



ABL ISLAMIC STOCK FUND
HALF YEAR FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

Half Yearly REPORT



ABL Asset Management

Discover the potential



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FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited Plot / Building # 14 -Main Boulevard, DHA Phase - VI, Lahore - 54810	
Board of Directors:	Sheikh Mukhtar Ahmed Mr. Mohammad Naem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Aizid Razzaq Gill Ms. Saira Shahid Hussain Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent Director
Audit Committee:	Mr. Muhammad Kamran Shehzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt	Chairman Member Member
Human Resource and Remuneration Committee	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi	Chairman Member Member Member
Board's Risk Management Committee	Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi	Chairman Member Member
Board Strategic Planning & Monitoring Committee	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi	Chairman Member Member Member
Chief Executive Officer of The Management Company:	Mr. Alee Khalid Ghaznavi	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Kamran Shahzad	
Trustee:	Digital Custodian Company Limited 4th Floor, Perdesi House, Old Queen's Road, Karachi, 74200	
Bankers to the Fund:	Allied Bank Limited Bank Islami Pakistan Limited Dubai Islamic Bank Limited	
Auditors:	M/s. A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, Karachi	
Legal Advisor:	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
Registrar:	ABL Asset Management Company Limited L - 48, DHA Phase - VI, Lahore - 74500	



REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Islamic Stock Fund (ABL-ISF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Islamic Stock Fund for the half year ended December 31, 2021.

ECONOMIC PERFORMANCE REVIEW

Pakistan's economy grew by 3.94% in FY 21 against the decline of 0.40% in the same period last year (SPLY). All three sectors agriculture, industrial, and services sector have contributed to this growth trajectory. The Services sector remained in limelight by surging 4.43% followed by industrial (up by 3.57%) and agriculture which swelled by 2.77% during the said period. Within industrial sector, large-scale manufacturing (LSM) grew by 9.29% against a decline of 10.12% in SPLY. This growth in LSM can be attributed to the basis of revival of the economy post covid situation.

During the 6MFY22, the average inflation inched up 9.79%YoY compared to 8.63%YOY in SPLY. Price increase was seen across many sectors, including transport, housing, and food. This increase in price can be attributed on the basis of higher commodity prices in the international market particularly, energy prices led by swelling transport index. Going forward, we anticipate that full year inflation would remain in double digits. The thesis is premised on higher petroleum prices, increase in electricity tariff and decline in exchange rate parity. On the monetary front, the State Bank Pakistan (SBP) may continue monetary tightening by increasing policy rate.

On the balance of payment front, the country posted cumulative deficit of USD 7.09bn against the surplus of USD 1.25bn in the SPLY. The primary reason behind this was trade deficit as exports surged by 29% while the imports swelled by 69% to close the period at USD 25bn and USD 65bn respectively during the 5MFY22. Remittance has been increased by 10% to clock in at USD 13bn. This increase in remittance could be attributed to declining transactions through illegal channels due to government crackdown. Foreign exchange reserves of country stood at USD 17.69bn as of December 31, 2021, providing total import cover of ~ 2.99 months.

On the fiscal side, tax collection has reached ~PKR 2.899tr, during 1HFY22, vs. a target of ~PKR 2.617tr resulting in a surplus of ~PKR 282bn.

ISLAMIC EQUITY MARKET REVIEW

During the 1HFY22, the KMI-30 experienced its worst performance, falling nearly 4,934 points (~6.4%) and closed the period at 71,687 points. During the period, average traded volume and value decreased by ~68.3%YOY to 49mn and ~48.9%YOY to USD 24mn respectively. Investors lost their confidence amid i) Increase in policy rate ii) rapid currency depreciation iii) significant heave in trade deficit iv) MSCI reclassified Pakistan to frontier market and, v) delay in the approval of IMF's sixth review. Foreign investors continued their selling spree by offloading shares worth USD 250mn. On the domestic front, individuals, insurance and companies bought massively with a net buying of USD 72mn, USD 65mn, and USD 60mn respectively. A sector-wise analysis shows that commercial banks and cement marked a massive foreign outflow of USD 141mn, and USD 48mn respectively.

MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of the open-end mutual fund industry posted a growth of 7%YoY (from PKR 1074bn to PKR 1148bn). The pandemic has created a demand for safe heavens. Money market and fixed income funds (including Islamic and conventional) witnessed a huge growth of 20%YoY and 2%YoY to close the period at PKR 566bn and PKR 251bn, respectively. On the other hand, equity funds - including both conventional and Islamic - declined by 9%YoY to close the period at PKR 220bn.

FUND PERFORMANCE

ABL Islamic Stock Fund's AUM increased by 7% to PKR 3,071.2 in December 2021 compared to PKR 2,876.64 in June 2021. The fund posted a return of -6.70% against the benchmark return of -6.44 % which reflects underperformance of 0.26%. When measured from its inception date, ABL-ISF has posted a return of 91.48% as compared to its benchmark return of 88.91%, yielding an outperformance of 2.57%.

AUDITORS

M/s. A.F. Ferguson & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2022 for ABL Islamic Stock Fund (ABL-ISF).

MANAGEMENT QUALITY RATING

On December 31, 2021: VIS Credit Rating Company Limited (VIS) has reaffirmed the Management Quality Rating (MQR) of ABL Asset Management Company (ABL AMC) at 'AM2++' (AM-Two-Double Plus). Outlook on the assigned rating is 'Positive'.

OUTLOOK

Despite improving the economic numbers and business confidence uncertainty created by the negative macro indicators changed the sentiment of investors. As a result, the Pak rupee depreciated rapidly and the policy rate increased by 275 bps points. Besides this, Remittance showed a stable growth throughout the given period to support the CAD. The government is also taking the initiative to broaden the tax revenue and achieved the required target during CY21.

Going forward, we project inflation, interest rate, and current account deficit on the higher side due to which the market will show a mixed behavior shortly. Although, we expect the market to perform well keeping in the view that currently market is trading at a discounted multiple as compared to regional players.

ACKNOWLEDGEMENT

We thank our valued investors who have placed their confidence in us. The Board is also thankful to Securities & Exchange Commission of Pakistan, the Trustee (Digital Custodian Company Limited Formerly MCB Financial Services Limited) and the management of Pakistan Stock Exchange Limited for their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

For & on behalf of the Board



Director

Lahore, February 11, 2022



Alee Khalid Ghaznavi
Chief Executive Officer





REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

ABL ISLAMIC STOCK FUND

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

ABL Islamic Stock Fund, an open-end Scheme established under a Trust Deed dated May 15, 2013 executed between ABL Asset Management Company Limited, as the Management Company and Digital Custodian Company Limited Formerly MCB Financial Services Limited, as the Trustee. The fund commenced its operation on June 12, 2013.

