



**ABL ISLAMIC DEDICATED 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

<b>Management Company:</b>	ABL Asset Management Company Limited Plot / Building # 14 -Main Boulevard, DHA Phase - VI, Lahore - 54810	
<b>Board of Directors:</b>	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 Non-Executive Director Independent Director Independent Director
<b>Audit Committee:</b>	Mr. Muhammad Kamran Shehzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt	Chairman Member Member
<b>Human Resource and Remuneration Committee</b>	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Aleeh Khalid Ghaznavi	Chairman Member Member Member
<b>Board's Risk Management Committee</b>	Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Aleeh Khalid Ghaznavi	Chairman Member Member
<b>Board Strategic Planning &amp; Monitoring Committee</b>	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Aleeh Khalid Ghaznavi	Chairman Member Member Member
<b>Chief Executive Officer of The Management Company:</b>	Mr. Aleeh Khalid Ghaznavi	
<b>Chief Financial Officer &amp; Company Secretary:</b>	Mr. Saqib Matin	
<b>Chief Internal Auditor:</b>	Mr. Kamran Shahzad	
<b>Trustee:</b>	Digital Custodian Company Limited 4th Floor, Perdesi House, Old Queen's Road, Karachi, 74200	
<b>Bankers to the Fund:</b>	Allied Bank Limited Bank Islami Pakistan Limited Dubai Islamic Bank Limited	
<b>Auditors:</b>	M/s Yousuf Adil Chartered Accountants 134-A, Abu-Bakar Block New Garden Town, Lahore.	
<b>Legal Advisor:</b>	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
<b>Registrar:</b>	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 Dedicated Stock Fund (ABL-IDSF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Islamic Dedicated 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 Dedicated Stock Fund's AUM Increased by 41 % to PKR 690.57mn in December 2021 compared to PKR 490.47mn in June 2021. The fund posted a negative return of 8.26 % against the benchmark return of negative 6.44%, which reflects underperformance of 1.82%. When measured from its inception date, ABL-IDSF has posted a return of -13.62% as compared to its benchmark return of -11.14%, reflecting an underperformance of -2.48%.

## AUDITORS

M/s. Yousuf Adil (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2022 for ABL Islamic Dedicated Stock Fund (ABL-IDSF).

## 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 DEDICATED STOCK FUND

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

ABL Islamic Dedicated Stock Fund, an open-end Scheme established under a Trust Deed dated November 16, 2016 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 Securities & Exchange Commission of Pakistan (SECP) approved the appointment of Digital Custodian Company Limited Formerly MCB Financial Services Limited as the trustee of fund on 10th November 2016.

1. ABL Asset Management Company Limited, the Management Company of ABL Islamic Dedicated Stock Fund has, in all material respects, managed ABL Islamic Dedicated Stock Fund during the period ended 31<sup>st</sup> 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

  
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Authorize Signatory

Perdesi House | 2/1 R-Y | Old Queens Road | Karachi – 74200 | Pakistan  
+92-21-32419770 | www.digitalcustodian.co | info@digitalcustodian.co



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

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

**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 information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantial less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2021, is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

**Other Matter**

The condensed interim financial statements for the half year ended December 31, 2020 and the financial statements for the year ended June 30, 2021 of the Fund were reviewed and audited by another firm of chartered accountants who vide their reports dated February 02, 2021 and September 28, 2021 expressed an unmodified opinion thereon respectively.

  
Chartered Accountants**Engagement Partner**  
Rana M. Usman Khan**Dated:** February 24, 2022  
**Place:** LahoreAn Independent Correspondent Firm to  
Deloitte Touche Tohmatsu Limited

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

		December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
	Note	-----Rupees in '000-----	
<b>ASSETS</b>			
Bank balances	4	14,235	3,061
Investments	5	679,556	487,199
Dividend and other receivables		3,147	3,462
Advance and deposits		2,603	2,603
Preliminary expenses and floatation costs	6	-	97
Receivable against sale of units		30,000	-
Receivable against sale of investments		-	3,675
<b>Total assets</b>		<b>729,541</b>	<b>500,097</b>
<b>LIABILITIES</b>			
Payable to ABL Asset Management Company Limited - Management Company	7	5,292	4,367
Payable to MCB Financial Services Limited - Trustee	8	58	46
Payable to the Securities and Exchange Commission of Pakistan	9	70	100
Payable against purchase of investments		26,638	-
Accrued expenses and other liabilities	10	6,916	5,116
<b>Total liabilities</b>		<b>38,974</b>	<b>9,629</b>
<b>NET ASSETS</b>		<b>690,567</b>	<b>490,468</b>
<b>UNIT HOLDERS' FUND</b> (as per statement attached)		<b>690,567</b>	<b>490,468</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	11	----- Number of units -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>86,334,166</b>	<b>56,255,973</b>
		----- Rupees -----	
<b>NET ASSET VALUE PER UNIT</b>		<b>7.9988</b>	<b>8.7185</b>

