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Our Mission

"To provide higher risk adjusted returns to investors at large by investing into a diversified range of investment assets on consistent basis."

Our Vision

"PAK OMAN INCOME FUND aims to provide diversified portfolio and return that is risk adjusted to suit investors at large, on a consistent basis."



FUND INFORMATION

Management Company

Pak Oman Asset Management Company Limited.
ICON House 83-C, 12th Commercial Street,
Phase-II Extension, DHA, Karachi.
Phone : +92 - 21 - 35899641-44
Fax : +92 - 21 - 35899645
Website : www.pakomanfunds.com

Board of Director of The Management Company

H.E Yahya Bin Said Bin Abdullah Al- Jabri Chairman
Mr. Bahauddin Khan
Mr. Jehangir Shah
Mr. Rashid Ali Ibrahim Al Balushi
Ms. Sadaf Kazmi

Audit Committee

Mr. Rashid Ali Ibrahim Al Balushi
Mr. Jehangir Shah
Mr. Bahauddin Khan

Chief Financial Officer

Mr. Salman Shafiq Hashmi

Company Secretary

Ms. Haajra Jafri

Asset Manager Rating

AM3 ++ (Positive)

Trustee

Digital Custodian Company
(formerly MCB Financial Services Ltd)
4th Floor, Perdesi House, 2/1, R-Y-16,
Old Queens Road, Karachi.

Auditors

RSM Avasi Hyder Liaquat Nauman
Chartered Accountants
407, Progressive Plaza, Beamont Road,
Karachi-75530

Bankers to The Fund

Bank Alfalah Limited
BankIslami Pakistan Limited
Habib Bank Limited
JS Bank Limited
Khushhali Bank Limited
NRSP Microfinance Bank Limited
The First MicroFinance Bank Limited
Zarai Taraqati Bank Limited

Legal Advisor

Mohsin Tayyab Ali
Corporate & Commercial Law Firm
D-21, Block - 4,
KDA Scheme 5, Clifton, Karachi.



DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors (BOD) of Pak Oman Asset Management Company Limited, the Management Company of the Pak Oman Income Fund (Formerly Pak Oman Government Securities Fund) (POIF) is pleased to present the Condensed Interim Financial Statements (un-audited) for the half year ended December 31, 2021.

Summary of significant matter - Conversion to pure income fund

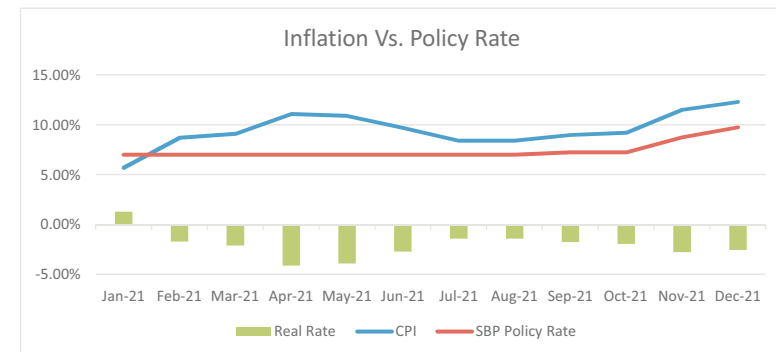
Subsequent to the period end; the Pak Oman Government Securities Fund is converted to Pak Oman Income Fund. The fund has been purely converted into income fund.

Development and performance review

During 2HCY21, POIF delivered annualized return of 8.53% against the benchmark return of 8.56%. The total assets of the fund jumped 641% during 2HCY21 to PKR 1,166.76 million. Investment in corporate debt securities was reduced to 0.96% as compared to 13.50% in previous month. Exposure to short term Treasury Bills maintained at 71.56% while remaining funds were invested as cash with A and above rated banks.

Economic Review

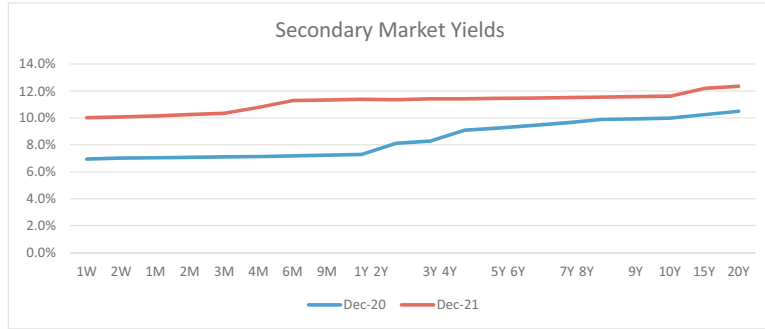
Economy has shown great turnaround in CY21 due to government's proactive approach in coping with pandemic and faster than expected pace of recovery in economy activity. GDP of the country grew at 5.37% during FY21, after government revised its base. National CPI index during the year averaged at 9.5%, which remained slight above central bank's near-term target inflation of 7%-9%. First half of the CY21 witnessed positive triggers on economic front as current account balance remained meagerly in deficit, however, it surged to overall CAD of USD 12.25bn in remaining quarters of CY21. Commodities prices upswing in international and domestic markets surged the price pressure during the year, which lead to SBP action of hiking key rates by 275 bps.

**Fixed income market review**

During the year, average CPI index surged to 9.5% owing to increase in energy prices and input cost. On the other hand, food inflation surged at higher pace owing higher urea/DAP prices and higher support prices announced by government for key agricultural products. Consequently, central bank cumulatively increased interest rate by 275 bps in its MPC meeting during the year. In line with the policy rate, yields on government



securities surged on average 275 bps with yield on 1-year bill jumping ~400 bps from 7.28% in Dec'20 to 11.38% in Dec'21.



Future outlook

Going forward, we believe equity market to perform on multiple triggers. Disbursement of USD 1bn under EFF after Government's agreement with IMF on 6th review, coupled with government's effort to raise fund through multiple Sukuk auctions in international market will provide support to macro indicators. MSCI routine review to allocate country weightage to Pakistan in MSCI FM will open tap of foreign portfolio inflows. We also believe, FY23 budget will take a populist form and include business-friendly policies, given it could be PTI's last budget before the general elections in 2023.

Acknowledgement

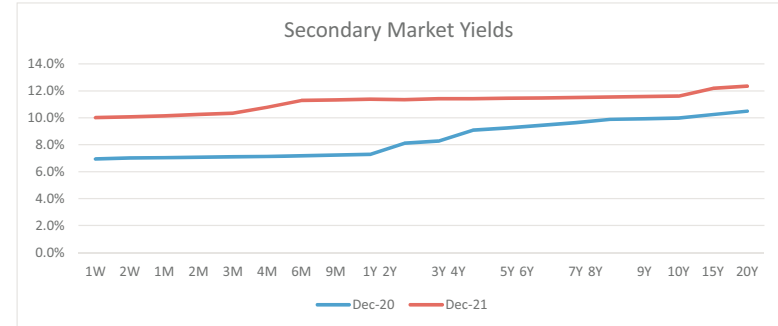
We would like to thank you valued investors who have placed their confidence in us. The Board is also thankful to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the Pakistan Stock Exchange for their continued cooperation and support. The Board of Directors also appreciates the efforts put in by the management team for their commitment and hard Work.

For and on behalf of the Board

Chief Executive Officer

Director

Dated: February 28, 2022



مستقبل کا نقطہ نظر

آگے بڑھتے ہوئے، ہمیں یقین ہے کہ ایکویٹی مارکیٹ متعدد محرکات پر کارکردگی کا مظاہرہ کرے گی۔ چھپے جائزے پر IMF کے ساتھ حکومت کے معاہدے کے بعد EFF کے تحت 1 بلین امریکی ڈالر کی تقسیم، بین الاقوامی مارکیٹ میں متعدد سیکورٹیز کے ذریعے فنڈ اکٹھا کرنے کی حکومت کی کوششوں کے ساتھ میکر و انڈیکسز کو مدد فراہم کرے گی۔ MSCI FM میں پاکستان کو کٹری وٹچ منٹس کرنے کے لیے MSCI کا معمول کا جائزہ غیر ملکی پورٹ فولیو کی آمد کو کھول دے گا۔ ہمارا یہ بھی ماننا ہے کہ مالی سال 23 کا بجٹ ایک پاپلسٹ شکل اختیار کرے گا اور اس میں کاروبار دوستانہ پالیسیاں شامل ہوں گی، بشرطیکہ یہ 2023 کے عام انتخابات سے قبل پی ٹی آئی کا آخری بجٹ ہو۔

اظہار تشکر

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سکیورٹیز اینڈ ایکسیٹنیشن آف پاکستان، فنڈ کے ٹرسٹی اور پاکستان اسٹاک ایکسچینج کے مسلسل تعاون اور حمایت کا شکریہ ادا کرتے ہیں۔ بورڈ آف ڈائریکٹرز انتظامیہ کی ٹیم کے عزم اور محنت کے لیے کی جانے والی کوششوں کو بھی سراہتے ہیں۔

منجانب بورڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

مورخہ: 28 فروری 2022ء



یونٹ ہولڈرز کو ڈائریکٹران کی رپورٹ

پاک اومان ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز (BOD)، پاک اومان انکم فنڈ (سابقہ پاک اومان گورنمنٹ سیکورٹیز فنڈ) (POIF) کی مینجمنٹ کمپنی کے 31 دسمبر 2021ء کو ختم ہونے والی ششماہی کے لئے متحدہ عبوری مالیاتی گوشوارے پیش کرتے ہوئے اظہارِ مسرت کرتے ہیں۔

اہم معاملہ کا خلاصہ - خالص انکم فنڈ میں منتقلی

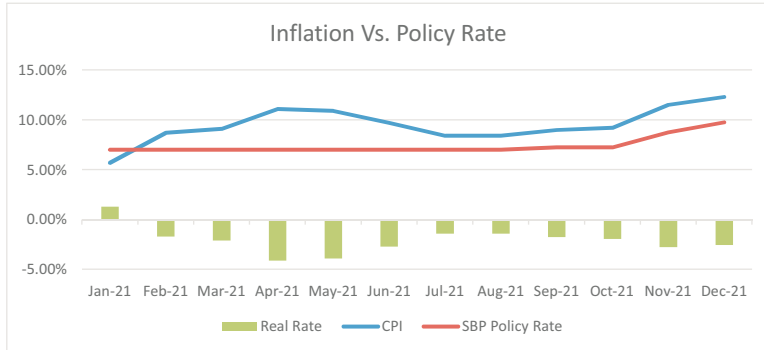
مدت کے اختتام کے بعد: پاک اومان گورنمنٹ سیکورٹیز فنڈ کو پاک اومان انکم فنڈ میں تبدیل کر دیا گیا۔ فنڈ خالصتاً انکم فنڈ میں تبدیل ہو گیا۔

ترقی اور کارکردگی کا جائزہ

2HCY21 کے دوران، POIF نے 8.56% کے شیئ مارک ریٹرن کے مقابلے میں 8.53% کا سالانہ ریٹرن فراہم کیا۔ فنڈ کے کل اثاثے 2HCY21 کے دوران 1,166.76 ملین روپے ہو گئے۔ کارپوریٹ ڈیٹ سیکورٹیز میں سرمایہ کاری گزشتہ ماہ میں 13.50% کے مقابلے میں 0.96% کم ہو گئی۔ مختصر مدتی ٹریڈری بلز کا ایکسپوزر 71.56% برقرار رہا جبکہ بقیہ فنڈز A اور بالا درجہ کے بینکوں میں بطور نقد سرمایہ کاری کی گئی۔

اقتصادی جائزہ

وفاقی بیماری سے نمٹنے کے لیے حکومت کے فعال انداز اور معیشت کی سرگرمیوں میں بحالی کی توقع سے زیادہ تیز رفتاری کی وجہ سے CY21 میں معیشت نے زبردست تبدیلی دکھائی دی ہے۔ حکومت کی اپنی بنیاد پر نظر ثانی کے بعد، مالی سال 21 کے دوران ملک کے جی ڈی پی میں 5.37 فیصد اضافہ ہوا۔ سال کے دوران قومی سی آئی اینڈیکس اوسطاً 9.5% رہا، جو کہ مرکزی بینک کے 7%-9% کے قریب مدتی ہدف افراط زر سے معمولی زیادہ رہا۔ CY21 کی پہلی ششماہی میں معاشی محاذ پر مثبت محرکات دیکھنے میں آئے کیونکہ کرنٹ اکاؤنٹ بیلنس معمولی طور پر خسارے میں رہا، تاہم، CY21 کی بقیہ سہ ماہیوں میں یہ مجموعی کرنٹ اکاؤنٹ خسارہ 12.25 ملین امریکی ڈالر تک پہنچ گیا۔ بین الاقوامی اور مقامی منڈیوں میں اشیاء کی قیمتوں میں اضافے نے سال کے دوران قیمتوں کے دباؤ کو بڑھایا، جس کی وجہ سے اسٹیٹ بینک نے بنیادی شرحوں میں 275bps اضافہ کر دیا۔



مستقل انکم مارکیٹ کا جائزہ

سال کے دوران، توانائی کی قیمتوں اور ان چٹ لاگت میں اضافے کی وجہ سے اوسط CPI انڈیکس 9.5 فیصد تک بڑھ گیا۔ دوسری طرف، پوری/ڈی اے پی کی قیمتوں میں اضافے اور اہم زرعی مصنوعات کے لیے حکومت کی جانب سے اعلان کردہ زیادہ امدادی قیمتوں کی وجہ سے اشیائے خورد و نوش کی مہنگائی تیز رفتاری سے بڑھی۔ نتیجتاً، مرکزی بینک نے سال کے دوران اپنے MPC اجلاس میں مجموعی طور پر شرح سود میں 275bps کا اضافہ کر دیا۔ پالیسی شرح کے مطابق، گورنمنٹ سیکورٹیز کی پیداوار میں اوسطاً 275bps کا اضافہ ہوا جس کے ساتھ 1 سال کے بل پر 400bps~ کا اضافہ ہوا جو دسمبر 20 میں 7.28 فیصد سے دسمبر 21 میں 11.38 فیصد ہو گیا۔



REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

PAK OMAN INCOME FUND

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

Pak Oman Income Fund formerly Pak Oman Government Securities Fund, an open end scheme established under a Trust Deed dated March 18, 2011 executed between Pak Oman 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 operations on July 28, 2011 however Pak Oman Government Securities fund converted to Pak Oman Income Fund with effect from December 27, 2021.