- I. ABL Asset Management Company Limited, the Management Company of ABL Islamic Stock Fund has, in all material respects, managed ABL Islamic Stock Fund during the period ended 31st Dec 2021 in accordance with the provisions of the following:
 - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
 - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
 - (iii) the creation and cancellation of units are carried out in accordance with the deed;
 - (iv) and any regulatory requirement.

Karachi: February 21, 2022

Authorize Signatory

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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **ABL Islamic Stock Fund** (the Fund) as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement for the half year ended December 31, 2021, together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'). The Management Company (ABL Asset Management Company Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement for the quarter ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2021.

Scope of Review

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

Conclusion

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

Other Matter

The condensed interim financial statements of the Fund for the half year ended December 31, 2020 and the financial statements for the year ended June 30, 2021 were reviewed and audited respectively by another firm of Chartered Accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated February 24, 2021 and September 28, 2021 respectively.



A.F. Ferguson & Co.

Chartered Accountants

Engagement Partner: **Noman Abbas Sheikh**

Dated: February 25, 2022

Karachi

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>


■ KARACHI ■ LAHORE ■ ISLAMABAD

ABL ISLAMIC STOCK FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021


	(Un-audited) December 31, 2021	(Audited) June 30, 2021
Note	----- Rupees in '000 -----	
ASSETS		
Balances with banks	4 97,719	62,408
Investments	5 3,036,468	2,876,606
Dividend and profit receivables	2,173	1,859
Security deposits	2,600	2,600
Receivable against sale of investments	-	100
Receivable against issuance of units	143	39,023
Advances and other receivable	1,524	1,511
Total assets	3,140,627	2,984,107
LIABILITIES		
Payable to ABL Asset Management Company Limited - Management Company	6 58,652	61,878
Payable to MCB Financial Services Limited - Trustee	7 192	192
Payable to the Securities and Exchange Commission of Pakistan	8 306	618
Payable against redemption of units	611	-
Accrued expenses and other liabilities	9 9,669	44,784
Total liabilities	69,430	107,472
NET ASSETS	3,071,197	2,876,635
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	3,071,197	2,876,635
CONTINGENCIES AND COMMITMENTS	10	
	----- Number of units -----	
NUMBER OF UNITS IN ISSUE	202,878,354	177,302,562
	----- Rupees -----	
NET ASSET VALUE PER UNIT	15.1381	16.2244

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

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Alea Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director



ABL ISLAMIC STOCK FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2021

	Note	For the half year ended December 31,		For the quarter ended December 31,	
		2021	2020	2021	2020
----- (Rupees in '000) -----					
Income					
Profit on savings accounts		4,860	3,471	2,389	1,323
Dividend income		79,906	50,807	49,179	41,902
(Loss) / gain on sale of investments - net		(184,907)	183,679	(120,281)	59,908
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit 'or loss' - net	5.2	(90,256)	466,103	93,172	178,346
		(275,163)	649,782	(27,109)	238,254
Total (loss) / income		(190,397)	704,060	24,459	281,479
Expenses					
Remuneration of ABL Asset Management Company Limited - Management Company	6.1	30,590	26,776	15,088	13,499
Punjab Sales Tax on remuneration of the Management Company	6.2	4,894	4,284	2,414	2,160
Accounting and operational charges	6.4	1,530	1,337	754	674
Selling and marketing expenses	6.5	21,420	18,716	10,560	9,439
Remuneration of MCB Financial Services Limited - Trustee	7.1	1,017	921	503	463
Sindh Sales Tax on remuneration of the Trustee	7.2	132	120	65	60
Annual fee of the Securities and Exchange Commission of Pakistan	8	306	268	151	135
Securities transaction costs		9,472	5,499	4,580	2,615
Auditors' remuneration		321	330	189	165
Listing fee		14	33	7	26
Shariah advisory fee		181	181	91	102
Printing charges		101	101	51	51
Bank charges		40	60	29	3
Legal and professional charges		62	-	62	-
Settlement and other charges		1,107	745	459	270
Total operating expenses		71,187	59,371	35,003	29,662
Reversal of provision for Sindh Workers' Welfare Fund	9.1	24,604	-	-	-
Net (loss) / income for the period before taxation		(236,980)	644,689	(10,544)	251,817
Taxation	11	-	-	-	-
Net (loss) / income for the period after taxation		(236,980)	644,689	(10,544)	251,817
Earnings / (loss) per unit	12				
Allocation of net income for the period:					
Net income for the year after taxation		-	644,689	-	251,817
Income already paid on units redeemed		-	(103,557)	-	(38,494)
		-	541,131	-	213,323
Accounting income available for distribution:					
-Relating to capital gain		-	649,782	-	238,254
-Excluding capital gains		-	(108,650)	-	(24,931)
		-	541,131	-	213,323

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

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Alec Khalid Ghaznavi
Chief Executive Officer




Pervaiz Iqbal Butt
Director

ABL ISLAMIC STOCK FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2021


	For the half year ended December 31,		For the quarter ended December 31,	
	2021	2020	2021	2020
	----- (Rupees in '000) -----			
Net (loss) / income for the period after taxation	(236,980)	644,689	(10,544)	251,817
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	(236,980)	644,689	(10,544)	251,817

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

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Alee Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director

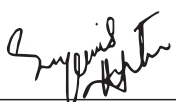


ABL ISLAMIC STOCK FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

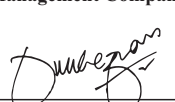
	Half year ended December 31, 2021			Half year ended December 31, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
----- Rupees in '000 -----						
Net assets at beginning of the period (audited)	1,869,542	1,007,093	2,876,635	1,660,870	655,706	2,316,576
Issue of 176,159,646 (2020: 80,247,037) units						
- Capital value (at net asset value per unit at the beginning of the period)	2,858,085	-	2,858,085	977,666	-	977,666
- Element of (loss) / income	(51,592)	-	(51,592)	188,609	-	188,609
Total proceeds on issuance of units	2,806,493	-	2,806,493	1,166,275	-	1,166,275
Redemption of 150,583,854 (2020: 83,592,625) units						
- Capital value (at net asset value per unit at the beginning of the period)	2,443,133	-	2,443,133	1,018,426	-	1,018,426
- Element of (income) / loss	(68,182)	-	(68,182)	89,574	103,557	193,131
Total payments on redemption of units	2,374,951	-	2,374,951	1,108,000	103,557	1,211,557
Total comprehensive (loss) / income for the period	-	(236,980)	(236,980)	-	644,689	644,689
Distribution during the period	-	-	-	-	-	-
Net income (loss) / income for the period less distribution	-	(236,980)	(236,980)	-	644,689	644,689
Net assets at end of the period (un-audited)	<u>2,301,084</u>	<u>770,113</u>	<u>3,071,197</u>	<u>1,719,145</u>	<u>1,196,838</u>	<u>2,915,983</u>
Undistributed income brought forward						
- Realised		678,999			728,933	
- Unrealised		328,094			(73,227)	
		<u>1,007,093</u>			<u>655,706</u>	
Accounting income available for distribution						
- Relating to capital gains		-			649,782	
- Excluding capital gains		-			(108,650)	
		-			541,132	
Net loss for the period after taxation		(236,980)			-	
Distribution for the period		-			-	
Undistributed income carried forward		<u>770,113</u>			<u>1,196,838</u>	
Undistributed income carried forward						
- Realised income		860,369			730,735	
- Unrealised (loss) / income		(90,256)			466,103	
		<u>770,113</u>			<u>1,196,838</u>	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			<u>16.2244</u>			<u>12.2004</u>
Net assets value per unit at end of the period			<u>15.1381</u>			<u>15.6327</u>