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




**ABL ISLAMIC DEDICATED 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) -----					
<b>INCOME</b>					
Profit earned		1,671	416	930	162
Dividend income - net		14,589	10,832	11,205	8,822
(Loss) / gain on sale of investments - net		(42,868)	50,939	(36,797)	24,510
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.2	(13,095)	61,558	42,970	18,469
		(55,963)	112,497	6,173	42,979
<b>Total (loss) / income</b>		<b>(39,702)</b>	<b>123,745</b>	<b>18,308</b>	<b>51,963</b>
<b>EXPENSES</b>					
Remuneration of ABL Asset Management Company Limited - Management Company	7.1	6,972	4,701	3,634	2,349
Punjab Sales Tax on remuneration of the Management Company	7.2	1,115	752	581	376
Accounting and operational expenses	7.3	349	235	182	117
Selling and marketing expenses	7.4	3,776	2,816	1,817	1,173
Remuneration of MCB Financial Services Limited - Trustee	8.1	314	212	164	106
Sindh Sales Tax on remuneration of the Trustee	8.2	41	28	21	14
Annual fees to the Securities and Exchange Commission of Pakistan	9.1	70	47	37	23
Securities transaction cost		3,846	1,153	2,669	668
Legal & professional charges		62	-	-	-
Auditors' remuneration		74	295	(72)	147
Amortisation of floatation costs	6.1	97	109	43	54
Printing charges		101	50	51	25
Shariah advisory fee		181	158	91	79
Settlement and other charges		322	943	166	855
Bank charges		10	-	1	-
<b>Total operating expenses</b>		<b>17,330</b>	<b>11,499</b>	<b>9,385</b>	<b>5,986</b>
Reversal of Provision for Sindh Workers' Welfare Fund	10.1	1,553	-	-	-
<b>Net (loss) / income for the period before taxation</b>		<b>(55,480)</b>	<b>112,246</b>	<b>8,924</b>	<b>45,977</b>
Taxation	13	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>		<b>(55,480)</b>	<b>112,246</b>	<b>8,924</b>	<b>45,977</b>
<b>Allocation of net income for the period:</b>					
Net income for the period after taxation		-	112,246	8,924	45,977
Income already paid on units redeemed		-	(15,358)	-	(12,608)
		-	96,888	8,924	33,369
<b>Accounting income available for distribution:</b>					
-Relating to capital gains		-	112,497	6,173	42,979
-Excluding capital gains		-	(15,609)	2,751	(9,610)
		-	96,888	8,924	33,369

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



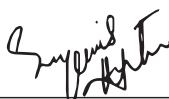
Pervaiz Iqbal Butt  
Director

**ABL ISLAMIC DEDICATED 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-----			
<b>Net (loss) / income for the period after taxation</b>	(55,480)	112,246	8,924	45,977
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<u>(55,480)</u>	<u>112,246</u>	<u>8,924</u>	<u>45,977</u>

The annexed notes from 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 DEDICATED STOCK FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2021**


	For the Half Year ended December 31, 2021			'For the Half Year ended December 31, 2020		
	Capital Value	Undistributed loss	Total	Capital Value	Undistributed loss	Total
	----- Rupees ' 000 -----					
<b>Net assets at beginning of the period</b>	<b>967,605</b>	<b>(477,137)</b>	<b>490,468</b>	<b>981,597</b>	<b>(562,085)</b>	<b>419,512</b>
Issue of 104,495,615 (2020: 2,461,806) units						
- Capital value (at net asset value per unit at the beginning beginning of the period)	911,045	-	911,045	16,592	-	16,592
- Element of (loss) / income	(33,045)	-	(33,045)	3,408	-	3,408
Total proceeds on issuance of units	878,000	-	878,000	20,000	-	20,000
Redemption of 74,417,422 (2020: 10,938,033) units						
- Capital value (at net asset value per unit at the beginning of the period)	648,808	-	648,808	73,719	-	73,719
- Element of (loss) / income	(26,387)	-	(26,387)	(77)	15,358	15,281
Total payments on redemption of units	622,421	-	622,421	73,642	15,358	89,000
Total comprehensive income for the period	-	(55,480)	(55,480)	-	112,246	112,246
<b>Net assets at end of the period</b>	<b>1,223,184</b>	<b>(532,617)</b>	<b>690,567</b>	<b>927,955</b>	<b>(465,197)</b>	<b>462,758</b>
Undistributed income brought forward						
- Realised loss		(510,114)			(543,836)	
- Unrealised income / (loss)		32,977			(18,249)	
		<u>(477,137)</u>			<u>(562,085)</u>	
Accounting income available for distribution						
- Relating to capital gains		-			112,497	
- Excluding capital gains		-			(15,609)	
					96,888	
Distribution during the period		-			-	
Net loss for the period after taxation		(55,480)			-	
Undistributed loss carried forward		<u>(532,617)</u>			<u>(465,197)</u>	
- Realised loss		(519,521)			(526,755)	
- Unrealised loss / income		(13,096)			61,558	
		<u>(532,617)</u>			<u>(465,197)</u>	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			<u>8.7185</u>			<u>6.7397</u>
Net assets value per unit at end of the period			<u>7.9988</u>			<u>8.6065</u>