1. Pak Oman Asset Management Company Limited, the Management Company of Pak Oman Income Fund formerly Pak Oman Government Securities Fund has, in all material respects, managed Pak Oman Income Fund formerly Pak Oman Government Securities Fund during the period ended 31st December 2021 in accordance with the provisions of the following:

- Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
- the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
- the creation and cancellation of units are carried out in accordance with the deed;
- and any regulatory requirement.

The attention of the unit holder is drawn towards prescribe limit for income fund i.e. 2.5 % as per regulation 60 (5)(c), however as per note 9 of the initial accounts expense ratio limit is slightly above the prescribe limit i.e. 2.89%.

Jamil
Authorize signatory

Karachi: February 25, 2022

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



RSM Avas Hyder Liaquat Nauman
Chartered Accountants
407, Progressive Plaza, Beaumont Road
Karachi, 75530 - Pakistan
T: +92 (21) 35655975-6
F: +92 (21) 3565-5977
W: www.rsm-pakistan.pk

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS OF PAK OMAN INCOME FUND (FORMERLY
PAK OMAN GOVERNMENT SECURITIES FUND)

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of asset and liabilities of Pak Oman Income fund (Formerly Pak Oman Government Securities Fund) (the Fund) as at December 31, 2021 and the related condensed interim income statement and the condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim statement of cash flows together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information"), for the six month period ended December 31, 2021. Pak Oman 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 of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of Condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

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

 Chartered Accountants
Karachi
Date:

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Avas Hyder Liaquat Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT DECEMBER 31, 2021

		31 December 2021 Un-audited	30 June 2021 Audited
Note		-----Rupees in ('000) -----	
Assets			
4	Balance with banks	314,167	7,261
5	Investments	854,500	157,350
	Mark-up accrued	1,548	1,240
	Deposits, prepayment and other receivable	913	811
	Total assets	1,171,128	166,661
Liabilities			
6	Payable to Asset Management Company	3,022	2,766
	Payable to Trustee	50	33
	Payable to the Securities & Exchange Commission of Pakistan	21	50
	Dividend payable	144	2,401
7	Accrued expenses and other liabilities	1,127	3,887
	Total liabilities	4,364	9,137
	NET ASSETS	1,166,764	157,524
	UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	1,166,764	157,524
	CONTINGENCIES AND COMMITMENTS		
8	NUMBER OF UNITS IN ISSUE	103,559,991	14,582,703
	NET ASSET VALUE PER UNIT	11.2666	10.8021

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



PAK OMAN INCOME FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

	For Half Year Ended 31 December		For Quarter Ended 31 December	
	2021	2020	2021	2020
Note	(Rupees in '000)			
Income				
Profit on saving and term deposits	1,584	545	1,468	173
Income from government securities	6,444	6,228	4,196	2,527
Income on term finance and sukuks certificates	1,307	2,976	572	1,288
Net gain on sale of investments	513	553	507	591
Other Income	2,546	-	-	-
Net unrealised loss on remeasurement of investments at fair value through profit or loss	(508)	(6,601)	(491)	(3,022)
Total income	11,886	3,701	6,252	1,557
Expenses				
Remuneration of the Management Company	6.1 1,033	1,242	590	531
Sindh Sales Tax on Remuneration of the Management Company	6.2 134	161	76	69
Reimbursement of operational expenses to the Management Company	6.4 103	113	63	(210)
Selling and Marketing Charges	6.5 412	452	253	452
Remuneration of the Trustee inclusive of sales tax there on	76	83	47	36
Annual fees to the Securities & Exchange Commission of Pakistan	21	23	13	10
Auditors' remuneration	253	334	126	226
Printing and stationery expenses	16	14	8	6
Legal and professional charges	85	59	85	38
Fee and Subscription	305	14	135	13
Bank, settlement and transaction charges	189	21	185	20
Provision for Sindh Workers' Welfare Fund	-	24	-	8
	2,627	2,540	1,581	1,199
Net income for the period before taxation	9,259	1,159	4,671	358
Taxation	10 -	-	-	-
Net income for the period after taxation	9,259	1,159	4,671	358
Allocation of Net Income for the year				
- Net income for the period after taxation	9,259	1,159	4,671	358
- Income already paid on units redeemed	-	129	-	-
	9,259	1,288	4,671	358
Accounting income available for distribution				
-Relating to capital gains	5	-	16	-
-Excluding capital gains / (Loss)	9,254	1,288	4,655	358
	9,259	1,288	4,671	358

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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PAK OMAN INCOME FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

	For Half Year Ended 31 December		For Quarter Ended 31 December	
	2021	2020	2021	2020
	(Rupees in '000)			
Net income for the period after taxation	9,259	1,159	4,671	358
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	9,259	1,159	4,671	358

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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PAK OMAN INCOME FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	For Half Year Ended 31 December					
	2021			2020		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
	-----Rupees in ('000')-----					
Net assets at the beginning of the period	133,044	24,481	157,524	234,384	22,820	257,104
Issue of 88,979,771 (2020: 16,237) units						
-Capital value (at net asset value per unit at the beginning of the period)	961,167	-	961,167	174	-	174
-Element of (loss) / income	38,840	-	38,840	1	-	1
	1,000,007	-	1,000,007	175	-	175
Redemption of 2,483 (2020: 9,397,389) units						
-Capital value (at net asset value per unit at the beginning of the period)	(27)	-	(27)	(101,416)	-	(101,416)
-Element of (loss) / income	-	-	-	1	129	130
	(27)	-	(27)	(101,415)	129	(101,286)
Total comprehensive income for the period	-	9,259	9,259	-	1,159	1,159
Net assets at the end of the period	1,133,024	33,740	1,166,764	133,144	24,108	157,152
Undistributed income brought forward comprising of:						
-Realized Gain	23,895		23,895			
-Unrealised Loss	(1,075)		(1,075)			
	24,481		22,820			
Accounting income available for distribution:						
-Relating to capital gains	5		-			
-Excluding capital gains	9,254		1,288			
	9,259		1,288			
Net income for the year after taxation						
Undistributed income carried forward - net	33,740		24,108			
Undistributed income carried forward comprising of:						
-Realized Gain	34,248		30,709			
-Unrealised Loss	(508)		(6,601)			
	33,740		24,108			
			-----Rupees-----			
Net asset value at the beginning of the period		10.8021	10.7781			
Net asset value at the end of the period		11.2666	10.8672			

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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PAK OMAN INCOME FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 December	
	2021	2020
	-----Rupees in ('000')-----	
Note		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period after taxation	9,259	1,159
Adjustments for:		
Net gain on sale of investments	(513)	(553)
Net unrealised loss on remeasurement of investments at fair value through profit or loss	508	6,601
Provision for Sindh Workers' Welfare Fund	-	24
	(5)	6,072
Decrease in assets		
Investments - Net	(697,145)	105,984
Mark-up accrued	(308)	2,712
Deposits, prepayment and other receivable	(102)	(666)
	(697,555)	108,030
(Decrease) in liabilities		
Payable to Asset Management Company	256	1,405
Payable to Trustee	17	(8)
Payable to the Securities & Exchange Commission of Pakistan	(29)	(31)
Dividend payable	(2,257)	(40,221)
Accrued expenses and other liabilities	(2,760)	24,394
	(4,773)	(14,461)
Net cash (used in) / generated from operating activities	(693,074)	100,800
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance of units	1,000,007	175
Dividend paid	-	-
Payments against redemption of units	(27)	(101,286)
Net cash used in financing activities	999,980	(101,111)
Net increase / (decrease) in cash and cash equivalents	306,906	(311)
Cash and cash equivalents at the beginning of the period	7,261	30,649
Cash and cash equivalents at the end of the period	4 314,167	30,338

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

13



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

The Pak Oman Income Fund (Formerly of Pak Oman Government Securities Fund) (the Fund) was established under a Trust deed executed between Pak Oman Asset Management Limited as the Management Company and Digital Custodian Company Limited (Formerly MCB Financial Services Limited (MCBFSL)). The trust deed was approved on 03 March 2011 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003 (The NBFC Rules) and was executed on 18 March 2011.

The Management Company is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at Icon House, 83-C, 12th Commercial Street, Phase-II Extension, DHA, Karachi, Pakistan.

The Fund is an open-ended mutual fund classified as an "Income Scheme" by the Management Company and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

The objective of the Fund is to provide its unit holders competitive returns from a portfolio of low credit risk with maximum possible preservation of capital via investing primarily in Government Securities.

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3++" to the Management Company as at August 06, 2021, and a stability rating of A+(f) to the Fund as at August 17, 2021.

Title to the assets of the Fund are held in the name of Digital Custodian Company Limited (Formerly MCB Financial Services Limited) as a trustee of the Fund.

Pak Oman Government Securities Fund has been converted to Pak Oman Income Fund with effect from December 27, 2021 in accordance with the approval of the Board of Directors of the Management Company and the Securities & Exchange Commission of Pakistan.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;



- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and "
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2021.

4. BALANCE WITH BANKS

-Saving accounts

	31 December 2021	30 June 2021
	Un-audited	Audited
Note	------(Rupees in '000)-----	

4.1	314,167	7,261
-----	---------	-------

- 4.1 These savings accounts carry mark-up at the rates ranging from 5.50 to 12.25% (30 June 2021: 5.40% to 9.00%) per annum.

5. INVESTMENTS

At fair value through profit or loss - held for trading

Government securities	5.1	843,138	123,626
Term Finance Certificates	5.2	11,362	33,724
		<u>854,500</u>	<u>157,350</u>



5.1 Government securities

Issue Date	Tenor	Face value				Market value as at 31 December 2021	Market Value as a percentage of	
		As at 01 July 2021	Purchased during the period	Sold / matured during the period	As at 31 December 2021		Net assets	Total investments
------(Rupees in '000)-----						-----%age-----		
03-Jun-2021	03 Months	125,000	-	125,000	-	-	-	0.00%
03-Jun-2021	3 Months	-	125,000	125,000	-	-	-	0.00%
26-Aug-2021	6 Months	-	25,000	25,000	-	-	-	0.00%
26-Aug-2021	6 Months	-	100,000	-	100,000	98,508	8.44	11.53%
06-May-2021	6 Months	-	25,000	25,000	-	-	-	0.00%
26-Aug-2021	3 Months	-	25,000	25,000	-	-	-	0.00%
03-Jun-2021	6 Months	-	25,000	25,000	-	-	-	0.00%
04-Nov-2021	3 Months	-	750,000	-	750,000	744,630	63.82	87.14%
04-Nov-2021	3 Months	-	250,000	250,000	-	-	-	0.00%
						</		

5.2 Term finance certificates - unlisted

Name of the investee company	Number of certificates				Market value as at 31 December 2021	Market Value as a percentage of	
	As at 01 July 2021	Purchased during the period	Sold / matured during the period	As at 31 December 2021		Net assets	Total investments
					Rupees in '000'	-----	%age -----
JS Bank Limited (14-Dec-2016)	4,400	-	4,400	-	-	-	-
JS & Company Limited (18-Jul-2017)	5,000	-	-	5,000	11,362	0.97	1.67
					<u>11,362</u>		
Market Value as at December 31 2021					<u>33,724</u>		

6 PAYABLE TO THE MANAGEMENT COMPANY

Remuneration of the Management Company	6.1	301	154
Sindh Sales Tax on remuneration of the Management Company	6.2	144	125
Federal Excise Duty on remuneration of the Management Company	6.3	654	654
Reimbursement of operational expenses to the Management Company	6.4	392	447
Selling and marketing expenses	6.5	1,531	1,387
		<u>3,022</u>	<u>2,766</u>



6.1 The Management Company has charged its remuneration at the rate 0.70% to 1.10% (30 June 2021: 1.1%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (2020: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from July 1, 2011. This also includes Rs. 0.654 million (2021: Rs. 0.654 million) accrued on Federal Excise Duty (FED) on the remuneration of the Management Company as fully explained in note 8.3.

6.3 As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company was applied with effect from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law. The matter was collectively taken up by the Management Company jointly with other Asset Management Companies and Trustees of respective Collective Investment Schemes (CISs), through a Constitutional Petition filed in the Honorable Sindh High Court (SHC) during September 2013. In this respect, the SHC had issued a stay order against the recovery of FED due to which the Fund has not made any payments for FED since June 13, 2013.

On June 30, 2016, the Honorable Sindh High Court of Pakistan had passed a Judgment that after the 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016, the Federal Board of Revenue (FBR) filed an appeal in the Honorable Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication. Pending the adjudication in the SCP, the Management Company, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs. 0.654 million. Had the provision of FED not been made, the net asset value per unit as at December 31, 2021 would have been higher by Rs.0.0063 per unit (2021: Rs. 0.0448 per unit).

Through Finance Act, 2016, FED on services rendered by Non-Banking Financial Institutions (NBFI) including Asset Management Companies, which are already subject to provincial sales tax, has been withdrawn. Therefore, no provision for FED has been recorded after June 30, 2016.

6.4 This represents reimbursement of certain expenses to the Management Company. As per regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum upto 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets being the lower amount to the Fund.

6.5 SECP vide Circular No. 40 of 2016 dated 30 December 2016 prescribed certain conditions on Asset Management Companies (AMCs) for charging of selling and marketing expenses to certain collective investment schemes managed by them. Pursuant to the circular, the AMCs are allowed to charge selling and marketing expenses for an initial period of three years (01 January 2017 till 31 December 2019) at a maximum cap of 0.4% per annum of net assets of the Fund or actual expenses, whichever is lower. Accordingly, the Management Company has charged 0.4% of daily net assets of the Fund, being the lower amount.



PAK OMAN INCOME FUND

7	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	31 December 2021 Un-audited	30 June 2021 Audited
			-----Rupees in ('000) -----	
	Auditors' remuneration payable		256	402
	Withholding tax payable		149	547
	Capital Gain Tax		7	7
	Provision for Sindh Workers' Welfare Fund	7.1	-	2,541
	Others		715	390
			1,127	3,887

7.1 SINDH WORKERS' WELFARE FUND

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Fund Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / pension funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / pension funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the CISs / pension 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 August 12, 2021, on August 12, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.