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

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Alec Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director

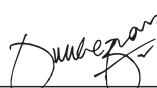
ABL ISLAMIC STOCK FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	<u>Half year ended December 31,</u>	
	2021	2020
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the period after taxation	(236,980)	644,689
Adjustments:		
Profit on savings accounts	(4,860)	(3,471)
Dividend income	(79,906)	(50,807)
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.2 90,256	(466,103)
	5,490	(520,381)
Increase in assets		
Advances and other receivable	(13)	(13)
Increase / (decrease) in liabilities		
Payable to ABL Asset Management Company Limited- Management Company	(3,226)	4,108
Payable to MCB Financial Services Limited - Trustee	-	27
Payable to the Securities and Exchange Commission of Pakistan	(312)	(141)
Accrued expenses and other liabilities	(35,115)	(3,888)
	(38,653)	106
	(270,156)	124,401
Interest and dividend received	84,452	50,753
Net amount paid on purchase and sale of investments	(250,018)	(165,397)
Net cash (used in) / generated from operating activities	(435,722)	9,757
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	2,845,373	1,164,548
Net payments against redemption of units	(2,374,340)	(1,192,086)
Net cash generated from / (used in) from financing activities	471,033	(27,538)
Net increase / (decrease) in cash and cash equivalents	35,311	(17,781)
Cash and cash equivalents at the beginning of the period	62,408	140,151
Cash and cash equivalents at the end of the period	4 97,719	122,370

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



Saqib Matin
Chief Financial Officer



Alee Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director

ABL ISLAMIC STOCK FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 ABL Islamic Stock Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on June 23, 2010 between ABL Asset Management Company Limited as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. The offering document of the Fund has been revised through the second supplement dated July 1, 2017 with the approval of the SECP. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. SCD/AMCW/502/2013 dated May 3, 2013 in accordance with the requirements of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at Plot No. 14, Main Boulevard, DHA Phase 6, Lahore. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

- 1.2 The Fund has been categorised as a Shariah compliant equity scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from June 12, 2013 and are transferable and redeemable by surrendering them to the Fund.
- 1.3 The objective of the Fund is to provide capital appreciation to investors through higher, long term risk adjusted returns by investing in a diversified Shariah compliant portfolio of equity instruments.
- 1.4 VIS Credit Rating Company Limited has determined the asset manager rating of the Management Company of AM2++ (2021: AM2++ on December 31, 2020) on December 31, 2021. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5 The title to the assets of the Fund is held in the name of MCB Financial Services Limited as the Trustee of the Fund.
- 1.6 During the year ended June 30, 2021, the Trust Act, 1882 has been repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements under the relevant trust acts have been introduced. The Management Company in consultation with the MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on the Fund.

2 BASIS OF PRESENTATION

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 Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.



2.2 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at and for the half year ended December 31, 2021.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

3.1 The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended June 30, 2021.

3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. 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, 2021.

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

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2021. 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.

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

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2022. However, these will not have any significant effects on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

	Note	(Un-audited) December 31, 2021	(Audited) June 30, 2021
----- Rupees in '000 -----			
4	BALANCES WITH BANKS		
	Balances with banks in:		
	Current account	4.1 10,546	11,391
	Savings accounts	4.2 87,173	51,017
		<u>97,719</u>	<u>62,408</u>
4.1	This balance is maintained with Allied Bank Limited, a related party of the Fund.		
4.2	These include a balance of Rs 75.527 million (2021: Rs 13.316 million) maintained with Allied Bank Limited (a related party) that carry profit at 6.50% per annum (2021: 4.00% per annum). Other saving accounts of the Fund carry profit rates ranging from 6.50% to 7.50% per annum (2021 : 4.00% to 5.00% per annum).		
		(Un-audited) December 31, 2021	(Audited) June 30, 2021
----- Rupees in '000 -----			
5	INVESTMENTS		
	Investments at fair value through profit or loss - net		
	Listed equity securities	5.1 3,036,468	2,876,606

5.1 Listed equity securities

Ordinary shares have a face value of Rs 10 each except for the shares of Thal Limited and K-Electric Limited which have face value of Rs. 5 and Rs. 3.5 respectively.