The annexed notes from 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 DEDICATED STOCK FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

	Note	2021 -----Rupees in '000-----	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net (loss) / income for the period before taxation		(55,480)	112,246
<b>Adjustments for non-cash and other items:</b>			
Profit earned		(1,671)	(416)
Dividend income - net		(14,589)	(10,832)
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		13,095	(61,558)
Amortisation of preliminary expenses and floatation costs		97	109
		(3,068)	(72,697)
<b>Increase in liabilities</b>			
Payable to ABL Asset Management Company Limited - Management Company		925	(309)
Payable to MCB Financial Services Limited - Trustee		12	6
Payable to the Securities and Exchange Commission of Pakistan		(30)	(49)
Accrued expenses and other liabilities		1,800	(1,345)
		2,707	(1,697)
Profit & dividend received		16,575	9,190
Net amount received on purchase and sale of investment		(175,139)	19,576
<b>Net cash (used in) / generated from operating activities</b>		<b>(214,405)</b>	<b>66,618</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts against issuance of units during the period		848,000	20,000
Payments against redemption of units during the period		(622,421)	(89,000)
<b>Net cash generated from / (used in) financing activities</b>		<b>225,579</b>	<b>(69,000)</b>
<b>Net increase in cash and cash equivalents</b>		<b>11,174</b>	<b>(2,382)</b>
Cash and cash equivalents at the beginning of the period		3,061	10,296
<b>Cash and cash equivalents at the end of the period</b>	4	<b>14,235</b>	<b>7,914</b>

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 DEDICATED 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 Dedicated Stock Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on November 17, 2016 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. The Trust Deed was executed in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. AMCW/ABLAMC/305/2016 dated November 10, 2016 in accordance with the requirement 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 Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (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. 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 December 14, 2016 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 of 'Fund of Funds' schemes by investing in Shariah compliant equity securities.

1.4 The VIS Credit Rating Company Limited has assigned the asset manager rating of AM2++ (AM2++ on December 31, 2020) to the Management Company on December 31, 2021. The rating reflects the Management 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 current period, 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 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 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
- 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, part VIIIA of the repealed Companies Ordinance 1984, 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, part VIIIA of the repealed Companies Ordinance 1984, 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.



2.1 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 December 31, 2021.

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

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

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, 2021. 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	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
-----Rupees in '000-----			
<b>4 BANK BALANCES</b>			
Balances with banks in:			
Saving accounts	4.1	10,944	1,114
Current account	4.2	3,291	1,947
		<u>14,235</u>	<u>3,061</u>

4.1 These include a balance of Rs 0.223 million (June 30, 2021: Rs 0.012 million) maintained with Allied Bank Limited (a related party) that carries profit at 7.35% per annum (June 30, 2021: 5.00%). Other saving accounts of the Fund carry profit rates ranging from 6.50% to 8.00% per annum (June 30, 2021: 5.00% to 6.75% per annum).

4.2 This represents balance maintained with Allied Bank Limited (a related party).

	Note	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
-----Rupees in '000-----			
<b>5 INVESTMENTS</b>			
At fair value through profit or loss - held for trading			
Quoted equity securities	5.1	<u>679,556</u>	<u>487,199</u>