PAK OMAN INCOME FUND

8 CONTINGENCIES AND COMMITMENTS

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

9 EXPENSE RATIO

In accordance with the Directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for year ended December 31, 2021 is 2.89% which includes 0.24% representing government levy i.e. Sindh Sales Tax, SECP fee and provision for Sindh Worker's Welfare Fund.

10 TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders (excluding distribution made by issuance of bonus units). Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 the Fund is required to distribute ninety percent of accounting income other than capital gains whether realised or unrealised to the unit holders. The Fund has distributed such accounting income for the year ended June 30, 2018 to its unit holders. Accordingly, no provision in respect of taxation has been made in these financial statements.

	For the Half Year Ended 31 December	
	2021	2020
	Un-audited	Un-audited
	-----Rupees (000')-----	
11	TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS	
11.1	<u>Transactions for the period:</u>	
	Pak Oman Asset Management Company Limited (Management Company)	
	Reumeration of the Management Company	1,033 1,242
	Sindh Sales tax on Remuneration of Management Company	134 161
	Reimbursement of operational expenses to the Management Company	103 113
	Selling and Marketing Charges	412 452
	Issuance of Nil (2020: 9,290,227) Units	- 100,000
	MCB Financial Services Limited - Trustee of the Fund	
	Remuneration of the Trustee	76 83
	Other Staff	
	Redemption of Nil (2020: 48,577) Units	- (525)



PAK OMAN INCOME FUND

	December 31 2021 Un-audited	June 30 2021 Audited
11.2 Investments / outstanding balances as at period / year end:	-----Rupees ('000')-----	
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration payable to the Management Company	301	154
Sindh Sales Tax payable on Remuneration of the Management Company	144	125
Federal Excise Duty payable on Remuneration of the Management Company	654	654
Reimbursement of operational expenses to the Management Company	392	447
Selling & Marketing charges	1,531	1,387
MCB Financial Services Limited (Trustee)		
Remuneration of Trustee	50	29
Sindh Sales Tax on remuneration of Trustee		4
Pak Oman Investment Company Limited - Holding Company of Management Company of the Fund		
Outstanding 14,491,925 (30 June 2021: 14,491,925) units	163,275	156,543

12. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Fair value of investments classified as 'at fair value through profit or loss' which are tradable in an open market is based on the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from the carrying value as the items are short-term in nature.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and



PAK OMAN INCOME FUND

- Fair value measurements using Inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

The table below provides information on financial assets or liabilities carried at fair values, by valuation methods.

----- As at Dec 31, 2021 -----						
At Fair Value through profit or Loss	At Fair Value through Other Comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3
----- (Rupees in '000) -----						
On-balance sheet Financial Instruments						
Financial assets measured at fair value						
Investments	854,500	-	854,500	-	854,500	-
Financial assets not measured at fair value						
Bank Balances	-	314,167	314,167	-	-	-
Profit Receivables	-	1,548	1,548	-	-	-
Deposits, Prepayments and other receivables	-	913	913	-	-	-
	854,500	316,628	1,171,128			
Financial liabilities not measured at fair value						
Payable to Management Company	-	3,022	3,022	-	-	-
Payable to Trustee	-	50	50	-	-	-
Accrued expenses and other liabilities	-	1,292	1,292	-	-	-
	-	4,364	4,364			
----- As at June 30, 2021 -----						
At Fair Value through profit or Loss	At Fair Value through Other Comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3
----- (Rupees in '000) -----						
On-balance sheet Financial Instruments						
Financial assets measured at fair value						
Investments	157,350	-	157,350	-	157,350	-
Financial assets not measured at fair value						
Bank Balances	-	7,261	7,261	-	-	-
Profit Receivables	-	1,240	1,240	-	-	-
Deposits, Prepayments and other receivables	-	811	811	-	-	-
	157,350	9,312	166,662			
Financial liabilities not measured at fair value						
Payable to Management Company	-	2,766	2,766	-	-	-
Payable to Trustee	-	33	33	-	-	-
Accrued expenses and other liabilities	-	6,338	6,338	-	-	-
	-	9,137	9,137			



There were no transfers between above levels during the year.

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

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

13 GENERAL

Figures have been rounded off to the nearest thousand rupees.

14 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 26, 2022.

**For Pak Oman Asset Management Company Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director



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Our Mission

"To provide higher risk adjusted returns to investors at large by investing into a diversified range of investment assets on consistent basis."

Our Vision

"PAK OMAN ISLAMIC ASSET ALLOCATION FUND aims to provide diversified portfolio and return that is risk adjusted to suit investors at large, on a consistent basis."



FUND INFORMATION

Management Company

Pak Oman Asset Management Company Limited.
ICON House 83-C, 12th Commercial Street,
Phase-II Extension, DHA, Karachi.
Phone : +92 - 21 - 35899641-44
Fax : +92 - 21 - 35899645
Website : www.pakomanfunds.com

Board of Director of The Management Company

H.E Yahya Bin Said Bin Abdullah Al- Jabri Chairman
Mr. Bahauddin Khan
Mr. Jehangir Shah
Mr. Rashid Ali Ibrahim Al Balushi
Ms. Sadaf Kazmi

Audit Committee

Mr. Rashid Ali Ibrahim Al Balushi
Mr. Jehangir Shah
Mr. Bahauddin Khan

Chief Financial Officer

Mr. Salman Shafiq Hashmi

Company Secretary

Ms. Haajra Jafri

Asset Manager Rating

AM3 ++ (Positive)

Trustee

Digital Custodian Company
(formerly MCB Financial Services Ltd)
4th Floor, Perdesi House, 2/1, R-Y-16,
Old Queens Road, Karachi.

Auditors

RSM Avas Hyder Liaquat Nauman
Chartered Accountants
407, Progressive Plaza, Beamont Road,
Karachi-75530

Bankers to The Fund

Bankislami Pakistan Limited
Bank Alfalah Limited
Dubai Islamic Bank Pakistan Limited
Nrsp Microfinance Bank Limited
Soneri Bank Limited
Silk Bank Limited

Legal Advisor

Mohsin Tayyab Ali
Corporate & Commercial Law Firm
D-21, Block - 4,
KDA Scheme 5, Clifton, Karachi.



DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors (BOD) of Pak Oman Asset Management Company Limited, the Management Company of the Pak Oman Islamic Asset Allocation Fund (POIAAF) is pleased to present the Condensed Interim Financial Statements (un-audited) for the half year ended December 31, 2021.

Development and performance review

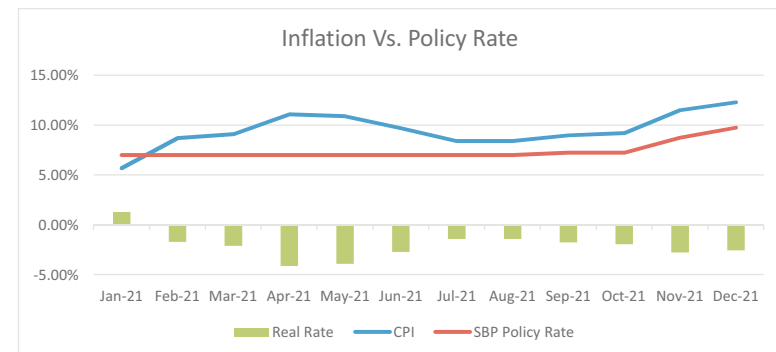
During 2HCY21, POIAAF delivered the return of -18.47% against the benchmark return of -3.89%. The total assets of the fund declined 21% during 2HCY21 to PKR 149.30 million. During 2QFY22, overall exposure against equities was significantly reduced from a high of 70% and averaged around 59%. The equity portion generated a return of -2.75% for the period against the broader market return of -2.47%, registering an under performance of 28bps.

Loss per unit (LPU)

LPU has not been disclosed as we feel that the determination of weighted average units for calculating LPU is not practicable for open-end funds.

Economic Review

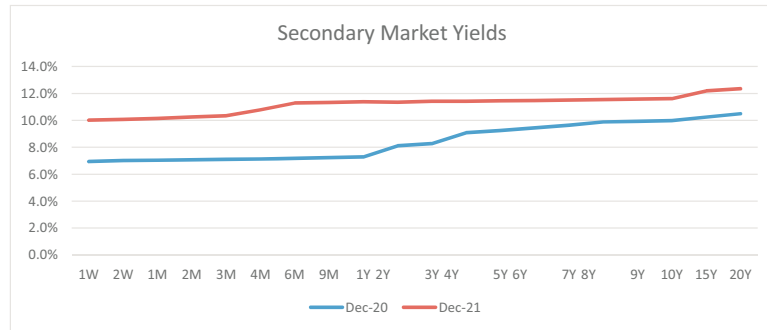
Economy has shown great turnaround in CY21 due to government's proactive approach in coping with pandemic and faster than expected pace of recovery in economy activity. GDP of the country grew at 5.37% during FY21, after government revised its base. National CPI index during the year averaged at 9.5%, which remained slight above central bank's near-term target inflation of 7%-9%. First half of the CY21 witnessed positive triggers on economic front as current account balance remained meagerly in deficit, however, it surged to overall CAD of USD 12.25bn in remaining quarters of CY21. Commodities prices upswing in international and domestic markets surged the price pressure during the year, which lead to SBP action of hiking key rates by 275 bps.

**Fixed income market review**

During the year, average CPI index surged to 9.5% owing to increase in energy prices and input cost. On the other hand, food inflation surged at higher pace owing higher urea/DAP prices and higher support prices announced by government for key agricultural products. Consequently, central bank cumulatively increased



interest rate by 275 bps in its MPC meeting during the year. In line with the policy rate, yields on government securities surged on average 275 bps with yield on 1-year bill jumping ~400 bps from 7.28% in Dec'20 to 11.38% in Dec'21.



Equity market review

Reclassification of Pakistan from MSCI EM to FM with growing pressure on CAD and rising interest rates amid uncertain geopolitics after the US withdrawal from Afghanistan has kept the KSE-100 index under pressure. Benchmark recorded meagre gain of 1.6% in CY21, while in US\$ term the index returned -8.2%. During the year, benchmark index recorded its highest level at 48,976.09 points on June 14, 2021, which was right after the PTI's government's key FY22 Budget speech on June 11, 2021. Market remained strong during the first half, however, rise in raw material and commodities prices and SBP's first hike of the year in Sept'21 tumbled the markets more 4,300 points from year high.



Future outlook

Going forward, we believe equity market to perform on multiple triggers. Disbursement of USD 1bn under EFF after Government's agreement with IMF on 6th review, coupled with government's effort to raise fund through multiple Sukuk auctions in international market will provide support to macro indicators. MSCI routine review to allocate country weightage to Pakistan in MSCI FM will open tap of foreign portfolio inflows. We also believe, FY23 budget will take a populist form and include business-friendly policies, given it could be PTI's last budget before the general elections in 2023.



Acknowledgement

We would like to thank you valued investors who have placed their confidence in us. The Board is also thankful to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the Pakistan Stock Exchange for their continued cooperation and support. The Board of Directors also appreciates the efforts put in by the management team for their commitment and hard Work.

For and on behalf of the Board

Chief Executive Officer

Director

Dated: February 28, 2022

**مستقبل کا نقطہ نظر**

آگے بڑھتے ہوئے، ہمیں یقین ہے کہ ایکویٹی مارکیٹ متعدد محرکات پر کارکردگی کا مظاہرہ کرے گی۔ چھٹے جائزے پر IMF کے ساتھ حکومت کے معاہدے کے بعد EFF کے تحت 1 بلین امریکی ڈالر کی تقسیم، بین الاقوامی مارکیٹ میں متعدد سلوک نیلامیوں کے ذریعے فنڈ اکٹھا کرنے کی حکومت کی کوششوں کے ساتھ میکر و انڈیکسز کو مدد فراہم کرے گی۔ MSCI FM میں پاکستان کو کنٹری ویٹج مختص کرنے کے لیے MSCI کا معمول کا جائزہ غیر ملکی پورٹ فولیو کی آمد کو کھول دے گا۔ ہمارا یہ بھی ماننا ہے کہ مالی سال 23 کا بجٹ ایک پاپولسٹ شکل اختیار کرے گا اور اس میں کاروبار و سنانہ پالیسیاں شامل ہوں گی، بشرطیکہ یہ 2023 کے عام انتخابات سے قبل پی ٹی آئی کا آخری بجٹ ہو۔

اظہار تشکر

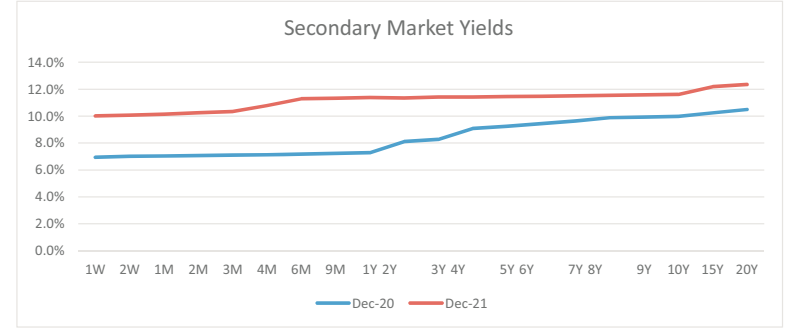
ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سیکرٹریز اینڈ انویسٹمنٹ کمیشن آف پاکستان، فنڈ کے ٹرسٹی اور پاکستان اسٹاک ایکسچینج کے مسلسل تعاون اور حمایت کا شکریہ ادا کرتے ہیں۔ بورڈ آف ڈائریکٹرز انتظامیہ کی ٹیم کے عزم اور محنت کے لیے کی جانے والی کوششوں کو بھی سراہتے ہیں۔