Name of the Investee Company	Number of shares					Balance as at December 31, 2021			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at July 1, 2021	Purchased during the period	Bonus / right / sub division of shares received during the period	Sold during the period	As at December 31, 2021	Carrying value	Market value	Appreciation/(diminution)	Net assets of the Fund	Total market value of investments of the Fund	
						(Rupees in '000)			%		
Automobile assembler											
Millat Tractors Limited****	17,620	-	324	16,000	1,944	1,749	1,676	(73)	0.06%	0.06%	-
Pak Suzuki Motor Company Limited ****	-	134,700	-	134,000	700	251	163	(88)	0.01%	0.01%	-
Ghandhara Nissan Limited	-	200,000	-	200,000	-	-	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	109,900	255,900	-	289,800	76,000	17,762	17,995	233	0.59%	0.59%	0.05%
Ghandhara Industries Limited ****	5,100	75,000	-	80,000	100	31	18	(13)	-	-	-
						19,793	19,852	59	0.66%	0.66%	
Automobile parts and accessories											
Thal Limited * / ****	50	-	-	-	50	21	19	(2)	-	-	-
						21	19	(2)	-	-	
Cable & electrical goods											
Waves Singer Pakistan	-	900,000	-	800,000	100,000	2,656	1,559	(1,097)	0.06%	0.05%	0.04%
Pakistan Cables Limited	-	55,000	-	-	55,000	9,500	8,644	(856)	0.29%	0.28%	0.15%
						12,156	10,203	(1,953)	0.35%	0.33%	
Cement											
Kohat Cement Company Limited	524,300	133,000	-	-	657,300	133,546	123,967	(9,579)	4.04%	4.08%	0.33%
Lucky Cement Limited	382,407	625,300	-	380,916	626,791	480,250	425,767	(54,483)	13.87%	14.02%	0.19%
Attock Cement Pakistan Limited ****	1,600	-	-	-	1,600	288	222	(66)	0.01%	0.01%	-
Cherat Cement Company Limited	390,700	835,000	-	901,700	324,000	48,191	48,052	(139)	1.57%	1.58%	0.17%
Pioneer Cement Limited	557,000	350,000	-	519,000	388,000	46,218	34,435	(11,783)	1.13%	1.13%	0.17%
Maple Leaf Cement Factory Limited (Note 5.1.1)	3,216,378	6,073,335	-	3,425,500	5,864,213	241,651	210,818	(30,833)	6.87%	6.94%	0.53%
Fauji Cement Company Limited	30,000	650,000	-	680,000	-	-	-	-	-	-	-
						950,144	843,261	(106,883)	27.49%	27.77%	
Chemicals											
I.C.I. Pakistan Limited ****	50	-	-	-	50	43	38	(5)	-	-	-
Lotte Chemical Pakistan Limited ****	4,500	-	-	-	4,500	69	61	(8)	-	-	-
Engro Polymer & Chemicals Limited (Note 5.1.1)	1,359,175	1,978,000	-	2,545,000	792,175	40,109	42,944	2,835	1.40%	1.41%	0.09%
						40,221	43,043	2,822	1.40%	1.41%	
Commercial banks											
Meezan Bank Limited (Note 5.1.1)	1,643,170	618,254	211,975	643,500	1,829,899	205,354	245,408	40,054	8.00%	8.08%	0.13%
						205,354	245,408	40,054	8.00%	8.08%	
Engineering											
Amreli Steel Limited	-	1,030,000	-	1,030,000	-	-	-	-	-	-	-
Mughal Iron & Steel Industries	688,100	1,290,000	152,715	682,000	1,448,815	135,317	150,836	15,519	4.92%	4.97%	0.50%
International Industries Limited	120,300	220,000	-	190,000	150,300	21,414	20,863	(551)	0.68%	0.69%	0.11%
Ittefaq Iron Industries	700,000	-	-	700,000	-	-	-	-	-	-	-
Aisha Steel Limited ****	2,768,500	850,000	-	3,600,000	18,500	460	279	(181)	0.01%	0.01%	-
Agha Steel Industries Limited ****	10,000	-	500	-	10,500	337	275	(62)	0.01%	0.01%	-
International Steel Industries	-	1,060,000	-	1,060,000	-	-	-	-	-	-	-
						157,528	172,253	14,725	5.62%	5.68%	
Fertilizer											
Engro Fertilizer Limited	500	570,000	-	-	570,500	44,514	43,409	(1,105)	1.42%	1.43%	0.04%
Engro Corporation Limited (Note 5.1.1)	641,740	237,500	-	149,970	729,270	212,832	198,668	(14,164)	6.47%	6.54%	0.13%
						257,346	242,077	(15,269)	7.89%	7.97%	
Oil & gas exploration companies											
Mari Petroleum Company Limited	177,596	33,680	-	27,700	183,576	282,062	303,677	21,615	9.89%	10.00%	0.14%
Oil & Gas Development Company Limited (Note 5.1.1)	1,959,900	700,000	-	428,000	2,231,900	209,127	192,390	(16,737)	6.27%	6.34%	0.05%
Pakistan Oilfields Limited ****	52	75,000	-	75,000	52	20	19	(1)	-	-	-
Pakistan Petroleum Limited (Note 5.1.1)	1,751,393	2,752,640	-	1,168,000	3,336,033	271,082	263,680	(7,402)	8.59%	8.68%	0.12%
						762,291	759,766	(2,525)	24.75%	25.02%	
Oil & gas marketing companies											
Hascol Petroleum Limited (Note 5.1.2) ****	25,935	-	-	-	25,935	232	161	(71)	0.01%	0.01%	-
Pakistan State Oil Company Limited (Note 5.1.1 and 5.1.2)	407,012	491,000	-	240,000	658,012	138,986	119,686	(19,300)	3.90%	3.94%	0.14%
Hi-Tech Lubricants Limited	10,500	-	2,100	-	12,600	745	548	(197)	0.02%	0.02%	0.01%
Sui Northern Gas Pipelines Limited (Note 5.1.1) ****	1,265,000	1,150,000	-	2,413,150	1,850	86	62	(24)	-	-	-
						140,049	120,457	(19,592)	3.93%	3.97%	
Balance carried forward						2,544,903	2,456,339	(88,564)			