## 5.1 Quoted equity securities

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

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 01, 2021	Purchased during the period	Bonus / right 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	
<b>OIL AND GAS MARKETING COMPANIES</b>											
Pakistan State Oil Company Limited (Note 5.1.1 & 5.1.2)	37,483	297,000	-	168,385	166,098	31,675	30,212	(1,463)	4.37%	4.45%	0.04%
Hi-Tech Lubricants Limited	-	139,500	-	139,500	-	-	-	-	0.00%	0.00%	0.00%
Sui Northern Gas Pipelines Limited (Note 5.1.1)	293,084	40,000	-	333,000	84	3	3	-	0.00%	0.00%	0.00%
						31,678	30,215	(1,463)	4.37%	4.45%	
<b>OIL AND GAS EXPLORATION COMPANIES</b>											
Oil & Gas Development Company Limited (Note 5.1.1)	746,500	638,000	-	781,000	603,500	54,392	52,022	(2,370)	7.53%	7.66%	0.01%
Pakistan Petroleum Limited (Note 5.1.1)	472,148	1,119,000	-	800,000	791,148	62,044	62,532	488	9.06%	9.20%	0.03%
Mari petroleum Company Limited	35,195	15,600	-	16,500	34,295	53,636	56,732	3,096	8.22%	8.35%	0.03%
						170,072	171,286	1,214	24.81%	25.21%	
<b>FERTILIZERS</b>											
Engro Corporation Limited (Note 5.1.1)	35,841	97,000	-	38,000	94,841	27,310	25,837	(1,473)	3.74%	3.80%	0.02%
Engro Fertilizer Limited (Note 5.1.1)	-	255,000	-	124,500	130,500	10,190	9,930	(260)	1.44%	1.46%	0.01%
Fauji Fertilizer Company Limited	-	60,000	-	60,000	-	-	-	-	0.00%	0.00%	0.00%
						37,500	35,767	(1,733)	5.18%	5.26%	
<b>ENGINEERING</b>											
International Steels Limited	88,500	100,000	-	185,000	3,500	303	231	(72)	0.03%	0.03%	0.00%
Mughal Iron & Steel Industries Limited	72,960	405,000	7,194	145,000	340,154	32,743	35,413	2,670	5.13%	5.21%	0.10%
Aisha Steel Mills Limited	290,000	-	-	290,000	-	-	-	-	0.00%	0.00%	0.00%
Amreli Steel Limited	-	220,500	-	70,000	150,500	6,913	6,736	(177)	0.98%	0.99%	0.05%
						39,959	42,380	2,421	6.14%	6.23%	
<b>CEMENT</b>											
Kohat Cement Company Limited	33,360	95,000	-	12,200	116,160	23,475	21,907	(1,568)	3.17%	3.22%	0.06%
Maple Leaf Cement Factory Limited	455,000	1,620,000	-	550,000	1,525,000	59,832	54,624	(5,008)	7.94%	8.07%	0.14%
Pioneer Cement Limited	64,000	570,000	-	499,000	135,000	11,295	11,981	686	1.73%	1.76%	0.06%
Fauji Cement Company Limited	-	225,000	-	225,000	-	-	-	-	0.00%	0.00%	0.00%
D.G. Khan Cement Company Limited	-	150,000	-	150,000	-	-	-	-	0.00%	0.00%	0.00%
Cherat Cement Company Limited	32,000	438,500	-	396,900	73,600	10,451	10,916	465	1.58%	1.61%	0.04%
Lucky Cement Limited (Note 5.1.1)	70,409	172,000	-	103,500	138,909	103,994	94,358	(9,636)	13.66%	13.89%	0.04%
						209,047	193,966	(15,061)	28.08%	28.55%	
<b>PAPER &amp; BOARD</b>											
Packages Limited	-	25,000	-	25,000	-	-	-	-	0.00%	0.00%	0.00%
Century Paper and Board Mills Limited	-	272,500	-	172,400	100,100	7,525	7,918	393	1.15%	1.17%	0.05%
						7,525	7,918	393	1.15%	1.17%	
<b>AUTOMOBILE ASSEMBLER</b>											
Ghandhara Industries Limited	700	60,000	-	60,700	-	-	-	-	0.00%	0.00%	0.00%
Honda Atlas Cars (Pakistan) Limited	3,500	22,000	-	8,500	17,000	3,804	4,025	221	0.58%	0.59%	0.01%
Millat Tractors Limited	189	-	37	-	226	204	195	(9)	0.03%	0.03%	0.00%
						4,008	4,220	212	0.61%	0.62%	
<b>TECHNOLOGY &amp; COMMUNICATION</b>											
Systems Limited	-	120,600	-	72,800	48,000	32,859	36,472	3,613	5.28%	5.37%	0.03%
TRG Pakistan Limited	7,000	205,000	-	212,000	-	-	-	-	0.00%	0.00%	0.00%
Octopus Digital Limited	-	255,424	-	145,000	110,424	8,479	8,587	108	1.24%	1.26%	0.08%
Avanceon Limited	-	315,500	-	265,500	50,000	4,609	4,556	(53)	0.66%	0.67%	0.02%
						45,947	49,615	3,668	7.18%	7.30%	
<b>TEXTILE COMPOSITE</b>											
Nishat Mills Limited (Note 5.1.1)	-	230,400	-	230,000	400	37	32	(5)	0.00%	0.00%	0.00%
Interloop Limited	200,000	288,000	11,040	192,000	307,040	21,671	22,319	648	3.23%	3.28%	0.04%
Crescent Textile Mills Limited	-	300,000	-	283,500	16,500	476	335	(141)	0.05%	0.05%	0.02%
Kohinoor Textile Mills Limited	140,000	-	-	100,000	40,000	3,008	2,777	(231)	0.40%	0.41%	0.01%
						25,192	25,463	271	3.68%	3.74%	
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>											
Thal Limited *	50	-	-	-	50	21	19	(2)	0.00%	0.00%	0.00%
						21	19	(2)	0.00%	0.00%	