مخائب بورڈ**چیف ایگزیکٹو آفیسر**

مورخہ: 28 فروری 2022ء

ڈائریکٹر**مستقل انکم مارکیٹ کا جائزہ**

سال کے دوران، توانائی کی قیمتوں اور ان پٹ لاگت میں اضافے کی وجہ سے اوسط CPI انڈیکس 9.5 فیصد تک بڑھ گیا۔ دوسری طرف، یورپ/ڈی اے پی کی قیمتوں میں اضافے اور اہم زرعی مصنوعات کے لیے حکومت کی جانب سے اعلان کردہ زیادہ امدادی قیمتوں کی وجہ سے اشیائے خورد و نوش کی میزگانی تیز رفتاری سے بڑھی۔ نتیجتاً، مرکزی بینک نے سال کے دوران اپنے MPC اجلاس میں مجموعی طور پر شرح سود میں 275bps کا اضافہ کر دیا۔ پالیسی شرح کے مطابق، گورنمنٹ سیکورٹیز کی پیداوار میں اوسطاً 275bps کا اضافہ ہوا جس کے ساتھ 1 سال کے بل پر 400bps~ کا اضافہ ہوا جو دسمبر 20 میں 7.28 فیصد سے دسمبر 21 میں 11.38 فیصد ہو گیا۔

**ایکویٹی مارکیٹ کا جائزہ**

افغانستان سے امریکی اخلاء کے بعد غیر یقینی صورتحال کی سیاست کے درمیان CAD پر بڑھتے ہوئے دباؤ اور بڑھتی ہوئی شرح سود کے ساتھ MSCI EM سے FM میں پاکستان کی دوبارہ درجہ بندی نے KSE-100 انڈیکس کو دباؤ میں رکھا ہوا ہے۔ بیچ مارک نے CY21 میں 1.6% کا معمولی اضافہ ریکارڈ کیا، جبکہ امریکی ڈالر کے لحاظ سے انڈیکس 8.2% واپس آیا۔ سال کے دوران، بیچ مارک انڈیکس نے 14 جون 2021 کو اپنی بلند ترین سطح 48,976.09 پوائنٹس ریکارڈ کی، جو 11 جون 2021 کو پی ٹی آئی کی حکومت کی مالی سال 22 سال کی کلیدی بجٹ تقریر کے ٹھیک بعد تھی۔ پہلی ششماہی کے دوران مارکیٹ مضبوط رہی، تاہم خام مال اور اشیاء کی قیمتوں میں اضافہ اور ستمبر 21 میں اسٹیٹ بینک کے سال کے پہلے اضافہ نے مارکیٹوں کو سال کی بلند ترین سطح سے 4,300 پوائنٹس مزید گرا دیا۔





یونٹ ہولڈرز کو ڈائریکٹران کی رپورٹ

پاک اومان ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز (BOD)، پاک اومان اسلامک ایسٹ الیویشن فنڈ (POIAAF) کی مینجمنٹ کمپنی کے 31 دسمبر 2021 کو ختم ہونے والی ششماہی کے لئے منجملہ عبوری مالیاتی گوشوارے پیش کرتے ہوئے اظہارِ مسرت کرتے ہیں۔

ترقی اور کارکردگی کا جائزہ

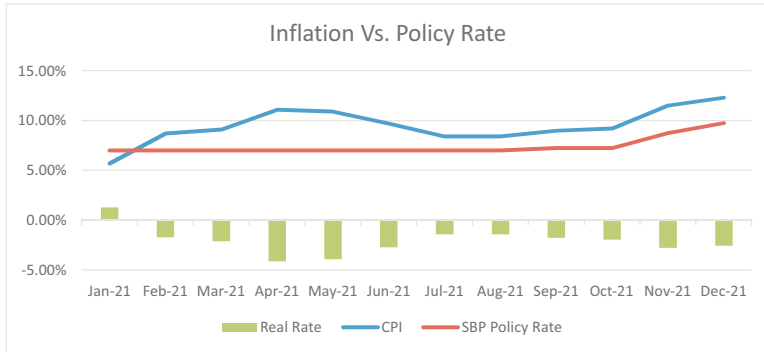
2HCY21 کے دوران، POIAAF نے 3.89% کے منافع مارک ریٹرن کے مقابلے میں 18.47% کا سالانہ ریٹرن فراہم کیا۔ فنڈ کے کل اثاثے 2HCY21 کے دوران 21% کم ہو کر 149.30 ملین روپے ہو گئے۔ 2QFY22 کے دوران، ایکٹیوٹیز کے عوض مجموعی ایکسپوزر سب سے زیادہ 70% اور اوسطاً تقریباً 59% سے نمایاں کم تھا۔ ایکٹیوٹیز پورٹن 2.47% کے براڈ مارکیٹ ریٹرن کے مقابلے میں اس مدت کے لئے 2.75% کا ریٹرن پیدا کیا، جو 28bps کی ایکٹر کارکردگی ظاہر کرتا ہے۔

نی یونٹ نقصان (LPU)

LPU کا انکشاف نہیں کیا گیا ہے کیونکہ ہمیں لگتا ہے کہ LPU کا حساب لگانے کے لئے اوسطاً اکائیوں کا تعین اوپن اینڈ فنڈز کے لئے قابل عمل نہیں ہے۔

اقتصادی جائزہ

وہابی بیماری سے نمٹنے کے لئے حکومت کے فعال انداز اور معیشت کی سرگرمیوں میں بحالی کی توقع سے زیادہ تیز رفتاری کی وجہ سے CY21 میں معیشت نے زبردست تبدیلی دکھائی دی ہے۔ حکومت کی اپنی بنیاد پر نظر ثانی کے بعد، مالی سال 21 کے دوران ملک کے جی ڈی پی میں 5.37 فیصد اضافہ ہوا۔ سال کے دوران قومی پی آئی اینڈیکس اوسطاً 9.5% رہا، جو کہ مرکزی بینک کے 7% - 9% کے قریب مدتی ہدف افراط زر سے معمولی زیادہ رہا۔ CY21 کی پہلی ششماہی میں معاشی محاذ پر مثبت محرکات دیکھنے میں آئے کیونکہ کرنٹ اکاؤنٹ بیلنس معمولی طور پر خسارے میں رہا تاہم، CY21 کی بقیہ سہ ماہیوں میں یہ مجموعی کرنٹ اکاؤنٹ خسارہ 12.25 بلین امریکی ڈالر تک پہنچ گیا۔ بین الاقوامی اور مقامی منڈیوں میں اشیاء کی قیمتوں میں اضافے نے سال کے دوران قیمتوں کے دباؤ کو بڑھایا، جس کی وجہ سے اسٹیٹ بینک نے بنیادی شرحوں میں 275bps اضافہ کر دیا۔



REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

PAK OMAN ISLAMIC ASSET ALLOCATION FUND

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

Pak Oman Islamic Asset Allocation Fund, an open end scheme established under a Trust Deed dated May 27, 2008 executed between Pak Oman Asset Management Company Limited, as the Management Company and Central Depository Company of Pakistan Limited, as the Trustee.

Digital Custodian Company Limited formerly MCB financial Services Limited was appointed as a new trustee in place of CDC under third supplemental Trust Deed dated 15 May 2012. Accordingly the Trust Deed was approved by SECP on 17 January 2012 under the Rules. However, the assets of the Fund were transferred on June 13, 2012.

1. Pak Oman Asset Management Company Limited, the Management Company of Pak Oman Islamic Asset Allocation Fund has, in all material respects, managed Pak Oman Islamic Asset Allocation Fund during the period ended 31st December 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 25, 2022

[Signature]

Authorize signatory

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



INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS OF PAK OMAN ISLAMIC ASSET ALLOCATION FUND

REVIEW ON REPORT OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of asset and liabilities Pak Oman Islamic Asset Allocation Fund (the Fund) as at December 31, 2021 and the related condensed interim income statement and the condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim statement of cash flows together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information"), for the six month period ended December 31, 2021. Pak Oman 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 of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of Condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

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

 Chartered Accountants
Karachi
Date:

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Aziz Hyder Luqman Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT DECEMBER 31, 2021

		31 December 2021 Un-audited	30 June 2021 Audited
Note		-----Rupees in '000-----	
ASSETS			
	Balances with Bank	4 65,634	83,751
	Investments	5 2,640	112,694
	Dividend and profit receivable	1,910	1,657
	Advances, deposits, prepayments and other receivables	87,018	4,371
	Total assets	157,202	202,473
LIABILITIES			
	Payable to Management Company	6 1,117	1,194
	Payable to Trustee	64	46
	Payable to the Securities and Exchange Commission of Pakistan	55	38
	Accrued expenses and other liabilities	7 6,669	11,533
	Total liabilities	7,905	12,811
NET ASSETS		149,297	189,661
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		149,297	189,661
CONTINGENCIES AND COMMITMENTS		8	
NUMBER OF UNITS IN ISSUE		3,695,577	3,827,630
NET ASSET VALUE PER UNIT		40.3988	49.5506

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



PAK OMAN ISLAMIC ASSET ALLOCATION FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

	For Half Year Ended		For Quarter Ended	
	31 December		31 December	
	2021	2020	2021	2020
Note	-----Rupees in '000-----			
(LOSS) / INCOME				
Profit on bank balances	2,062	2,060	1,054	990
Dividend income	2,713	1,532	1,394	1,197
Profit on Debt Instruments	-	2,789	-	1,131
Net capital (loss) / gain on sale of investments	(38,233)	11,320	(34,919)	4,412
Other Income	2,103	-	-	-
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(891)	747	27,624	2,243
	(32,246)	18,448	(4,847)	9,973
EXPENSES				
Remuneration of Asset Management Company	6.1	1,742	1,964	786
Sindh Sales Tax on Remuneration of the Management Company	6.2	227	255	103
Reimbursement of operational expenses to the Management Company	6.4	87	98	40
Selling and Marketing expense	6.5	348	393	157
Remuneration of MCB Financial Services Limited - Trustee		65	72	34
Annual fee to the Securities and Exchange Commission of Pakistan		17	20	13
Charity / Donation		-	290	(10)
Auditors' remuneration		262	304	131
Shariah Advisory Fee		314	313	157
Securities transaction cost		591	1,327	238
Printing and Stationary charges		15	16	7
Legal and professional charges		85	29	85
Fee and Subscription		205	20	102
Settlement and Bank charges		185	-	185
Provision for Workers' Welfare Fund		-	267	(92)
		4,143	5,368	1,936
		(36,389)	13,080	(6,783)
Net (loss) / income for the period before taxation				7,241
Taxation	10	-	-	-
		(36,389)	13,080	(6,783)
Net (loss) / income for the period after taxation				7,241
Allocation of Net (loss) / Income for the year:				
- Net (loss) / income for the period after taxation		(36,389)	13,080	(6,783)
- Income already paid on units redeemed		-	(2,814)	-
		(36,389)	10,266	(6,783)
Accounting income available for distribution:				
- Relating to capital gains		-	12,067	-
- Excluding capital gains		(36,389)	1,013	(6,783)
		(36,389)	13,080	(6,783)
				6,445
				6,655
				(210)
				6,445

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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PAK OMAN ISLAMIC ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

	For Half Year Ended 31 December		For Quarter Ended 31 December	
	2021	2020	2021	2020
-----Rupees in '000-----				
Net (loss) / income for the period after taxation	(36,389)	13,080	(6,783)	7,241
Other comprehensive (loss) / income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	(36,389)	13,080	(6,783)	7,241

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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PAK OMAN ISLAMIC ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Half Year Ended 31 December 2021			2020		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
	-----Rupees in '000-----					
Net assets at the beginning of the period	207,634	(17,974)	189,661	255,131	(34,932)	220,199
Issue of 348,735 (2020: 5,237) units						
-Capital value (at net asset value per unit at the beginning of the period)	17,280	-	17,280	231	-	231
-Element of income / (loss)	(134)	-	(134)	10	-	10
	17,146	-	17,146	241	-	241
Redemption of 480,788 (2020: 1,088,903) units						
-Capital value (at net asset value per unit at the beginning of the period)	(23,823)	-	(23,823)	(48,000)	-	(48,000)
-Element of (income) / loss	2,702	-	2,702	(4)	(2,814)	(2,818)
	(21,121)	-	(21,121)	(48,004)	(2,814)	(50,818)
Total comprehensive loss for the period	-	(36,389)	(36,389)	-	13,080	13,080
Net assets at the end of the period	203,659	(54,363)	149,297	207,368	(24,666)	182,702
Accumulated loss brought forward comprising of:						
-Realized	(12,272)			(32,247)		
-Unrealised	(5,703)			(2,686)		
	(17,974)			(34,932)		
Accounting income available for distribution:						
-Relating to capital gains	-			12,067		
-Excluding capital gains	(36,389)			(1,801)		
	(36,389)			10,266		
Accumulated loss carried forward - net	(54,363)			(24,666)		
Accumulated loss carried forward comprising of:						
-Realized	(53,472)			12,067		
-Unrealised	(891)			(36,733)		
	(54,363)			(24,666)		
	-----Rupees-----					
Net asset value at the beginning of the period		49.5506			49.5506	
Net asset value at the end of the period		40.3988			47.6861	

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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PAK OMAN ISLAMIC ASSET ALLOCATION FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	If Year Ended 31 Decem	
	2021	2020
Note	-----Rupees in '000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / gain for the period after taxation	(36,389)	13,080
Adjustments:		
Net capital loss/ (gain) on sale of investments	38,233	(11,320)
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	891	(747)
	39,124	(12,067)
(Increase) / decrease in assets		
Investments - net	70,930	62,170
Dividend and profit receivable	(253)	133
Advances, deposits, prepayments and other receivables	(82,647)	12,463
	(11,970)	74,766
(Decrease) / increase in liabilities		
Payable to Management Company	(77)	(566)
Payable to Trustee	18	(2)
Payable to the Securities and Exchange Commission of Pakistan	17	(24)
Accrued expenses and other liabilities	(4,864)	7,051
	(4,906)	6,459
Net cash (used in) / generated from operating activities	(14,142)	82,238
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issue of units	17,146	241
Net payments against redemption of units	(21,121)	(50,818)
Net cash used in financing activities	(3,975)	(50,577)
Net (decrease) / increase in cash and cash equivalents	(18,117)	31,661
Cash and cash equivalents at the beginning of the period	83,751	41,869
Cash and cash equivalents at the end of the period	4 65,634	73,530

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

Pak Oman Islamic Advantage Asset Allocation Fund (the Fund) was established under a Trust deed executed between Pak Oman Asset Management Limited as the Management Company and Digital Custodian Company Limited (Formerly MCB Financial Services Limited (MCBFSL)). The trust deed was approved on 15 May 2015 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003 (The NBFC Rules) and was executed on 18 March 2011.