Name of the Investee Company	Number of shares					Balance as at December 31, 2021			Market value as a percentage of		Holding as a percentage of Paid-up capital of investee company
	As at July 1, 2021	Purchased during the period	Bonus / right / sub division of shares received during the period	Sold during the period	As at December 31, 2021	Carrying value	Market value	Appreciation/(diminution)	Net assets of the Fund	Total market value of investments	
						(Rupees in '000)			%		
Balance brought forward						2,544,903	2,456,339	(88,564)			
Paper & board											
Packages Limited ****	800	-	-	-	800	436	398	(38)	0.02%	0.01%	-
Security Papers Limited	300	-	-	300	-	-	-	-	-	-	-
						436	398	(38)	0.02%	0.01%	
Pharmaceuticals											
The Searle Company Limited (Note 5.1.2)	203,580	31,000	4,374	220,000	18,954	3,533	2,724	(809)	0.09%	0.09%	0.01%
Abbott Laboratories (Pakistan) Limited	19,200	-	-	-	19,200	15,213	13,776	(1,437)	0.45%	0.45%	0.02%
AGP Limited	10,000	-	-	10,000	-	-	-	-	-	-	-
Citi Pharma Limited	-	510,000	36,000	150,000	396,000	14,593	14,161	(432)	0.47%	0.47%	0.19%
GlaxoSmithKline Pakistan Limited	8,600	-	-	8,600	-	-	-	-	-	-	-
						33,339	30,661	(2,678)	1.01%	1.01%	
Power generation & distribution											
Hub Power Company Limited (Note 5.1.1)	2,403,632	410,000	-	630,000	2,183,632	172,656	155,780	(16,876)	5.08%	5.13%	0.17%
K-Electric Limited **	3,500,000	-	-	3,500,000	-	-	-	-	-	-	-
						172,656	155,780	(16,876)	5.08%	5.13%	
Sugar and allied industries											
Faran Sugar Mills Limited ****	3,000	-	-	-	3,000	98	107	9	-	-	0.01%
Textile composite											
Nishat Mills Limited (Note 5.1.1)	283,800	688,400	-	759,700	212,500	19,163	16,911	(2,252)	0.56%	0.56%	0.06%
Interloop Limited (Note 5.1.1)	939,500	-	24,885	110,000	854,385	58,090	62,105	4,015	2.03%	2.05%	0.10%
Feroze1888 Mills Limited	400	-	-	400	-	-	-	-	-	-	-
Kohinoor Textile Mills Limited	1,087,500	-	-	305,000	782,500	58,844	54,321	(4,523)	1.77%	1.79%	0.26%
						136,097	133,337	(2,760)	4.36%	4.39%	
Technology & communication											
Systems Limited	120,840	98,000	-	20,000	198,840	127,361	151,090	23,729	4.92%	4.98%	0.15%
Avanceon Limited	158,160	680,900	-	689,060	150,000	13,861	13,668	(193)	0.45%	0.45%	0.06%
WorldCall Telecom Limited	-	2,000,000	-	2,000,000	-	-	-	-	-	-	-
Octopus Digital Limited	-	526,132	-	200,000	326,132	25,383	25,360	(23)	0.83%	0.84%	0.24%
TRG Pakistan Limited	152,500	550,000	-	702,500	-	-	-	-	-	-	-
Pakistan Telecommunication Company Limited ****	5,000	1,000,000	-	1,000,000	5,000	59	44	(15)	-	-	-
						166,664	190,162	23,498	6.20%	6.26%	
Food and personal care products											
Unity Foods Limited ****	756,144	2,000,000	230	2,756,144	230	-	-	-	-	-	-
Al-Tahur Limited	1,865	950,000	108,223	300,000	760,088	18,611	17,490	(1,121)	0.57%	0.58%	0.43%
						18,611	17,490	(1,121)	0.57%	0.58%	
Miscellaneous											
Tri-Pack Films Limited ****	100	116,900	-	116,700	300	68	61	(7)	-	-	-
Synthetic Products Limited *** / ****	720	-	834	-	1,554	31	28	(3)	-	-	-
						99	89	(10)	-	-	-
Refinery											
Attock Refinery Limited	329,100	265,000	-	491,616	102,484	14,371	14,761	390	0.49%	0.49%	0.10%
Cinergy PK Limited (Formerly: Byco Petroleum Pakistan Limited)	25,000	2,200,000	-	2,225,000	-	-	-	-	-	-	-
National Refinery Limited	-	195,000	-	95,000	100,000	27,956	28,459	503	0.93%	0.94%	0.13%
						42,327	43,220	893	1.42%	1.42%	
Transport											
Pakistan Int Bulk Terminal Limited ****	1,665,000	-	-	1,600,000	65,000	740	478	(262)	0.02%	0.02%	-
Pakistan National Shipping Corporation	-	114,000	-	100,000	14,000	1,117	763	(354)	0.03%	0.03%	0.01%
						1,857	1,241	(616)	0.05%	0.04%	
Glass & ceramics											
Shabbir Tiles & Ceramics Limited	200,000	327,500	-	200,000	327,500	9,637	7,644	(1,993)	0.25%	0.25%	0.20%
						9,637	7,644	(1,993)	0.25%	0.25%	
Total December 31, 2021						3,126,724	3,036,468	(90,256)	100%	100%	
Total June 30, 2021						2,548,512	2,876,606	328,094	100%	100%	

* ordinary shares have a face value of Rs 5 each

** ordinary shares have a face value of Rs 3.5 each

*** During the period, Synthetic Products Limited subdivided their paid up capital as a result of which the face value per share has decreased from Rs 10 to Rs 5.

**** nil figure due to rounding off

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

Name of the company	(Un-audited)		(Audited)	
	December 31, 2021		June 30, 2021	
	Number of shares pledged	Market value of pledged shares	Number of shares pledged	Market value of pledged shares
	(Rupees in '000)		(Rupees in '000)	
Pakistan Petroleum Limited	1,262,480	99,786	1,427,480	123,948
Engro Corporation Limited	500,000	136,210	500,000	147,305
Engro Polymer & Chemicals Limited	700,000	37,947	1,000,000	47,240
Hub Power Company Limited	2,050,000	146,247	2,250,000	179,258
Meezan Bank Limited	1,400,000	187,754	1,600,000	184,656
Oil & Gas Development Company Limited	1,605,000	138,351	1,905,000	181,032
Nishat Mills Limited	130,000	10,345	280,000	26,124
Pakistan State Oil Company Limited	270,000	49,110	375,000	84,094
Maple Leaf Cement Factory Limited	1,100,000	39,545	600,000	28,188
Sui Northern Gas Pipelines Limited	-	-	200,000	9,716
Interloop Limited	300,000	21,807	-	-
	<u>9,317,480</u>	<u>867,102</u>	<u>10,137,480</u>	<u>1,011,561</u>

5.1.2 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001. As a result of these amendments, companies are liable to withhold bonus shares at the rate of 5 percent. In accordance with the requirement of the Ordinance these shares shall only be released if the fund deposit tax equivalent to 5% of the value of the bonus shares issued. The value of tax is computed on the basis of day-end price on the first day of book closure.

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

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

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on Pakistan Stock Exchange Limited issuing bonus shares to the shareholders, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund on or after July 1, 2018 were not withheld by the investee companies.

As at December 31, 2021, the following bonus shares of the Fund were withheld by certain companies at the time of bonus declaration. The Fund has included these shares in its portfolio, as the management believes that the decision of the constitutional petition will be in favour of the CISs.

Name of the company	(Un-audited)		(Audited)	
	December 31, 2021		June 30, 2021	
	Bonus Shares			
	Number	Market value	Number	Market value
	Rupees in '000'		Rupees in '000	
Hascol Petroleum Limited	25,935	161	25,935	232
The Searle Company Limited	14,428	2,074	11,098	2,693
Pakistan State Oil Company Limited	4,747	863	4,747	1,065
		<u>3,098</u>		<u>3,990</u>

	Note	Un-audited December 31, 2021	Audited June 30, 2021
-----Rupees in '000-----			
5.2 Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss			
Market value of investments		3,036,468	2,876,606
Carrying value of investments		<u>(3,126,724)</u>	<u>(2,548,512)</u>
		<u>(90,256)</u>	<u>328,094</u>
6 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - RELATED PARTY			
Management fee payable	6.1	5,112	5,159
Punjab Sales Tax on remuneration of the Management Company	6.2	4,737	4,744
Federal excise duty on remuneration of the Management Company	6.3	26,584	26,584
Sales load payable		45	-
Accounting and operational charges payable	6.4	754	860
Selling and marketing expense payable	6.5	<u>21,420</u>	<u>24,531</u>
		<u>58,652</u>	<u>61,878</u>

6.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 0.2% (2021: 0.2%) of the average annual net assets of the Fund during the half year ended December 31, 2021. The remuneration is payable to the Management Company monthly in arrears.