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 01, 2021	Purchased during the period	Bonus / right 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	
<b>PHARMACEUTICALS</b>											
The Searle Company Limited (note 5.1.2)	3,651	48,000	1,095	12,000	40,746	6,105	5,856	(249)	0.85%	0.86%	0.01%
AGP Limited	20,000	-	-	20,000	-	-	-	-	0.00%	0.00%	0.00%
Citi Pharma Ltd.	-	296,000	-	126,000	170,000	6,013	6,079	66	0.88%	0.89%	0.07%
GlaxoSmithKline Consumer Healthcare	-	74,400	-	46,500	27,900	7,631	6,726	(905)	0.97%	0.99%	0.02%
Abbott Lab (Pakistan) Limited	1,800	-	-	-	1,800	1,426	1,292	(134)	0.19%	0.19%	0.00%
Ferozsons Laboratories Limited	4,320	-	-	4,300	20	7	6	(1)	0.00%	0.00%	0.00%
GlaxoSmithKline Pakistan Limited	16,500	-	-	-	16,500	2,734	2,252	(482)	0.33%	0.33%	0.01%
						23,916	22,211	(1,705)	3.22%	3.26%	
<b>POWER GENERATION &amp; DISTRIBUTION</b>											
The Hub Power Company Limited (Note 5.1.1)	472,349	100,000	-	240,000	332,349	26,138	23,710	(2,428)	3.43%	3.49%	0.03%
						26,138	23,710	(2,428)	3.43%	3.49%	
<b>COMMERCIAL BANKS</b>											
Meezan Bank Limited	378,088	644,000	60,463	732,225	350,326	44,768	46,982	2,214	6.80%	6.91%	0.02%
						44,768	46,982	2,214	6.80%	6.91%	
<b>FOOD AND PERSONAL CARE PRODUCTS</b>											
Al Shaheer Corporation Limited	113,939	-	-	113,000	939	19	13	(6)	0.00%	0.00%	0.00%
Unity Foods Limited	128,684	410,000	-	538,684	-	-	-	-	0.00%	0.00%	0.00%
At-Tahur Limited	-	475,000	-	475,000	-	-	-	-	0.00%	0.00%	0.00%
						19	13	(6)	0.00%	0.00%	
<b>CHEMICAL</b>											
Ghani Global Holdings Limited	17,842	475,000	51	492,500	393	12	9	(3)	0.00%	0.00%	0.00%
Engro Polymer & Chemicals Ltd.	355,690	485,000	-	675,690	165,000	9,963	8,945	(1,018)	1.30%	1.32%	0.02%
						9,975	8,954	(1,021)	1.30%	1.32%	
<b>REFINERY</b>											
National Refinery Limited	-	97,000	-	72,000	25,000	6,872	7,115	243	1.03%	1.05%	0.03%
Attock Refinery Limited	74,000	43,000	-	117,000	-	-	-	-	0.00%	0.00%	0.00%
						6,872	7,115	243	1.03%	1.05%	
<b>CABLE AND ELECTRICAL GOODS</b>											
Waves Singer Pakistan Limited	-	750,000	-	75,000	675,000	-	-	-	0.00%	0.00%	0.24%
						-	-	-	0.00%	0.00%	
<b>TRANSPORT</b>											
Pakistan National Shipping Corporation	-	190,000	-	190,000	-	-	-	-	0.00%	0.00%	0.00%
						-	-	-	0.00%	0.00%	
<b>GLASS &amp; CERAMICS</b>											
Tanq Glass Industries Limited	-	50,100	-	-	50,100	5,295	5,437	142	0.79%	0.80%	0.04%
Shabbir Tiles & Ceramics Limited	-	22,000	-	18,000	4,000	118	93	(25)	0.01%	0.01%	0.00%
						5,413	5,530	117	0.80%	0.81%	
<b>LEATHER &amp; TANNERIES</b>											
Service GlobalFootwear Limited	-	90,000	-	-	90,000	4,601	4,172	(429)	0.60%	0.61%	0.04%
						4,601	4,172	(429)	0.60%	0.61%	
<b>Total - December 31, 2021</b>						<b>692,651</b>	<b>679,556</b>	<b>(13,095)</b>	<b>98.38%</b>	<b>99.98%</b>	
<b>Total - June 30, 2021</b>						<b>454,222</b>	<b>487,199</b>	<b>32,977</b>	<b>99.34%</b>	<b>99.99%</b>	