The Management Company is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at Icon House, 83-C, 12th Commercial Street, Phase-II Extension, DHA, Karachi, Pakistan.

The Fund is an Shariah compliant open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

The objective of the Fund is to provide its unit holders competitive returns from a portfolio of low credit risk with maximum possible preservation of capital via investing primarily in Government Securities.

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3++" to the Management Company as at August 06, 2021. and a stability rating of 1 Year -1 Star, 3 Year -2 Star, 5 Year -1 Star by JCR-VIS to the Fund as at August 16, 2021.

Title to the assets of the Fund are held in the name of Digital Custodian Company Limited (Formerly MCB Financial Services Limited (MCBFSL)) as trustee of the Fund.

2 STATEMENT OF COMPLIANCE

These condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, 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 directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

This condensed interim financial information does not include all the information and disclosures required in the annual financial information and should be read in conjunction with the annual published financial statements of the Fund for the year ended 30 June 2021.

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 information give a true and fair view of the state of the Fund's affairs as at 31 December 2021.



3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial information as at and for the year ended 30 June 2021.

		31 December 2021 Un-audited Note	30 June 2021 Audited Rupees
4 CASH AND BANK BALANCES			
Balances with banks:			
- in saving accounts	4.1	<u>65,634</u>	<u>83,751</u>

4.1 The rate of return on these accounts ranges between 5.50% - 10.25% (30 June 2021: 6.00% and 8.00%) per annum.

5 INVESTMENTS

At fair value through profit or loss - held for trading

-Investment in listed equity securities	5.1	<u>2,640</u>	<u>112,694</u>
		<u>2,640</u>	<u>112,694</u>

5.1 Listed equity securities

At fair value through profit or loss - equity securities

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

Name of Investee Company	Number of Shares					Rupees in '000		-----%-----		
	As at 01 July 2021	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 31 December 2021	Carrying value as at 31 December 2021	Market value as at 31 December 2021	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
COMMERCIAL BANKS										
MEEZAN BANK LIMITED	60,321	-	50	59,985	386	39	52	1.97%	0.03%	-
	<u>60,321</u>	<u>-</u>	<u>50</u>	<u>59,985</u>	<u>386</u>	<u>39</u>	<u>52</u>	<u>1.97%</u>	<u>0.03%</u>	<u>-</u>
TEXTILE COMPOSITE										
NISHAT MILLS LIMITED	58,000	-	-	58,000	-	-	-	-	-	-
	<u>58,000</u>	<u>-</u>	<u>-</u>	<u>58,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CEMENT										
D.G. KHAN CEMENT COMPANY LIMITED	96,000	64,000	-	130,000	30,000	3,349	2,488	94.24%	1.67%	0.017%
FAUJI CEMENT COMPANY LIMITED	299,000	90,000	-	389,000	-	-	-	-	-	-
LUCKY CEMENT LIMITED	5,000	6,800	-	11,800	-	-	-	-	-	-
Power Cement Limited	887,000	-	-	887,000	-	-	-	-	-	-
MAPLE LEAF CEMENT FACTORY LIMITED	78,815	177,000	-	255,756	59	2	2	-	-	-
PIONEER CEMENT LIMITED	29,000	-	-	29,000	-	-	-	-	-	-
	<u>1,394,815</u>	<u>337,800</u>	<u>-</u>	<u>1,702,556</u>	<u>30,059</u>	<u>3,351</u>	<u>2,490</u>	<u>94.24%</u>	<u>1.67%</u>	<u>-</u>



PAK OMAN ISLAMIC ASSET ALLOCATION FUND

Name of Investee Company	Number of Shares					Rupees in '000		-----%		
	As at 01 July 2021	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 31 December 2021	Carrying value as at 31 December 2021	Market value as at 31 December 2021	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
REFINERY										
National Refinery	7,500	-	-	7,500	-	-	-	-	-	-
Energyico Pk LTD	452,000	574,000	-	1,026,000	-	-	-	-	-	-
	459,500	574,000	-	1,033,500	-	-	-	-	-	-
POWER GENERATION AND DISTRIBUTION										
K-ELECTRIC LIMITED	465,000	500,000	-	965,000	-	-	-	-	-	-
THE HUB POWER COMPANY LIMITED	126,000	50,000	-	176,000	-	-	-	-	-	-
	591,000	550,000	-	1,141,000	-	-	-	-	-	-
OIL AND GAS MARKETING COMPANIES										
PAKISTAN STATE OIL COMPANY LIMITED	34,281	10,000	-	44,000	281	62	51	1.93%	0.03%	-
SUI NORTHERN GAS PIPELINES LIMITED	-	359,000	-	359,000	-	-	-	-	-	-
	34,281	369,000	-	403,000	281	62	51	1.93%	0.03%	-
OIL AND GAS EXPLORATION COMPANIES										
OIL & GAS DEVELOPMENT COMPANY LIMITED	-	83,000	-	83,000	-	-	-	-	-	-
PAKISTAN PETROLEUM LIMITED	63,162	170,000	-	233,162	-	-	-	-	-	-
	63,162	253,000	-	316,162	-	-	-	-	-	-
GLASS AND CERAMICS										
Ghani Global Glass Limited	-	426,500	-	426,500	-	-	-	-	-	-
	-	426,500	-	426,500	-	-	-	-	-	-
ENGINEERING										
Mughal Iron & Steel	54,500	-	-	54,500	-	-	-	-	-	-
International Steel Ltd	-	21,000	-	21,000	-	-	-	-	-	-
	54,500	21,000	-	75,500	-	-	-	-	-	-
CABLE & ELECTRICAL GOODS										
WAVES SINGER PAKISTAN LIMITED	-	309,000	-	309,000	-	-	-	-	-	-
	-	309,000	-	309,000	-	-	-	-	-	-
TECHNOLOGY AND COMMUNICATION SYSTEMS LIMITED										
	-	2,300	-	2,300	-	-	-	-	-	-
	-	2,300	-	2,300	-	-	-	-	-	-
PHARMACEUTICALS										
THE SEARLE COMPANY LIMITED	325	-	-	-	325	79	47	1.78%	0.03%	0.001%
	325	-	-	-	325	79	47	1.78%	0.03%	-
CHEMICALS										
ENGRO POLYMER & CHEMICALS LIMITED	147,000	-	-	147,000	-	-	-	-	-	-
AL-SHAHEER	-	395,000	-	395,000	-	-	-	-	-	-
	147,000	395,000	-	542,000	-	-	-	-	-	-
FOODS AND PERSONAL CARE PRODUCTS										
TREET CORPORATION LIMITED	-	240,000	-	240,000	-	-	-	-	-	-
	-	240,000	-	240,000	-	-	-	-	-	-
Vanaspati & Allied Industries										
UNITY FOODS LIMITED	163,000	138,000	-	301,000	-	-	-	-	-	-
Unity Foods Limited-LOR	-	48,689	-	48,689	-	-	-	-	-	-
	163,000	186,689	-	349,689	-	-	-	-	-	-
MISCELLANEOUS										
Siddiqsons Tin Plate Ltd	391,000	225,000	-	616,000	-	-	-	-	-	-
Pakistan Aluminium Beverage Cans Limited	-	125,000	-	125,000	-	-	-	-	-	-
	391,000	350,000	-	741,000	-	-	-	-	-	-
Total as at 31 December 2021						3,531	2,640	99.92%	1.76%	
Total as at 30 June 2021						118,379	112,694			



PAK OMAN ISLAMIC ASSET ALLOCATION FUND

5.1.1 Investments include shares with market value of Rs. 2.149 million (30 June 2021: Rs. 6.7275 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trade in accordance with circular no. 11 dated 23 October 2007 issued by the Securities and Exchange Commission of Pakistan.

6 PAYABLE TO MANAGEMENT COMPANY

	31 December 2021	30 June 2021
	Un-audited	Audited
Note	-----Rupees in '000-----	
Remuneration of the Management Company	6.1 165	221
Sindh sales tax payable on remuneration of the Management Company	6.2 54	108
Federal Excise Duty payable on remuneration of the Management Company	6.3 718	718
Reimbursement of operational expenses to the Management Company	6.4 26	29
Reimbursement of selling and marketing charges to the Management Company	6.5 154	118
	1,117	1,194

6.1 The Management Company has charged its remuneration at the rate of 2% (30 June 2021: 2%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2021: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

6.3 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 6.2 above, the Management Company is of the view that further levy of FED was not justified.

On 4 September 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

During the year ended 30 June 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.

With effect from 01 July 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.

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 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 0.718 million (30 June 2021: Rs. 0.718 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 31 December 2021 would have been higher by Rs. 0.1943 (30 June 2021: Rs. 0.1876) per unit.



- 6.4 This represents reimbursement of certain expenses to the Management Company. As per regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund..
- 6.5 SECP vide Circular No. 40 of 2016 dated 30 December 2016 prescribed certain conditions on Asset Management Companies (AMCs) for charging of selling and marketing expenses to certain collective investment schemes managed by them. Pursuant to the circular, the AMCs are allowed to charge selling and marketing expenses for an initial period of three years (01 January 2017 till 31 December 2019) at a maximum cap of 0.4% per annum of net assets of the Fund or actual expenses, whichever is lower. Accordingly, the Management Company has charged 0.4% of daily net assets of the Fund, being the lower amount.

7	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	31 December 2021 Un-audited	30 June 2021 Audited
			-----Rupees in '000-----	
	Auditors' remuneration payable		715	453
	Printing charges payable		146	130
	Withholding tax and capital gains tax payable		809	771
	Provision for Sindh Workers' Welfare Fund	7.1	-	2,108
	Transaction charges payable		722	-
	Payable against Shariah advisory fee		948	634
	Settlement charges payable		991	-
	Fund Rating Fee payable		187	-
	Payable against purchase of investment		-	4,350
	Other Payable		2,151	3,087
			<u>6,669</u>	<u>11,533</u>

- 7.1 "As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Fund Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / pension funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / pension funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.



During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the CISs / pension 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 August 12, 2021, on August 12, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund."

8 CONTINGENCIES AND COMMITMENTS

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

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 December 2021 is 4.87% (30 June 2021: 4.69%) which includes 0.50% (30 June 2021: 0.68%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.50% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

10 TAXATION

The income of the fund is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision in respect of taxation has been made in these financial statements.

		For the half year ended 31 December	
		2021	2020
		Un-audited	
		-----Rupees in '000-----	
11	TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES		
11.1	Details of transaction with related parties during the period are as follows:		
	Pak Oman Asset Management Company Limited (Management Company)		
	Reumeration of the Management Company	1,742	1,964
	Sindh Sales tax on Remuneration of Management Company	227	255
	Reimbursement of operational expenses to the Management Company	87	98
	Selling and Marketing expense	348	393
	MCB Financial Services Limited - Trustee of the Fund		
	Remuneration of the Trustee	65	72



PAK OMAN ISLAMIC ASSET ALLOCATION FUND

	31 December 2021 Un-audited	30 June 2021 Audited
11.2 Details of balances with related parties as at the period / year end are as follows: -----Rupees in '000-----		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration payable to the management company	165	221
Sindh Sales tax payable on remuneration of the Management Company	54	108
Federal Excise Duty payable on remuneration of the Management Company	718	718
Reimbursement of operational expenses to the Management Company	26	29
Marketing and advertising fee payable	154	118
Payable against Shariah Advisor Fee	-	634
MCB Financial Services Limited- the Trustee		
Trustee fee payable	57	41
SST on Trustee fee payable	7	5
Pak Oman Investment Company Limited - holding company of the Management Company*		
Outstanding 928,857 (30 June 2021: 46,025,412.33) units - at net asset value	37,526	46,025
Askari Bank Limited*		
Outstanding 922,180 (30 June 2021: 992,180) units - at net asset value	40,084	49,163
Sui Southern Gas Non Executive Staff Gratuity Fund*		
Outstanding 656,188 (30 June 2021: 656,188) units - at net asset value	26,510	32,515
Sui Southern Gas Non Executive Staff Provident Fund*		
Outstanding 610,407 (30 June 2021: 610,407) units - at net asset value	24,660	30,246

*This represents 10% or more of the unit holding of the fund

12 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Fair value of investments is determined as per the policy disclosed in note 3.2.8 to these financial statements.



PAK OMAN ISLAMIC ASSET ALLOCATION FUND

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: Quoted price (unadjusted) in an active market for identical assets or liabilities that the entity can access at the measurement date;
- 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).

The following table analysis within the fair value hierarchy the Fund's financial assets (by class) measured at fair value:

	As at Dec 31, 2021					
	At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2 Level 3
On-balance sheet Financial Instruments	(Rupees in '000)					
Financial assets measured at fair value						
Investments	2,640	-	-	2,640	2,640	-
Financial assets not measured at fair value						
Bank Balances	-	-	65,634	65,634	-	-
Profit Receivables	-	-	1,910	1,910	-	-
Deposits, Prepayments and other receivables	-	-	87,018	87,018	-	-
	<u>2,640</u>	<u>-</u>	<u>154,562</u>	<u>157,202</u>		
Financial liabilities not measured at fair value						
Payable to Management Company	-	-	1,117	1,117	-	-
Payable to Trustee	-	-	64	64	-	-
Accrued expenses and other liabilities	-	-	6,724	6,724	-	-
	<u>-</u>	<u>-</u>	<u>7,905</u>	<u>7,905</u>		



PAK OMAN ISLAMIC ASSET ALLOCATION FUND

As at June 30, 2021							
	At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3
On-balance sheet Financial Instruments							
(Rupees in '000)							
Financial assets measured at fair value							
Investments	112,694	-	-	112,694	-	-	-
Financial assets not measured at fair value							
Bank Balances	-	-	83,751	83,751	-	-	-
Profit Receivables	-	-	1,657	1,657	-	-	-
Deposits, Prepayments and other receivables	-	-	4,371	4,371	-	-	-
	<u>112,694</u>	<u>-</u>	<u>89,779</u>	<u>202,473</u>			
Financial liabilities not measured at fair value							
Payable to Management Company	-	-	1,194	1,194	-	-	-
Payable to Trustee	-	-	46	46	-	-	-
Accrued expenses and other liabilities	-	-	11,571	11,571	-	-	-
	<u>-</u>	<u>-</u>	<u>12,811</u>	<u>12,811</u>			

There were no transfers between above levels during the year.