6.2 During the period, an amount of Rs. 4.984 million (2020: Rs 4.284 million) was charged on account of sales tax on the management fee levied through the Punjab Sales Tax on Services Act, 2012 at the rate of 16% (2020: 16%).

6.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 26.584 million is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at December 31, 2021 would have been higher by Re 0.13 (June 30, 2021: Re 0.15) per unit.

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

The Management has currently fixed a maximum capping of 0.1% (2021:0.1%) of the average annual net assets of the scheme for allocation of such expenses to the Fund.

- 6.5 The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

During the year ended June 30, 2020, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board of Directors of the Management Company as part of annual plan. Furthermore, the time limit of three years has also been removed in the revised

Accordingly, the Management Company has currently charged such expenses at the rate of 1.40% (2021: 1.40%) of the average annual net assets of the Fund. This has also been approved by the Board of Directors of the Management Company.

	Note	(Un-audited) December 31, 2021	(Audited) June 30, 2021
----- Rupees in '000 -----			
7	PAYABLE TO THE MCB FINANCIAL SERVICES LIMITED - TRUSTEE		
	Trustee fee payable	7.1 170	170
	Sindh Sales tax payable on trustee fee	7.2 22	22
		192	192

- 7.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.05% (June 30, 2021: 0.05%) per annum of net assets. Accordingly the Fund has charged trustee fee at the above mentioned rate during the period.

- 7.2 During the period, an amount of Rs 0.132 million (2020: Rs 0.120 million) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2020: 13%).

	Note	(Un-audited) December 31, 2021	(Audited) June 30, 2021
----- Rupees in '000 -----			
8	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		
	Fee payable	8.1 306	618

- 8.1 In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.02% (2020: 0.02%) of the daily net assets of the Fund.

	Note	(Un-audited) December 31, 2021	(Audited) June 30, 2021
----- Rupees in '000 -----			
9	ACCRUED EXPENSES AND OTHER LIABILITIES		
	Auditors' remuneration	365	354
	Brokerage and other charges	4,580	6,643
	Printing charges	120	75
	Provision for Sindh Workers' Welfare Fund	9.1 -	24,604
	Charity payable	4,103	8,050
	Withholding tax payable	408	1,045
	Capital gain tax payable	-	3,869
	Legal fee payable	62	114
	Shariah fee	31	30
		9,669	44,784

- 9.1 The Fund made provision for SWWF from May 21, 2015 till June 30, 2017 amounting to Rs 24.604 million. The Fund has not made any provision for SWWF after July 1, 2017 as the registered office of the Management Company of the Fund had been relocated from the Province of Sindh to the Province of Punjab.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. MUFAP in an emergent meeting held on August 13, 2021 discussed this development with its members and it has been decided by MUFAP that CISs are no longer required to retain the provision in these condensed interim financial statements and considering the nature and operation of CIS the provision should be reversed prospectively on August 13, 2021. MUFAP took up the matter for reversal of the entire provision (created during the period from May 21, 2015 to June 30, 2017) on August 13, 2021 with the SECP that gave its concurrence for prospective reversal of provision for SWWF.

10 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at December 31, 2021 and June 30, 2021.

11 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

12 EARNINGS / (LOSS) PER UNIT

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

13 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at December 31, 2021 is 4.65% (December 31, 2020: 4.44%) which includes 0.42% (2020: 0.40%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. 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.

14 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 14.1 Connected persons include ABL Asset Management Company being the Management Company, MCB Financial Services Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, 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 Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 14.2 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
- 14.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 14.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 14.5 Accounting and operational charges and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

14.6 Detail of transactions with related parties / connected persons during the period:

	-----Un-audited-----	
	<u>Half year ended December 31,</u>	
	2021	2020
	----- Rupees in '000 -----	
ABL Asset Management Company Limited - Management Company		
Remuneration of the Management Company	30,590	26,776
Punjab Sales Tax on remuneration of Management Company	4,894	4,284
Accounting and operational charges to the Management Company	1,530	1,337
Selling and marketing expenses	21,420	18,716
Issue of 275,545 (2020: Nil) units	4,526	-
Redemption of Nil (2020: 14,261,911) units	-	199,722
Allied Bank Limited		
Profits on bank deposits	1,027	647
Bank charges	29	136
ABL AMCL Staff Provident Fund		
Redemption of Nil (2020: 80,996) units	-	1,219
ABL Islamic Financial Planning Fund (Active Allocation)		
Issue of Nil (2020: Nil) units	-	-
Redemption of Nil (2020: 2,381,054) units	-	36,495
ABL Islamic Financial Planning Fund (Conservative Allocation)		
Redemption of Nil (2020: 81,015) units	-	1,221
ABL Islamic Financial Planning Fund (Aggressive Allocation)		
Issue of Nil (2020: 509,432) units	-	7,000
Redemption of Nil (2020: 144,938) units	-	2,082
ABL Islamic Financial Planning Fund (Strategic Allocation Plan)		
Issue of Nil (2020: 363,880) units	-	5,000
Redemption of 523,573 (2020: 238,463) units	8,661	3,146
ABL Islamic Financial Planning Fund (Strategic Allocation Plan - III)		
Issue of Nil (2020: 218,328) units	-	3,000
Redemption of 10,040 (2020: 116,781) units	165	1,670
ABL Islamic Financial Planning Fund (Capital Preservation Plan I)		
Issue of 4,420,688 (2020: 2,101,149) units	70,574	30,000
Redemption of 4,892,336 (2020: 2,305,331) units	77,575	32,503
Pak Qatar Investment Account		
Issue of 17,520,744 (2020: Nil) units	284,793	-
CDC TRUSTEE - Punjab Pension Fund Trust		
Issue of 14,034,345 (2020: Nil) units	229,670	-
MCB Financial Services Limited - Trustee		
Remuneration for the period	1,017	921
Sindh Sales Tax on remuneration of Trustee	132	120
Settlement charges	276	403
KEY MANAGEMENT PERSONNEL		
Alee Khalid Ghaznavi		
Issue of 1,348 (2020: nil) units	23	-
Saqib Matin		
Issue of 76,402 (2020: 67,202)	1,140	1,211
Redemption of 160,622 (2020: 160,447)	2,574	-