\* ordinary shares face value of Rs 5 each.

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 Securities & Exchange Commission of Pakistan. The details of shares which have been pledged are as follows:

Particular	December 31, 2021		June 30, 2021	
	Number of Shares	Rupees in '000	Number of Shares	Rupees in '000
Engro Polymer and Chemicals Limited	-	-	70,000	3,307
Mari Petroleum Company Limited	19,000	31,430	19,000	28,963
Meezan Bank Limited	230,000	30,845	230,000	26,544
Maple Leaf Cement Factory Limited	250,000	8,988	-	-
Interloop Limited	100,000	7,269	-	-
Oil and Gas Development Company Limited	525,000	45,255	350,000	33,261
The Hub Power Company Limited - related party	200,000	14,268	200,000	15,934
Pakistan Petroleum Limited	400,000	31,616	200,000	17,366
	<b>1,724,000</b>	<b>169,671</b>	<b>1,069,000</b>	<b>125,375</b>



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

In this regard, a 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, 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. During the year ended June 30, 2020, CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019 the Honourable High Court of Sindh. In this regard, on July 15, 2019, the Honourable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of 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 stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the period were not withheld by the investee companies.

As at December 31, 2021, the following bonus shares of the Fund have been withheld by certain companies at the time of declaration of bonus shares. 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	December 31, 2021		June 30, 2021	
	Bonus Shares			
	Number of shares withheld	Rupees in '000	Number of shares withheld	Rupees in '000
The Searle Company Limited	2,204	317	1,696	411
Pakistan State Oil Company Limited	5,098	927	5,098	1,143
	<u>7,302</u>	<u>1,244</u>	<u>6,794</u>	<u>1,554</u>

		December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
		-----Rupees in '000-----	
5.2	Unrealised diminution on re-measurement of investments classified as Financial assets at fair value through profit or loss	Note	
	Market value of investments	5.1	679,556
	Carrying value of investments	5.1	(692,651)
			<u>(13,095)</u>

#### 6 PRELIMINARY EXPENSES AND FLOATATION COSTS

	At the beginning of the period		97	315
	Less: amortisation for the period	6.1	(97)	(218)
	At the end of the year		<u>-</u>	<u>97</u>

6.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortised over a period of 5 years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

		December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
		-----Rupees in '000-----	
7	PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY - RELATED PARTY	Note	
	Management fee payable	7.1	1,126
	Punjab Sales Tax on remuneration of the Management Company	7.2	180
	Accounting and operational expenses payable	7.3	182
	Selling and marketing payable	7.4	3,804
			<u>5,292</u>
			<u>4,367</u>



- 7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of the management fee as disclosed in the offering document 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 2% (2021: 2%) per annum of the average net assets of the Fund. The remuneration is payable to the Management Company monthly in arrears.
- 7.2 During the period, an amount of Rs 1.115 million (December 31, 2020: Rs 0.752 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%).
- 7.3 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  
The Management Company has charged such expenses at the rate of 0.1% of the average annual net assets of the scheme to the Fund.
- 7.4 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.

The SECP through its circular 11 dated July 5, 2019 had 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 had been lifted and the asset management company was 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 their annual plan. Furthermore, the time limit of three years had also been removed in the revised conditions.

Accordingly, the Management Company has currently charged such expenses at the rate of 1.2% (2021: 1.2%) 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)-----			
<b>8 PAYABLE TO MCB FINANCIAL SERVICES LIMITED - TRUSTEE - RELATED PARTY</b>			
Trustee fee payable	8.1	51	41
Sindh Sales Tax payable on trustee fee	8.2	7	5
		<u>58</u>	<u>46</u>

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. During the period, Trustee has revised its tariff as follows:

Net assets (Rs.)	Revised Tariff	
	Fee	
- Up to Rs 1,000 million	0.09% of the net assets or Rs. 250,000 per annum whichever is higher	
- From Rs 1,000 million to Rs 5,000 million	Rs. 0.9 million plus 0.065% exceeding Rs. 1,000 million	

Accordingly the Fund has charged trustee fee at the above rates during the period.