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

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

In order to manage the Fund's overall liquidity, the Fund also has the option to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. Further, the Fund also has the ability to suspend redemptions of units with the approval of the Board of Directors of the Management Company in extraordinary circumstances. The Fund can also borrow, with prior approval of the Trustee, for meeting redemption requests. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of total net assets at the time of borrowing with repayment within 90 days of such borrowings. No such borrowings were made during the year.



PAK OMAN ISLAMIC ASSET ALLOCATION FUND

13 GENERAL

Figures have been rounded off to the nearest thousand rupees.

14 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorised for issue by the Board of Directors of the Management Company on February 26, 2022.

**For Pak Oman Asset Management Company Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director



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Our Mission

"To provide higher risk adjusted returns to investors at large by investing into a diversified range of investment assets on consistent basis."

Our Vision

"ASKARI ASSET ALLOCATION FUND aims to provide diversified portfolio and return that is risk adjusted to suit investors at large, on a consistent basis."



FUND INFORMATION

Management Company

Pak Oman Asset Management Company Limited.
ICON House 83-C, 12th Commercial Street,
Phase-II Extension, DHA, Karachi.
Phone : +92 - 21 - 35899641-44
Fax : +92 - 21 - 35899645
Website : www.pakomanfunds.com

Board of Director of The Management Company

H.E Yahya Bin Said Bin Abdullah Al- Jabri Chairman
Mr. Bahauddin Khan
Mr. Jehangir Shah
Mr. Rashid Ali Ibrahim Al Balushi
Ms. Sadaf Kazmi

Audit Committee

Mr. Rashid Ali Ibrahim Al Balushi
Mr. Jehangir Shah
Mr. Bahauddin Khan

Chief Financial Officer

Mr. Salman Shafiq Hashmi

Company Secretary

Ms. Haajra Jafri

Asset Manager Rating

AM3 ++ (Positive)

Trustee**Central Depository Comany of Pakistan Limited**

CDC House, 99-B, Block B, S.M.C.H.S,
Main Shahrah-e-Faisal, Karachi.

Auditors**RSM Avais Hyder Liaquat Nauman
Chartered Accountants**

407, Progressive Plaza, Beamont Road,
Karachi-75530

Bankers to The Fund

Bank Alfalah Limited
AlBaraka Bank
Askari Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Silkbank Limited
Khushhali Bank Limited
NRSP Microfinance Bank Limited
JS Bank Limited
Zarai Taraqati Bank Limited
Summit Bank Limited
The First MicroFinanceBank Limited
Dubai Islamic Bank Pakistan Limited

Legal Advisor

Mohsin Tayyab Ali
Corporate & Commercial Law Firm
D-21, Block - 4,
KDA Scheme 5, Clifton, Karachi.



DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors (BOD) of Pak Oman Asset Management Company Limited, the Management Company of the Askari Asset Allocation Fund (AAAF) is pleased to present the Condensed Interim Financial Statements (un-audited) for the half year ended December 31, 2021.

Summary of significant matter - Revocation of AAAF

As per regulation 54, sub-regulation 3(a) of the Non-Banking Finance Companies and Notified Entities Regulation, 2008 (the NBFC Regulation), the net assets of an Open End Scheme Shall be Rs.100 million at all times during the life of scheme and all existing Open End Schemes shall ensure compliance with this minimum scheme size by the first day of July, 2012.

Subject to above, if at any time the size any Open End Scheme falls below the minimum size as specified above, the Management Company shall ensure compliance within three months of the breach and if the fund size remains below the minimum fund size limit for consecutive ninety days, the Asset Management Company shall immediately intimate the grounds to the Commission upon which it believes that the Open End Scheme is still commercially viable and its objective can still be achieved.

The size of the Fund fell below the above-mentioned limit on various occasions during the period ended Dec 31, 2021. From November 23, 2021 to December 31, 2021; the size of the Fund for consecutive 39 days was below Rs.100 million. As at December 31, 2021; the size of the Fund remained below the limit of Rs. 100 million.

Subsequent to the period ended December 31, 2021; in accordance with the Regulation 45(A)(1d) of the Non-Banking Finance Companies Regulations, 2008 which lays down the conditions for revocation of open ended scheme can be made; the Management Company of the Fund on receiving a sizeable redemption; was in the opinion that the Fund was no longer commercially viable as expenses will start eroding the assets of the Fund which would not be in the benefit of the then existing unitholders. Therefore, the Management Company after obtaining the consent of the Trustee; revoked the Fund on January 5, 2022.

Development and performance review

During the period of Jul-Jan'21, AAAF delivered the return of -17.38% against the benchmark return of -1.65%. The total assets of the fund declined 16% during 2HCY21 to PKR 97.66 million. During 2QFY22, AAAF maintained an average exposure of 42% in equities spread over key sectors. The equity portion generated a return of -2.79% for the period vs the KSE index return of -2.47%, clocking in a 32bps negative performance.

Loss per unit (LPU)

LPU has not been disclosed as we feel that the determination of weighted average units for calculating LPU is not practicable for open-end funds.

Equity market review

Reclassification of Pakistan from MSCI EM to FM with growing pressure on CAD and rising interest rates amid uncertain geopolitics after the US withdrawal from Afghanistan has kept the KSE-100 index under

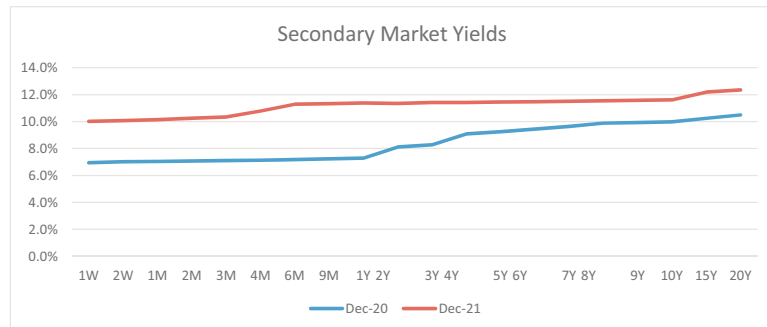


pressure. Benchmark recorded meagre gain of 1.6% in CY21, while in US\$ term the index returned -8.2%. During the year, benchmark index recorded its highest level at 48,976.09 points on June 14, 2021, which was right after the PTI's government's key FY22 Budget speech on June 11, 2021. Market remained strong during the first half, however, rise in raw material and commodities prices and SBP's first hike of the year in Sept'21 tumbled the markets more 4,300 points from year high.



Fixed income market review

During the year, average CPI index surged to 9.5% owing to increase in energy prices and input cost. On the other hand, food inflation surged at higher pace owing higher urea/DAP prices and higher support prices announced by government for key agricultural products. Consequently, central bank cumulatively increased interest rate by 275 bps in its MPC meeting during the year. In line with the policy rate, yields on government securities surged on average 275 bps with yield on 1-year bill jumping ~400 bps from 7.28% in Dec'20 to 11.38% in Dec'21.



Future outlook

Going forward, we believe equity market to perform on multiple triggers. Disbursement of USD 1bn under EFF after Government's agreement with IMF on 6th review, coupled with government's effort to raise fund through multiple Sukuk auctions in international market will provide support to macro indicators. MSCI routine review to allocate country weightage to Pakistan in MSCI FM will open tap of foreign portfolio inflows. We also believe, FY23 budget will take a populist form and include business-friendly policies, given it could be PTI's last budget before the general elections in 2023.



Acknowledgement

We would like to thank you valued investors who have placed their confidence in us. The Board is also thankful to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the Pakistan Stock Exchange for their continued cooperation and support. The Board of Directors also appreciates the efforts put in by the management team for their commitment and hard Work.

For and on behalf of the Board

Chief Executive Officer

Director

Dated: February 28, 2022

**اظہار تشکر**

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سیکرٹریز اینڈ انویسٹمنٹ مینجمنٹ کمیشن آف پاکستان، فنڈ کے ٹرسٹی اور پاکستان اسٹاک ایکسچینج کے مسلسل تعاون اور حمایت کا شکریہ ادا کرتے ہیں۔ بورڈ آف ڈائریکٹرز انتظامیہ کی ٹیم کے عزم اور محنت کے لیے کی جانے والی کوششوں کو بھی سراہتے ہیں۔

منجانب بورڈ**چیف ایگزیکٹو آفیسر**

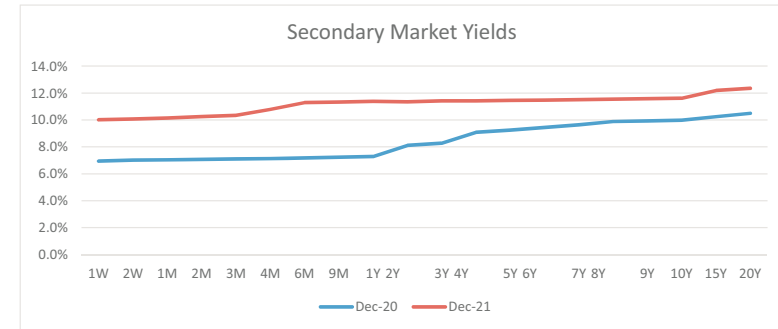
مورخہ: 28 فروری 2022ء

ڈائریکٹر

آئی کی حکومت کی مالی سال 22 کی کلیدی بجٹ تقریر کے ٹھیک بعد تھی۔ پہلی ششماہی کے دوران مارکیٹ مضبوط رہی، تاہم خام مال اور اشیاء کی قیمتوں میں اضافہ اور ستمبر 21 میں اسٹیٹ بینک کے سال کے پہلے اضافہ نے مارکیٹوں کو سال کی بلند ترین سطح سے 4,300 پوائنٹس مزید گرا دیا۔

**مستقل انکم مارکیٹ کا جائزہ**

سال کے دوران، توانائی کی قیمتوں اور ان پٹ لاگت میں اضافے کی وجہ سے اوسط CPI انڈیکس 9.5 فیصد تک بڑھ گیا۔ دوسری طرف، یوریا / ڈی اے پی کی قیمتوں میں اضافے اور اہم زرعی مصنوعات کے لیے حکومت کی جانب سے اعلان کردہ زیادہ ادائیگی قیمتوں کی وجہ سے اشیاء خورد و نوش کی مہنگائی تیز رفتاری سے بڑھی۔ نتیجتاً، مرکزی بینک نے سال کے دوران اپنے MPC اجلاس میں مجموعی طور پر شرح سود میں 275bps کا اضافہ کر دیا۔ پالیسی شرح کے مطابق، گورنمنٹ سیکورٹیز کی پیداوار میں اوسطاً 275bps کا اضافہ ہوا جس کے ساتھ 1 سال کے بل پر 400bps~ کا اضافہ ہوا جو دسمبر 20 میں 7.28 فیصد سے دسمبر 21 میں 11.38 فیصد ہو گیا۔

**مستقبل کا نقطہ نظر**

آگے بڑھتے ہوئے، ہمیں یقین ہے کہ ایکویٹی مارکیٹ متعدد محرکات پر کارکردگی کا مظاہرہ کرے گی۔ چھٹے جائزے پر IMF کے ساتھ حکومت کے معاہدے کے بعد EFF کے آگے بڑھنے پر، بین الاقوامی مارکیٹ میں متعدد سیکورٹیز کے ذریعے فنڈ اکٹھا کرنے کی حکومت کی کوششوں کے ساتھ میکر و انڈیکسز کو مدد فراہم کرے گی۔ MSCI FM میں پاکستان کو کنٹری ویلج مختص کرنے کے لیے MSCI کا معمول کا جائزہ غیر ملکی پورٹ فولیو کی آمد کو کھول دے گا۔ ہمارا یہ بھی ماننا ہے کہ مالی سال 23 کا بجٹ ایک پالیسی شکل اختیار کرے گا اور اس میں کاروبار و ستانہ پالیسیاں شامل ہوں گی، بشرطیکہ یہ 2023 کے عام انتخابات سے قبل پی ٹی آئی کا آخری بجٹ ہو۔



یونٹ ہولڈرز کو ڈائریکٹران کی رپورٹ

پاک اومان ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز (BOD)، عسکری ایسٹ ایلوکیشن فنڈ (AAAF) کی مینجمنٹ کمپنی کے 31 دسمبر 2021 کو ختم ہونے والی ششماہی کے لئے مندرجہ ذیل رپورٹ پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

اہم معاملہ کا خلاصہ - AAAF کی تفتیش

نان بینکنگ فنانس کمپنیز اینڈ ٹریڈ اینڈ انویسٹمنٹ ریگولیشن، 2008 (این بی ایف سی ریگولیشن) کے ضابطہ 54، ذیلی ضابطہ (a) 3 کے مطابق، اوپن اینڈ اسکیم کے خالص اثاثے اسکیم کی تمام زندگی کے دوران ہر وقت 100 ملین روپے ہوں گے اور تمام موجودہ اوپن اینڈ اسکیمیں جولائی 2012 کے پہلے دن تک اسکیم کے اس کم از کم سائز کی تعمیل کو یقینی بنائیں گی۔

مندرجہ بالا کے حوالہ سے، اگر کسی بھی وقت کسی بھی اوپن اینڈ اسکیم کا سائز اوپر بیان کردہ کم از کم سائز سے نیچے آتا ہے، تو مینجمنٹ کمپنی خلاف ورزی کے تین ماہ کے اندر تعمیل کو یقینی بنائے گی اور اگر فنڈ کا سائز لگاتار نوے دنوں تک فنڈ کے سائز کی کم از کم حد سے نیچے رہتا ہے تو، اثاثہ مینجمنٹ کمپنی فوری طور پر کمیشن کو ان وجوہات سے آگاہ کرے گی جن پر اسے یقین ہے کہ اوپن اینڈ اسکیم بھی تجارتی طور پر قابل عمل ہے اور ابھی بھی اس کا مقصد حاصل کیا جاسکتا ہے۔