14.7 Investments / outstanding balances as at period / year end

	(Un-audited) December 31, 2021	(Audited) 30 June, 2021
	----- Rupees in '000 -----	
ABL Assets Management Company Limited		
Remuneration payable	5,112	5,159
Punjab Sales Tax payable	4,737	4,744
Federal excise duty payable	26,584	26,584
Sales and transfer load payable	45	-
Accounting and operational charges payable	754	860
Selling and marketing expenses payable	21,420	24,531
Outstanding 550,759 (June 30, 2021: 275,214) units	8,337	4,465
Allied Bank Limited		
Balances with banks	86,073	24,707
ABL Islamic Financial Planning Fund (Conservative Allocation)		
Outstanding 419,786 (June 30, 2021: 419,786) units	6,355	6,811
ABL Islamic Financial Planning Fund (Strategic Allocation Plan)		
Outstanding Nil (June 30, 2021: 523,573) units	-	8,495
ABL Islamic Financial Planning Fund (Strategic Allocation Plan III)		
Outstanding 24,130 (June 30, 2021: 34,170) units	365	554
ABL Islamic Financial Planning Fund (Capital Preservation Plan I)		
Outstanding 753,297 (June 30, 2021: 1,224,945) units	11,403	19,874
Sindh Province Pension Fund		
Outstanding 25,086,672 (June 30, 2021: 25,086,672) units	379,765	407,016
Pak Qatar Investment Account		
Outstanding 17,520,744 (June 30, 2021: Nil) units	265,231	-
CDC TRUSTEE - Punjab Pension Fund Trust		
Outstanding 21,759,035 (June 30, 2021: 7,724,690) units	329,391	125,328
MCB Financial Services Limited - Trustee		
Remuneration payable	192	192
KEY MANAGEMENT PERSONNEL		
Alee Khalid Ghazanvi		
Outstanding 1,348 (June 30, 2021: Nil) units	20	-
Saqib Matin		
Outstanding 76,402 (June 30, 2021: 160,622) units	1,157	2,606

14.8 Other balances due to / from related parties / connected persons are included in the respective notes to the condensed interim financial statements.

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities;

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at December 31, 2021 and June 30, 2021, the carrying values of all the assets approximate their fair values.

Un-audited			
-----As at December 31, 2021-----			
Level 1	Level 2	Level 3	Total
-----Rupees in "000"-----			
Financial assets 'at fair value through profit or loss'			
Quoted equity securities	3,036,468	-	3,036,468
Audited			
-----As at June 30, 2021-----			
Level 1	Level 2	Level 3	Total
-----Rupees in "000"-----			
Financial assets 'at fair value through profit or loss'			
Quoted equity securities	2,876,606	-	2,876,606


16 GENERAL

16.1 Figures have been rounded off to the nearest thousand rupees.

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on February 11, 2022 by the Board of Directors of the Management Company.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Alee Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director

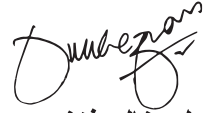
اعتراف

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، ٹرسٹی (ڈیجیٹل کسٹوڈین کمپنی لمیٹڈ سابقہ ایم سی بی فنانشل سروسز لمیٹڈ) اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کا بھی ان کی مسلسل رہنمائی اور تعاون کا شکریہ ادا کرتا ہے۔ ڈائریکٹرز نے انتظامیہ کی ٹیم کی کوششوں کو بھی سراہا۔

بورڈ کی طرف سے اور بورڈ کے لئے



ڈائریکٹر



علی خالد غزنوی
چیف ایگزیکٹو آفیسر

لاہور ، 11 فروری ، 2022

ساتھ بڑے پیمانے پر خریداری کی۔ سیکٹر وار تجزیہ ظاہر کرتا ہے کہ کمرشل بینکوں اور سیمنٹ نے بالترتیب USD 141mn، اور USD 48mn کے بڑے پیمانے پر غیر ملکی اخراج کو نشان زد کیا۔

میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈ انڈسٹری کے کل اثاثہ جات زیر انتظام (AUMs) میں 7% سالانہ اضافہ ہوا (PKR 1074bn سے PKR 1148bn تک)۔ وبائی مرض نے محفوظ مانگ پیدا کر دی ہے۔ منی مارکیٹ اور فیکسڈ انکم فنڈز (بشمول اسلامی اور روایتی) نے بالترتیب PKR 566bn اور PKR 251bn کی مدت کو بند کرنے کے لیے 20% YOY اور 2% YOY کی زبردست ترقی دیکھی۔ دوسری طرف، ایکویٹی فنڈز - بشمول روایتی اور اسلامی دونوں - نے PKR 220bn کی مدت کو بند کرنے کے لیے 9% YOY کی کمی کی ہے۔

فنڈ کی کارکردگی

ABL اسلامک اسٹاک فنڈ کی AUM دسمبر 2021 میں 7% بڑھ کر PKR 3,071.2 ہو گئی جو جون 2021 میں PKR 2,876.64 تھی۔ فنڈ نے -6.44% کے بینچ مارک ریٹرن کے مقابلے میں -6.70% کی ریٹرن پوسٹ کی جو کہ 0.26% کی کم کارکردگی کو ظاہر کرتا ہے۔ جب اس کی شروعات کی تاریخ سے پیمائش کی جائے تو، ABL-ISF نے 88.91% کے بینچ مارک ریٹرن کے مقابلے میں 91.48% کی ریٹرن پوسٹ کی ہے، جس کی کارکردگی 2.57% ہے۔

آڈیٹر

میسرز۔ اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹ) کو، اے بی ایل اسلامک اسٹاک فنڈ (اے بی ایل - آئی ایس ایف) کے لئے 30 جون 2022 کو ختم ہونے والی مدت کے لئے آڈیٹر مقرر کیا گیا ہے۔

مینجمنٹ کمپنی کی کوالٹی کی درجہ بندی

31 دسمبر، 2022 کو، JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ (ABL AMC) کی (AM-two-Double Plus) (AM2++) کی مینجمنٹ کوالٹی ریٹنگ کی تصدیق کر دی ہے۔ (اے ایم ٹو پلس پلس) تفویض کردہ درجہ بندی پر آؤٹ لک 'مستحکم' ہے۔