- 8.2 During the period, an amount of Rs 0.041 million (December 31, 2020: Rs. 0.028 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)-----			
<b>9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>			
Fee payable	9.1	70	100

- 9.1 In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay an annual fee to the SECP.

As per the guideline issued by SECP vide its SRO No. 685(I)/2019 dated June 28, 2019, the Fund has recognised SECP fee at the rate of 0.02% (June 30, 2021: 0.02%).

	Note	(Un-audited) December 31, 2021	(Audited) June 30, 2021
------(Rupees in '000)-----			
<b>10 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration payable		236	414
Brokerage fee payable		2,666	1,120
Printing charges payable		117	75
Shariah advisory fee payable		31	30
Charity payable		3,804	1,810
Provision for Sindh Workers' Welfare Fund	10.1	-	1,553
Legal and professional charges payable		62	114
		<u>6,916</u>	<u>5,116</u>

- 10.1 During period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to June 30, 2017, on August 13, 2021. The SECP has also given its concurrence for prospective reversal of provision for SWWF.

During the month of August 2021, provisioning against Sindh Workers' Welfare Fund amounting to Rs.1.553 million has been reversed. This reversal of provision has contributed towards an unusual increase in NAV of Fund by 0.23%. This is one-off event and is not likely to be repeated in the future.

#### 11 CONTINGENCIES AND COMMITMENTS

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

#### 12 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at December 31, 2021 is 4.96% (December 31, 2020: 4.90%) which includes 0.48% (December 31, 2020: 0.41%) 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 a equity scheme.

#### 13 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 ninety percent 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 unitholders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the year.

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

#### 14 EARNING / (LOSS) PER UNIT

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

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

- 15.1 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.

- 15.2 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, sales load, 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.

- 15.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

- 15.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

- 15.5 Accounting and operational charges and selling and marketing charges are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

- 15.6 Detail of transactions with connected persons during the period are as follows:

	(Un-audited) December 31, 2021	(Un-audited) December 31, 2020
	-----Rupees in '000-----	
<b>ABL Asset Management Company Limited - Management Company</b>		
Remuneration for the period	6,972	4,701
Punjab sales tax on remuneration of Management Company	1,115	752
Allocation of accounting and operational charges by the Management Company	349	235
Selling and Marketing expense	3,776	2,816
Preliminary expenses and floatation costs paid	97	-
<b>MCB Financial Services Limited - Trustee</b>		
Remuneration	314	212
Sindh sales tax on remuneration of Trustee	41	28
<b>Allied Bank Limited</b>		
Profit on savings account	211	7



	(Un-audited) December 31, 2021	(Un-audited) December 31, 2020
	-----Rupees in '000-----	
<b>ABL Islamic Financial Planning Fund - Active Allocation Plan</b>		
Issue of 7,516,629 (2020: Nil) units	63,000	-
Redemption of 11,181,779 (2020: 4,963,399) units	94,325	42,130
<b>ABL Islamic Financial Planning Fund - Conservative Allocation Plan</b>		
Redemption of Nil (2020: 13,207) units	-	104
<b>ABL Islamic Financial Planning Fund - Aggressive Allocation Plan</b>		
Issue of 364,449 (2020: Nil) units	3,000	-
Redemption of 440,776 (2020: 376,179) units	3,750	3,103
<b>ABL Islamic Financial Planning Fund - Strategic Allocation Plan</b>		
Issue of 6,154,663 (2020: 1,186,930) units	52,000	10,000
Redemption of 12,530,603 (2020: 2,045,202) units	98,750	16,303
<b>ABL Islamic Financial Planning Fund - Strategic Allocation Plan - III</b>		
Issue of 1,169,343 (2020: Nil) units	10,000	-
Redemption of 1,072,953 (2020: 523,487) units	8,910	4,250
<b>ABL Islamic Financial Planning Fund - Capital Preservative Plan I</b>		
Issue of 73,132,077 (2020: 1,274,876) units	620,000	10,000
Redemption of 49,144,829 (2020: 3,016,559) units	416,310	23,110
<b>ABL Islamic Financial Planning Fund - Capital Preservative Plan II</b>		
Issue of 16,160,189 (2020: Nil) units	130,000	-
Redemption of 046,481 (2020: Nil) units	375	-