31 دسمبر 2021 کو ختم ہونے والی مدت کے دوران مختلف مواقع پر فنڈ کا حجم اوپر بیان کردہ حد سے نیچے آ گیا۔ 23 نومبر 2021 سے 31 دسمبر 2021 تک، مسلسل 39 دنوں تک فنڈ کا حجم 100 ملین روپے سے کم تھا۔ جیسا کہ 31 دسمبر 2021 کو، فنڈ کا سائز 100 ملین روپے کی حد سے نیچے رہا۔

31 دسمبر 2021 کو ختم ہونے والی مدت کے بعد، نان بینکنگ فنانس کمپنیز ریگولیشن، 2008 کے ضابطہ (A)(1d) 45 کے مطابق جس میں اوپن اینڈ اسکیم کو منسوخ کرنے کی شرائط بیان کی گئی ہیں، بڑے پیمانے پر ریڈمپشن حاصل کرنے پر فنڈ کی مینجمنٹ کمپنی اس رائے پر تھی کہ فنڈ اب تجارتی طور پر قابل عمل نہیں رہا کیونکہ اخراجات فنڈ کے اثاثوں کو کم کرنا شروع کر دیں گے جو موجودہ پونٹ ہولڈرز کے مفاد میں نہیں ہوگا۔ لہذا، مینجمنٹ کمپنی نے فزیشن کی رضامندی حاصل کرنے کے بعد، 5 جنوری 2022 کو فنڈ کو منسوخ کر دیا۔

ترقی اور کارکردگی کا جائزہ

2HCY21 کے دوران، AAAF نے 1.65% کے نیچے مارک ریٹرن کے مقابلے میں 17.38% کا سالانہ ریٹرن فراہم کیا۔ فنڈ کے کل اثاثے 2HCY21 کے دوران 16% کم ہو کر 97.66 ملین روپے ہو گئے۔ 2QFY22 کے دوران، AAAF نے اہم شعبوں میں پچھلی ہوئی ایکویٹی میں 42% کی اوسط ایکسپوزیچر کو برقرار رکھا۔ ایکویٹی پورٹن نے KSE انڈیکس 2.47% منفعت کے مقابلے میں 2.79% منفعت پیدا کی، جو کہ 32bps منفی کارکردگی رہی۔

نی یونٹ نقصان (LPU)

LPU کا انکشاف نہیں کیا گیا ہے کیونکہ ہمیں لگتا ہے کہ LPU کا حساب لگانے کے لیے اوسط اکائیوں کا تعین اوپن اینڈ فنڈز کے لیے قابل عمل نہیں ہے۔

ایکویٹی مارکیٹ کا جائزہ

افغانستان سے امریکی انخلاء کے بعد غیر یقینی جغرافیائی سیاست کے درمیان CAD پر بڑھتے ہوئے دباؤ اور بڑھتی ہوئی شرح سود کے ساتھ MSCI EM سے FM میں پاکستان کی دوبارہ درجہ بندی نے KSE-100 انڈیکس کو دباؤ میں رکھا ہوا ہے۔ نیچے مارک نے 21CY میں 1.6% معمولی اضافہ ریکارڈ کیا، جبکہ امریکی ڈالر کے لحاظ سے انڈیکس 8.2% واپس آیا۔ سال کے دوران، نیچے مارک انڈیکس نے 14 جون 2021 کو اپنی بلند ترین سطح 48,976.09 پوائنٹس ریکارڈ کی، جو 11 جون 2021 کو پی ٹی



CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

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



TRUSTEE REPORT TO THE UNIT HOLDERS

ASKARI ASSET ALLOCATION FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of Askari Asset Allocation Fund (the Fund) are of the opinion that Pak Oman Asset Management Company Limited being the Management Company of the Fund has in all material respects with the exception of below paragraph, managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

We would like to draw Unit Holders attention toward the fact that the Management Company has decided to proceed with the revocation of the Fund as they believe that continuation of the Fund is not commercially viable due to reduction in Fund size. Accordingly, the winding up process has been started from January 5, 2022 and investment of the unit holders will be distributed by the Trustee in proportion to their respective interest in the net asset of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 24, 2022





ASKARI ASSET ALLOCATION FUND



INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS OF ASKARI ASSET ALLOCATION FUND

REPORT ON REVIEW OF FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of asset and liabilities of Askari Asset Allocation Fund (the Fund) as at December 31, 2021 and the related condensed interim income statement and the condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim statement of cash flows together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information"), for the six month period ended December 31, 2021. Pak Oman 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 of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of Condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.


Conclusion

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

Emphasis of Matter

We draw attention to note number 1.1 to the financial information which states that the financial information has been prepared on net realizable basis as the Fund has not been considered as going concern. Our opinion is not qualified in respect of this matter.

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

 Chartered Accountants
Karachi
Date:

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Awas Hyder Liaquat Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



ASKARI ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)

AS AT DECEMBER 31, 2021

31 December 2021
Un-audited
Note -----Rupees in '000-----

30 June 2021
Audited

ASSETS

Balances with Bank	4	44,031	17,649
Investments	5	51	89,848
Receivable against sale of investments		40,673	-
Mark-up accrued and dividend receivable		415	541
Advances, deposits, prepayments and other receivables		17,986	18,431
Total assets		103,156	126,469

LIABILITIES

Payable to Management Company	6	4,789	4,761
Payable to Trustee		18	22
Payable to the Securities and Exchange Commission of Pakistan		11	22
Dividend payable		-	4
Accrued expenses and other liabilities	7	675	5,707
Total liabilities		5,493	10,516

NET ASSETS

97,663 **115,953**

UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)

97,663 **115,953**

CONTINGENCIES AND COMMITMENTS

8

NUMBER OF UNITS IN ISSUE

2,684,007 **2,685,180**

NET ASSET VALUE PER UNIT

36.3870 **43.1827**

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



ASKARI ASSET ALLOCATION FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

	For the half year ended 31 December		For the quarter ended 31 December	
	2021	2020	2021	2020
Note -----Rupees in '000-----				
(LOSS) / INCOME				
Profit on bank balances	929	734	589	394
Profit on Debt Securities	416	1,496	(584)	496
Dividend income	756	805	605	654
Other Income	1,080	-	1,080	-
Net capital (loss) / gain on sale of investments	(18,549)	5,808	(22,051)	2,306
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(16)	1,813	1,055	2,884
	(15,384)	10,656	(19,306)	6,734
EXPENSES				
Remuneration of Asset Management Company	6.1 1,065	1,094	520	549
Sindh Sales Tax on Remuneration of the Management Company	6.2 138	142	67	71
Reimbursement of operational expenses to the Management Company	6.4 53	55	26	28
Selling and Marketing expense	6.5 212	219	103	110
Remuneration of Central Depository Company of Pakistan Limited - Trustee	120	123	59	62
Annual fee to the Securities and Exchange Commission of Pakistan	11	11	6	6
Auditors' remuneration	254	334	146	226
Legal and professional charges	85	55	64	34
Securities transaction cost	875	1,014	466	605
Printing and stationary charges	17	16	9	8
Fee and Subscription	18	18	17	17
Settlement and Bank charges	12	16	1	5
Provision for Sindh Workers Welfare Fund	-	151	(51)	100
Total expenses	2,860	3,248	1,433	1,821
Net (loss) / income for the period before taxation	(18,244)	7,407	(20,739)	4,913
Taxation	10 -	-	-	-
Net (loss) / income for the period after taxation	(18,244)	7,407	(20,739)	4,913
Allocation of Net (loss) / income for the period:				
- Net (loss) / income for the period after taxation	(18,244)	7,407	(20,739)	4,913
- Income already paid on units redeemed	-	(45)	-	-
	(18,244)	7,362	(20,739)	4,913
Accounting income available for distribution:				
- Relating to capital gains	-	5,808	-	2,155
- Excluding capital gains	(18,244)	1,554	(20,739)	2,758
	(18,244)	7,362	(20,739)	4,913

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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ASKARI ASSET ALLOCATION FUND

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

	For the half year ended 31 December		For the quarter ended 31 December	
	2021	2020	2021	2020
-----Rupees in '000-----				
Net (loss) / income for the period after taxation	(18,244)	7,407	(20,739)	4,913
Other comprehensive (loss) / income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	(18,244)	7,407	(20,739)	4,913

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

13



ASKARI ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 December					
	2021			2020		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	-----Rupees in '000-----					
Net assets at the beginning of the period	382,236	(266,283)	115,953	381,629	(276,337)	105,292
Issue of 28 (2020: 49,217) units						
-Capital value (at net asset value per unit at the beginning of the period)	1	-	1	1,940	-	1,940
-Element of (loss) / income	-	-	-	53		53
	1	-	1	1,993	-	1,993
Redemption of 1,200 (2020: 34,362) units						
-Capital value (at net asset value per unit at the beginning of the period)	(52)	-	(52)	(1,355)	-	(1,355)
-Element of (loss) / income	5	-	5	-	(45)	(45)
	(47)	-	(47)	(1,355)	(45)	(1,400)
Total comprehensive loss for the period	-	(18,244)	(18,244)	-	7,407	7,407
Distribution during the year	-	-	-	-	-	-
Net assets at the end of the period	382,190	(284,527)	97,663	382,267	(268,975)	113,292
Undistributed loss brought forward comprising of:						
-Realized	(264,913)			(274,322)		
-Unrealised	(1,370)			(2,015)		
	(266,283)			(276,337)		
Accounting loss available for distribution:						
-Relating to capital gains	-			5,808		
-Excluding capital gains	(18,244)			1,554		
	(18,244)			7,362		
				-		
Undistributed loss carried forward - net	(284,527)			(268,975)		
	-----Rupees-----					
Net asset value at the beginning of the period			43.1827			43.1827
Net asset value at the end of the period			36.3870			42.1794

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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ASKARI ASSET ALLOCATION FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Note	31 December	
	2021	2020
	-----Rupees in '000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period after taxation	(18,244)	7,407
Adjustments:		
Net capital loss / (gain) on sale of investments	18,549	(5,808)
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	16	(1,813)
	18,565	(7,621)
Decrease / (Increase) in assets		
Investments - net	71,232	(2,533)
Receivable from sale of investments	(40,673)	(10,925)
Mark-up accrued and dividend receivable	126	977
Advances, deposits, prepayments and other receivables	445	4,809
	31,130	(7,672)
(Decrease) / Increase in liabilities		
Payable to Asset Management Company	28	779
Payable to the Central Depository Company of Pakistan Limited - Trustee	(4)	1
Payable to the Securities and Exchange Commission of Pakistan	(11)	(13)
Payable against purchase of investment	(4)	(1,255)
Accrued expenses and other liabilities	(5,032)	5,095
	(5,023)	4,607
Net cash generated from / (used in) operating activities	26,428	(3,279)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issue of units	1	1,993
Cash dividend	-	-
Net payments against redemption of units	(47)	(1,400)
Net cash (used in) / generated from financing activities	(46)	593
Net increase / (decrease) in cash and cash equivalents	26,382	(2,686)
Cash and cash equivalents at the beginning of the period	17,649	17,419
Cash and cash equivalents at the end of the period	44,031	14,733

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

15



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

1 LEGAL STATUS AND NATURE OF BUSINESS

Askari Asset Allocation Fund (the Fund) was established under a Trust deed executed between Askari Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee on 17 January 2007. The Fund was registered as a Notified Entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in February 2009.

The Management Company is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at Icon House, plot 83-C, 12th commercial street, DHA Phase-II Extension, Karachi.

The Fund is an open ended mutual fund categorised as an 'asset allocation scheme' by the Management Company and is listed on the Pakistan Stock Exchange Limited. The units are being offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to invest in equity securities as well as debt securities including government securities, commercial papers and various other money market instruments.

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3++" to the Management Company as at August 06, 2021. and a stability rating of 1 Year -1 Star, 3 Year -2 Star, 5 Year -1 Star by JCR-VIS to the Fund as at August 16, 2021.

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

1.1 Going Concerns

As per regulation 54, sub-regulation 3(a) of the Non-Banking Finance Companies and Notified Entities Regulation, 2008 (the NBFC Regulation), the net assets of an Open End Scheme shall be Rs.100 million at all times during the life of scheme and all existing Open End Schemes shall ensure compliance with this minimum scheme size by the first day of July, 2012.

Subject to above, if at any time the size any Open End Scheme falls below the minimum size as specified above, the Management Company shall ensure compliance within three months of the breach and if the fund size remains below the minimum fund size limit for consecutive ninety days, the Asset Management Company shall immediately intimate the grounds to the Commission upon which it believes that the Open End Scheme is still commercially viable and its objective can still be achieved.

The size of the Fund fell below the above-mentioned limit on various occasions during the period ended Dec 31, 2021. From November 23, 2021 to December 31, 2021; the size of the Fund for consecutive 39 days was below Rs.100 million. As at December 31, 2021; the size of the Fund remained below the limit of Rs. 100 million.

Subsequent to the period ended December 31, 2021; in accordance with the Regulation 45(A)(1d) of the Non-Banking Finance Companies Regulations, 2008 which lays down the conditions for revocation of open ended scheme can be made; the Management Company of the Fund on receiving a sizeable redemption; was in the opinion that the Fund was no longer commercially viable as expenses will start eroding the assets of the Fund which would not be in the benefit of the then existing unitholders. Therefore, the Management Company after



obtaining the consent of the Trustee; revoked the Fund on January 5, 2022 and the Trustee has been informed to the Security Exchange commission of Pakistan on December 31, 2021.

Based on the aforementioned facts and circumstances, the Fund has not been considered as Going Concern and accordingly this Financial information have been prepared on realizable value basis. As at December 31, 2021 the carrying values of the assets are approximately equal to their realizable value, therefore no adjustment is requirement in the carrying values of the assets.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These condensed interim financial information have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, 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 directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

This condensed interim financial information does not include all the information and disclosures required in the annual financial information and should be read in conjunction with the annual published financial statements of the Fund for the year ended 31 December 2021.

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 information give a true and fair view of the state of the Fund's affairs as at 31 December 2021.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2021.

