والی 11.59 ملین روپے کی آمدنی، بینک ڈپازٹس سے حاصل 3.50 ملین روپے کی آمدنی اور ایکویٹی سرمایہ کاریوں پر 17.43 ملین روپے کے حقیقی اور غیر حقیقی کپٹل خسارے شامل ہیں۔

الحیب ہینشن فنڈ کو 30 جون 2022 کو متعارف کرایا گیا تھا، اس نے 31 دسمبر 2022 کو ختم ہونے والی ششماہی میں منی مارکیٹ، ڈیٹ اور ایکویٹی سب فنڈز کے لئے بالترتیب 14.88 فیصد، 15.71 فیصد اور منفی 1.09 فیصد کا خالص سالانہ خالص منافع حاصل کیا۔ منی مارکیٹ اور ڈیٹ سب فنڈز کی مجموعی آمدنی بالترتیب 3.72 ملین روپے اور 3.81 ملین روپے رہی، جو بینک ڈپازٹس اور سرکاری سیکورٹیز سے حاصل آمدنی پر مشتمل تھی، ایکویٹی کے سب فنڈز کا مجموعی خسارہ 0.24 ملین روپے تھا، جس میں بنیادی طور پر منافع منقسمہ سے 1.17 ملین روپے کی آمدنی، بینک ڈپازٹس سے 1.13 ملین روپے کی آمدنی اور ایکویٹی سرمایہ کاری پر 2.54 ملین روپے کا خسارہ شامل ہے۔

ڈائریکٹرز رپورٹ

الحیب ایسٹ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز کیلئے، 31 دسمبر 2022 کو ختم ہونے والے ششماہی کیلئے اپنی مینجمنٹ کے تحت فنڈز کے نظر ثانی شدہ مالیاتی حسابات، پیش کرنا باعث مسرت ہے۔

بفضل تعالیٰ پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے 12 اگست 2022 کو کمپنی کیلئے ایسٹ نیچر کی ریٹنگ "AM2+" پر اپ گریڈ کی ہے۔ یہ ریٹنگ، کمپنی کی بہتر و بلند سرمایہ کاری کے انتظامی معیارات اور شیئنگ مارک کے ساتھ متعدد ریٹنگ عناصر کے استحکام کو ظاہر کرتی ہے۔

اس سال تباہ کن سیلابوں نے پاکستان میں معاشی سرگرمیوں کو بری طرح متاثر کیا جو پہلے ہی خاطر خواہ مالیاتی اور بیرونی عدم توازن اور افراط زر کی وجہ سے دباؤ کا شکار تھی۔ سیلابوں نے آنے والے زرعی موسم کیلئے بھی خطرات پیدا کر دیئے ہیں۔ سیلاب ممکنہ طور پر صنعتوں بالخصوص ٹیکسٹائل اور فوڈ پروسیسنگ سے متعلق سروسز، خصوصی طور پر ہول سیل ٹریڈ اور ٹرانسپورٹیشن پر بھی مضر اثرات مرتب کر سکتا ہے۔

معاشی منظر نامے کا بڑا انحصار معاشی اصلاحات کے مستقل نفاذ پر ہے، تاکہ مالیاتی اور بیرونی عدم توازن کو مستحکم کیا جاسکے۔ اس سلسلے میں اسٹیٹ بینک آف پاکستان نے نومبر 2022 میں اپنی مانیٹری پالیسی کمیٹی کے اجلاس میں پالیسی ریٹ 100 bps کو بڑھا کر 16 فیصد کر دیا تھا۔

پاکستان اسٹاک ایکسچینج نے اس ششماہی کے دوران مندی کا رجحان برقرار رکھا جس کی وجہ سے KSE 100 انڈیکس میں 1,163 پوائنٹس کی کمی دیکھنے میں آئی۔

الحیب کیش فنڈ نے 31 دسمبر 2022 کو ختم ہونے والی ششماہی میں 15.10 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 2,004.54 ملین روپے رہی جس میں بنیادی طور پر 1,399.09 ملین روپے کی سرکاری سیکورٹیز، 553.69 ملین روپے کے بینک ڈپازٹس اور 51.76 ملین روپے کی ٹرم ڈپازٹس سے حاصل ہونے والی آمدنی شامل ہے۔ اس مدت کے دوران فنڈ نے 6.19 روپے فی یونٹ کا مجموعی عبوری منافع منقسمہ تقسیم کیا۔ VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے 13 دسمبر 2022 کو فنڈ اسٹیٹیبلٹی ریٹنگ کے تحت الحیب کیش فنڈ کو AA+(f) ریٹنگ پر دوبارہ توسیع دی۔

الحیب منی مارکیٹ فنڈ نے 31 دسمبر 2022 کو ختم ہونے والی ششماہی میں 15.03 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 264.25 ملین روپے رہی جس میں بنیادی طور پر 203.99 ملین روپے کی سرکاری سیکورٹیز اور 60.26 ملین روپے کے بینک ڈپازٹس سے حاصل ہونے والی آمدنی شامل ہے۔ اس مدت کے دوران فنڈ نے 7.35 روپے فی یونٹ کا مجموعی عبوری منافع منقسمہ تقسیم کیا۔ VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے 30 دسمبر 2022 کو فنڈ اسٹیٹیبلٹی کے تحت الحیب منی مارکیٹ فنڈ کو AA+(f) ریٹنگ پر تقویض کیا ہے۔

الحیب آگم فنڈ نے 31 دسمبر 2022 کو ختم ہونے والی ششماہی میں 5.02 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 186.95 ملین روپے رہی جس میں بنیادی طور پر 169.9 ملین روپے کی سرکاری سیکورٹیز، ٹی ایف بیز اور سکوکس میں سرمایہ کاری 16.29 ملین روپے کے بینک ڈپازٹس، 0.97 ملین روپے کی ٹرم ڈپازٹس سے حاصل ہونے والی آمدنی شامل ہیں۔ اس مدت کے دوران فنڈ نے 7.15 روپے فی یونٹ کا مجموعی عبوری منافع منقسمہ تقسیم کیا۔ PACRA نے 2 ستمبر 2022 کو فنڈ اسٹیٹیبلٹی ریٹنگ کے تحت الحیب آگم فنڈ کو AA+(f) ریٹنگ پر دوبارہ توسیع دی۔



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