15.7 Detail of balances outstanding at the period / year end with connected persons are as follows:

	December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
	-----Rupees in '000-----	
<b>ABL Asset Management Company Limited - Management Company</b>		
Remuneration payable	1,126	916
Punjab sales tax payable on remuneration	180	147
Accounting and operational charges	182	138
Selling and marketing expense	3,804	3,166
<b>MCB Financial Services Limited - Trustee</b>		
Remuneration payable	51	41
Sindh sales tax on remuneration	7	5
<b>Allied Bank Limited</b>		
Profit on savings account	181	14
<b>ABL Islamic Financial Planning Fund - Active Allocation Plan</b>		
Outstanding 29,008,848 (June 30, 2021: 32,673,998) units	232,036	284,868
<b>ABL Islamic Financial Planning Fund - Conservative Allocation Plan</b>		
Outstanding 48,614 (June 30, 2021: 48,614) units	389	424
<b>ABL Islamic Financial Planning Fund - Aggressive Allocation Plan</b>		
Outstanding 539,783 (June 30, 2021: 616,110) units	4,318	5,372
<b>ABL Islamic Financial Planning Fund - Strategic Allocation Plan</b>		
Outstanding 5,753,226 (June 30, 2021: 12,129,166) units	46,019	105,748
<b>ABL Islamic Financial Planning Fund - Strategic Allocation Plan - III</b>		
Outstanding 2,149,667 (June 30, 2021: 2,053,277) units	17,195	17,901
<b>ABL Islamic Financial Planning Fund - Capital Preservative Plan I</b>		
Outstanding 32,722,055 (June 30, 2021: 8,734,808) units	261,737	76,154
<b>ABL Islamic Financial Planning Fund - Capital Preservative Plan II</b>		
Outstanding 16,113,708 (June 30, 2021: Nil) units	128,890	-

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



## 16 FAIR VALUE MEASUREMENT

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

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

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

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

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

------(Un-audited)-----			
----- As at December 31, 2021 -----			
Level 1	Level 2	Level 3	Total
------(Rupees in '000)-----			
<b>Financial assets ' at fair value through profit or loss'</b>			
Shares of listed companies - 'ordinary shares'			
679,556	-	-	679,556
------(Audited)-----			
----- As at June 30, 2021 -----			
Level 1	Level 2	Level 3	Total
------(Rupees in '000)-----			
<b>Financial assets ' at fair value through profit or loss'</b>			
Shares of listed companies - 'ordinary shares'			
487,199	-	-	487,199

## 17 GENERAL

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

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

### 17.1 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



Alea 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

افراد، انشورنس اور کمپنیوں نے بالترتیب USD 65mn، USD 72mn، اور USD 60mn کی خالص خریداری کے 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 فکسڈ انکم فنڈز (بشمول اسلامی اور روایتی) نے بالترتیب PKR 566bn اور PKR 251bn کی مدت کو بند کرنے کے لیے YOY%20 اور YOY%2 کی زبردست ترقی دیکھی۔ دوسری طرف، ایکویٹی فنڈز - بشمول روایتی اور اسلامی دونوں - نے PKR 220bn کی مدت کو بند کرنے کے لیے YOY 9% کی کمی کی ہے۔

## فنڈ کی کارکردگی

ABL اسلامک ڈیڈیکٹڈ اسٹاک فنڈ کی AUM دسمبر 2021 میں 41% بڑھ کر PKR 690.57mn ہو گئی جو جون 2021 میں PKR 490.47mn تھی۔ فنڈ نے منفی 6.44% کے بینچ مارک ریٹرن کے مقابلے میں 8.26% کا منفی ریٹرن پوسٹ کیا، جو کہ 1% کے تحت 8.8 فیصد کی عکاسی کرتا ہے۔ جب اس کی شروعات کی تاریخ سے پیمائش کی جائے تو، ABL-IDSF نے 11.14% کے بینچ مارک ریٹرن کے مقابلے میں 13.62% کی واپسی پوسٹ کی ہے، جو 2.48% کی کم کارکردگی کو ظاہر کرتا ہے۔

## آڈیٹر

میسرز یوسف عادل اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹ) کو، اے بی ایل اسلامک ڈیڈیکٹڈ اسٹاک فنڈ (اے بی ایل - آئی ڈی ایس ایف) کے لئے 30 جون 2022 کو ختم ہونے والے سال کے لئے آڈیٹر مقرر کیا گیا ہے۔

## مینجمنٹ کمپنی کی کوالٹی کی درجہ بندی

31 دسمبر، 2021 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 ڈیڈیکٹیڈ اسٹاک فنڈ (اے بی ایل - آئی ڈی 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 ڈیڈیکٹیڈ 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 اوسط 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

22HFY 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،



ABL Asset Management

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