آؤٹ لک

معاشی اعداد و شمار میں بہتری کے باوجود منفی میکرو اشاریوں سے پیدا ہونے والی کاروباری اعتماد کی غیر یقینی صورتحال نے سرمایہ کاروں کے جذبات کو بدل دیا۔ نتیجتاً، پاکستانی روپے کی قدر میں تیزی سے کمی ہوئی اور پالیسی ریٹ میں 275 bps پوائنٹس کا اضافہ ہوا۔ اس کے علاوہ، ترسیلات زر نے CAD کو سپورٹ کرنے کے لیے دی گئی مدت کے دوران ایک مستحکم نمو دکھائی۔ حکومت ٹیکس ریونیو کو بڑھانے کے لیے بھی پھل کر رہی ہے اور CY21 کے دوران مطلوبہ ہدف حاصل کر لیا ہے۔

آگے بڑھتے ہوئے، ہم افراط زر، شرح سود، اور کرنٹ اکاؤنٹ خسارے کو اونچی طرف پیش کرتے ہیں جس کی وجہ سے مارکیٹ جلد ہی ملا جلا رویہ دکھائے گی۔ اگرچہ، ہم اس بات کو مدنظر رکھتے ہوئے مارکیٹ سے اچھی کارکردگی کی توقع کرتے ہیں کہ اس وقت مارکیٹ علاقائی پلیئرز کے مقابلے میں رعایتی ملٹی پل پر ٹریڈ کر رہی ہے۔

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل اسلامک اسٹاک فنڈ (اے بی ایل - آئی ایس ایف) کی انتظامیہ کمپنی، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر، 2021 کو ختم ہونے والے نصف سال کے لئے اے بی ایل اسلامک اسٹاک فنڈ کے کنڈسیڈ عبوری فنانشل اسٹیٹمنٹ (غیر آڈٹ شدہ) پیش کرنے پر خوشی محسوس کرتے ہیں۔

اقتصادی کارکردگی کا جائزہ

مالی سال 21 میں پاکستان کی معیشت میں 3.94 فیصد اضافہ ہوا جبکہ گزشتہ سال کی اسی مدت (SPLY) میں 0.40 فیصد کمی تھی۔ تینوں شعبوں زراعت، صنعتی اور خدمات کے شعبے نے اس ترقی کی رفتار میں حصہ ڈالا ہے۔ خدمات کا شعبہ 4.43 فیصد اضافے کے ساتھ روشنی میں رہا جس کے بعد صنعتی (3.57 فیصد اضافہ) اور زراعت جس میں مذکورہ مدت کے دوران 2.77 فیصد اضافہ ہوا۔ صنعتی شعبے کے اندر، بڑے پیمانے پر مینوفیکچرنگ (LSM) میں SPLY میں 10.12% کی کمی کے مقابلے میں 9.29% اضافہ ہوا۔ ایل ایس ایم میں اس نمو کو کووڈ کے بعد کی معیشت کی بحالی کی بنیاد قرار دیا جا سکتا ہے۔

6MFY22 کے دوران، SPLY میں 8.63% YOY کے مقابلے میں اوسطا مہنگائی میں 9.79% YOY اضافہ ہوا۔ ٹرانسپورٹ، ہاؤسنگ اور خوراک سمیت کئی شعبوں میں قیمتوں میں اضافہ دیکھا گیا۔ قیمتوں میں اس اضافے کی وجہ بین الاقوامی منڈی میں اجناس کی اونچی قیمتوں کی بنیاد پر ہو سکتی ہے، خاص طور پر توانائی کی قیمتوں میں سوجن ٹرانسپورٹ انڈیکس کی وجہ سے۔ آگے بڑھتے ہوئے، ہم توقع کرتے ہیں کہ پورے سال کی افراط زر دوبرے بندسوں میں رہے گی۔ اس مقالے کی بنیاد پیٹرولیم کی بلند قیمتوں، بجلی کے نرخوں میں اضافہ اور شرح مبادلہ کی برابری میں کمی ہے۔ مالیاتی محاذ پر، اسٹیٹ بینک پاکستان (SBP) پالیسی ریٹ میں اضافہ کر کے مالیاتی سختی جاری رکھ سکتا ہے۔

ادائیگی کے توازن کے محاذ پر، ملک نے SPLY میں USD 1.25bn کے سرپلس کے مقابلے میں USD 7.09bn کا مجموعی خسارہ پوسٹ کیا۔ اس کے پیچھے بنیادی وجہ تجارتی خسارہ تھا کیونکہ برآمدات میں 29 فیصد اضافہ ہوا جب کہ درآمدات میں 69 فیصد اضافہ ہوا اور 5MFY22 کے دوران بالترتیب USD 25bn اور USD 65bn پر بند ہوا۔ ترسیلات زر میں 10% کا اضافہ کر کے 13bn امریکی ڈالر تک پہنچ گیا ہے۔ ترسیلات زر میں اس اضافے کی وجہ حکومتی کریک ڈاؤن کی وجہ سے غیر قانونی چینلز کے ذریعے لین دین میں کمی کو قرار دیا جا سکتا ہے۔ 31 دسمبر 2021 تک ملک کے زرمبادلہ کے ذخائر USD 17.69 بلین تھے، جو ~ 2.99 ماہ کا کل درآمدی احاطہ فراہم کرتے ہیں۔

مالیاتی پہلو پر، 1HFY22 کے دوران، ~PKR 2.617tr کے ہدف کے مقابلے میں، ٹیکس وصولی ~PKR 2.899tr تک پہنچ گئی ہے جس کے نتیجے میں ~PKR 282bn کا سرپلس ہوا۔

اسلامک اسٹاک مارکیٹ

HFY22 کے دوران، KMI-30 نے اپنی بدترین کارکردگی کا تجربہ کیا، تقریباً 4,934 پوائنٹس (~6.4%) گر گیا اور مدت 71,687 پوائنٹس پر بند ہوئی۔ اس مدت کے دوران، اوسط تجارت کا حجم اور قدر بالترتیب ~68.3% YOY سے 49mn اور ~48.9% YOY سے USD 24mn تک کم ہو گئی۔ سرمایہ کاروں نے اپنا اعتماد کھو دیا (i) پالیسی کی شرح میں اضافہ (ii) کرنسی کی قدر میں تیزی سے کمی (iii) تجارتی خسارے میں نمایاں اضافہ MSCI (iv) نے پاکستان کو فرنٹیئر مارکیٹ میں دوبارہ درجہ بندی کیا اور، IMF (v) کے چھٹے جائزے کی منظوری میں تاخیر۔ غیر ملکی سرمایہ کاروں نے 250 ملین امریکی ڈالر کے حصص کو آف لوڈ کر کے اپنی فروخت کا سلسلہ جاری رکھا۔ گھریلو محاذ پر، افراد، انشورنس اور کمپنیوں نے بالترتیب USD 72mn، USD 65mn، اور USD 60mn کی خالص خریداری کے



ABL Asset Management

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www.ablamc.com or



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