		31 December 2021	30 June 2021
		Un-audited	Audited
	Note	-----Rupees in '000-----	
4 CASH AND BANK BALANCES			
Balances with banks:			
- in saving accounts	4.1	<u>44,031</u>	<u>17,649</u>
4.1	The rate of return on these accounts ranges between 5.50% - 12.25% (30 June 2021: 6.25% and 9.00%) per annum.		



ASKARI ASSET ALLOCATION FUND

5 INVESTMENTS

At fair value through profit or loss - held for trading

	31 December 2021 Un-audited	30 June 2021 Audited
Note	-----Rupees in '000-----	
Listed equity securities	5.1	51 71,865
Term finance certificates	5.2	- 17,983
		51 89,848

5.1 Listed equity securities

At fair value through profit or loss - equity securities

Shares of listed companies- fully paid ordinary shares with a face value of Rs 10 each unless stated other wise

Name of Investee Company	Number of Shares					Rupees '000		Percentage		
	As at 01 July 2021	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 31 December 2021	Carrying value as at 31 December 2021	Market value as at 31 December 2021	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
COMMERCIAL BANKS										
MEEZAN BANK LIMITED	21,000	-	-	21,000	-	-	-	-	-	-
HABIB BANK LIMITED	-	32,000	-	32,000	-	-	-	-	-	-
UNITED BANK LIMITED	18,000	-	-	18,000	-	-	-	-	-	-
	39,000	32,000	-	71,000	-	-	-	-	-	-
TEXTILE COMPOSITE										
GUL AHMED TEXTILE MILLS LIMITED	600	-	-	-	600	30	28	54.90%	0.03%	-
Nishat Mills Limited	34,500	-	-	34,500	-	-	-	-	-	-
	35,100	-	-	34,500	600	30	28	54.90%	0.03%	-
CEMENT										
D.G. KHAN CEMENT COMPANY LIMITED	46,000	27,000	-	73,000	-	-	-	-	-	-
POWER CEMENT LIMITED	334,000	-	-	334,000	-	-	-	-	-	-
Fauji Cement	296,000	-	-	296,000	-	-	-	-	-	-
Lucky Cement	-	3,900	-	3,900	-	-	-	-	-	-
MAPLE LEAF CEMENT FACTORY LIMITED	48,000	25,000	-	73,000	-	-	-	-	-	-
PIONEER CEMENT LIMITED	18,000	-	-	18,000	-	-	-	-	-	-
	742,000	55,900	-	797,900	-	-	-	-	-	-
POWER GENERATION AND DISTRIBUTION										
K-ELECTRIC LIMITED	-	290,000	-	290,000	-	-	-	-	-	-
Kot Addu Power Company Limited	-	30,000	-	30,000	-	-	-	-	-	-
THE HUB POWER COMPANY LIMITED	-	27,000	-	27,000	-	-	-	-	-	-
	-	347,000	-	347,000	-	-	-	-	-	-
OIL AND GAS MARKETING COMPANIES										
Energyico Pk Limited (Byco Petroleum Limited)	139,000	320,000	-	459,000	-	-	-	-	-	-
PAKISTAN STATE OIL COMPANY LIMITED	10,000	-	-	10,000	-	-	-	-	-	-
SUI NORTHERN GAS PIPELINES LIMITED	-	114,000	-	114,000	-	-	-	-	-	-
	149,000	434,000	-	583,000	-	-	-	-	-	-



ASKARI ASSET ALLOCATION FUND

Name of Investee Company	Number of Shares					Rupees '000		Percentage		
	As at 01 July 2021	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 31 December 2021	Carrying value as at 31 December 2021	Market value as at 31 December 2021	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
OIL AND GAS EXPLORATION COMPANIES										
OIL & GAS DEVELOPMENT COMPANY LIMITED	-	36,000	-	36,000	-	-	-	-	-	-
PAKISTAN PETROLEUM LIMITED	-	65,500	-	65,500	-	-	-	-	-	-
	-	101,500	-	101,500	-	-	-	-	-	-
ENGINEERING										
INTERNATIONAL STEELS LIMITED	11,300	-	-	11,300	-	-	-	-	-	-
MUGHAL IRON AND STEEL INDUSTRIES LTD	22,000	-	-	22,000	-	-	-	-	-	-
	33,300	-	-	33,300	-	-	-	-	-	-
CABLE & ELECTRICAL GOODS										
WAVES SINGER PAKISTAN LIMITED	-	92,000	-	92,000	-	-	-	-	-	-
	-	92,000	-	92,000	-	-	-	-	-	-
FERTILIZER										
FAUJI FERTILIZER BIN QASIM LIMITED	124,000	-	-	124,000	-	-	-	-	-	-
	124,000	-	-	124,000	-	-	-	-	-	-
PHARMACEUTICALS										
THE SEARLE COMPANY LIMITED	112	-	-	-	112	27	16	31.37%	0.02%	-
	112	-	-	-	112	27	16	31.37%	0.02%	-
CHEMICALS										
ENGRO POLYMER & CHEMICALS LIMITED	145,000	-	-	145,000	-	-	-	-	-	-
	145,000	-	-	145,000	-	-	-	-	-	-
FOODS AND PERSONAL CARE PRODUCTS										
Al Shaheer Corporation Limited	488	119,000	-	119,000	488	9	7	13.73%	0.01%	-
Treet Corporation Limited	-	105,000	-	105,000	-	-	-	-	-	-
Unity Foods Limited	75,000	-	-	75,000	-	-	-	-	-	-
Unity Foods Limited - LOR	-	13,356	-	13,356	-	-	-	-	-	-
	75,488	237,356	-	312,356	488	9	7	13.73%	0.01%	-
Technology and Communication										
TRG Pak Ltd	45,975	26,000	-	71,975	-	-	-	-	-	-
Systems Limited	-	1,500	-	1,500	-	-	-	-	-	-
NETSOL Technologies Pakistan	26,000	49,000	-	75,000	-	-	-	-	-	-
	71,975	76,500	-	148,475	-	-	-	-	-	-
Glass & Ceramic										
Ghani Global Glass Limited	75,000	131,000	-	206,000	-	-	-	-	-	-
	75,000	131,000	-	206,000	-	-	-	-	-	-
Refinery										
National Refinery Limited	5,000	-	-	5,000	-	-	-	-	-	-
	5,000	-	-	5,000	-	-	-	-	-	-
TRANSPORT										
Pakistan International Bulk Terminal Limited	572,500	-	-	572,500	-	-	-	-	-	-
	572,500	-	-	572,500	-	-	-	-	-	-
MISCELLANEOUS										
Pakistan Aluminium Beverages Cans Limited	-	48,000	-	48,000	-	-	-	-	-	-
	-	48,000	-	48,000	-	-	-	-	-	-
Total as at 31 December 2021						67	51	105.29%	4.07%	
Total as at 30 June 2021						75,114	71,865			



5.2 Term finance certificates - unlisted

Name of the investee company	Number of certificate			Market value as at 31 December 2021	Investment as percentage of		
	As at 01 July 2021	Purchased during the year	Sold / matured during the year		Net assets	Market value of total investments	Issue size

All term finance certificates have a face value of Rs. 5,000 each unless

JS Bank Limited (29-Dec-2017)	175	-	175	-	-	-	-
	175	-	175	-	-	-	-

Market Value as at 31 December 2021

-

Market Value as at 30 June 2021

17,983

5.2.1 Other particulars of term finance certificates outstanding as at 31 December 2021 are as follows:

Name of the investee company	Face value	Mark-up rate per annum	Rating	Issue date	Maturity date
------------------------------	------------	------------------------	--------	------------	---------------

JS Bank Limited (2nd issue) 99,840 6 months KIBOR offer rate + 1.4% Not rated 29-Dec-17 29-Dec-24

6	PAYABLE TO MANAGEMENT COMPANY	Note	31 December 2021	30 June 2021
			Un-audited	Audited
			-----Rupees '000-----	
	Remuneration of the Management Company	6.1	168	195
	Sindh sales tax payable on remuneration of the Management Company	6.2	351	354
	Federal Excise Duty payable on remuneration of the Management Company	6.3	2,830	2,830
	Sales Load Payable		59	59
	Reimbursement of operational expenses to the Management Company	6.4	419	384
	Marketing and advertising fee payable	6.5	962	939
			<u>4,789</u>	<u>4,761</u>

6.1 The Management Company has charged its remuneration at the rate of 2% (30 June 2021: 2%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2021: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

6.3 As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company was applied with effect from 13 June 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law. The matter was collectively taken up by the Management Company jointly with other Asset Management Companies and Trustees of respective Collective Investment Schemes (CISs), through a Constitutional Petition filed in the Honorable Sindh High Court (SHC) during September 2013. In this respect, the SHC had issued a stay order against the recovery of FED due to which the Fund has not made any payments for FED since June 13, 2013.



On 4 September 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

During the year ended 30 June 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.

With effect from 01 July 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.

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 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 2.830 million (30 June 2020: Rs. 2.830 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 31 December 2021 would have been higher by Rs. 1.0542 (30 June 2021: Rs. 1.0538) per unit.

6.4 This represents reimbursement of certain expenses to the Management Company. As per regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund..

6.5 SECP vide Circular No. 40 of 2016 dated 30 December 2016 prescribed certain conditions on Asset Management Companies (AMCs) for charging of selling and marketing expenses to certain collective investment schemes managed by them. Pursuant to the circular, the AMCs are allowed to charge selling and marketing expenses for an initial period of three years (01 January 2017 till 31 December 2019) at a maximum cap of 0.4% per annum of net assets of the Fund or actual expenses, whichever is lower. Accordingly, the Management Company has charged 0.4% of daily net assets of the Fund, being the lower amount.

7	ACCRUED EXPENSES AND OTHER LIABILITIES	31 December 2021	30 June 2021
		Un-audited	Audited
		-----Rupees in '000-----	
	Auditors' remuneration payable	251	402
	Payable against Purchase of Investment	-	4,156
	Printing charges payable	7	8
	Withholding and capital gain tax payable	81	75
	Transaction charges payable	305	120
	Provision for Sindh Workers' Welfare Fund	-	947
	Listing Fee Payable	16	-
	Legal and Professional Charges Payable	15	-
		<u>675</u>	<u>5,707</u>



- 7.1 "As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Fund Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / pension funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / pension funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the CISs / pension 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 August 12, 2021, on August 12, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

8 CONTINGENCIES AND COMMITMENTS

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

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 December 2021 is 5.50% which includes 0.65% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.50% prescribed under the NBFC Regulations for a collective investment scheme categorised as a asset allocation scheme.

10 TAXATION

The income of the fund is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision in respect of taxation has been made in these financial statements.



11 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

		For the half year ended 31 December	
		2021	2020
		Un-audited	
		-----Rupees in '000-----	
11.1	Details of transaction with related parties during the period are as follows:		
	Pak Oman Asset Management Company Limited (Management Company)		
	Remuneration of the Management Company	1,065	1,094
	Sindh Sales tax on Remuneration of Management Company	138	142
	Reimbursement of operational expenses to the Management Company	53	55
	Selling and Marketing expense	212	219
	Central Depository Company of Pakistan Limited (Trustee)		
	Remuneration of the Trustee	106	109
	SST on Remuneration of the Trustee	14	14

11.2 Details of balances with related parties as at the period / year end are as follows:

		31 December 2021	30 June 2021
		Un-audited	Audited
		-----Rupees in '000-----	
	Pak Oman Asset Management Company Limited (Management Company)		
	Remuneration payable to the management company	168	195
	Sindh Sales tax payable on remuneration of the Management Company	351	354
	Federal Excise Duty payable on remuneration of the Management Company	2,830	2,830
	Reimbursement of operational expenses to the Management Company	419	384
	Marketing and advertising fee payable	962	939
	Central Depository Company of Pakistan Limited (Trustee)		
	Remuneration payable	18	19
	SST on Remuneration Payable	-	3
	Security Deposit	100	100
	Askari Bank Limited* (Unit holder of 10% or more units of the Fund)		
	Outstanding 2,500,000 Units (30 June 2021: 2,500,000)]	90,968	107,957
	Balances with Bank	14,022	17,246
	Cash Dividend	-	1,213
	Profit Receivable on Bank Deposit	-	752

*This represents 10% or more of the unit holding of the fund

12. FAIR VALUE OF FINANCIAL INSTRUMENTS

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



ASKARI ASSET ALLOCATION FUND

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.

Fair value of investments classified as 'at fair value through profit or loss' which are tradable in an open market is based on the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from the carrying value as the items are short-term in nature.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The table below provides information on financial assets or liabilities carried at fair values, by valuation methods.

As at Dec 31, 2021							
At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	
(Rupees in '000)							
On-balance sheet Financial Instruments							
Financial assets measured at fair value							
Investments	51	-	51	51	-	-	
Financial assets not measured at fair value							
Bank Balances	-	44,031	44,031	-	-	-	
Profit Receivables	-	415	415	-	-	-	
Deposits, Prepayments and other receivables	-	58,659	58,659	-	-	-	
	51	103,105	103,156				
Financial liabilities not measured at fair value							
Payable to Management Company	-	4,789	4,789	-	-	-	
Payable to Trustee	-	18	18	-	-	-	
Accrued expenses and other liabilities	-	686	686	-	-	-	
	-	5,493	5,493				



ASKARI ASSET ALLOCATION FUND

As at June 30, 2021						
At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3
(Rupees in '000)						
On-balance sheet Financial Instruments						
Financial assets measured at fair value						
Investments	89,848	-	89,848	71,865	17,983	-
Financial assets not measured at fair value						
Bank Balances	-	17,649	17,649	-	-	-
Profit Receivables	-	541	541	-	-	-
Deposits, Prepayments and other receivables	-	18,431	18,431	-	-	-
	89,848	36,621	126,469			
Financial liabilities not measured at fair value						
Payable to Management Company	-	4,761	4,761	-	-	-
Payable to Trustee	-	22	22	-	-	-
Accrued expenses and other liabilities	-	5,733	5,733	-	-	-
	-	10,516	10,516			

There were no transfers between above levels during the year.

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

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

13 GENERAL

Figures have been rounded off to the nearest thousand rupee.

14 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorised for issue by the Board of Directors of the Management Company on February 26, 2022.

**For Pak Oman Asset Management Company Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director



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Our Mission

"To provide higher risk adjusted returns to investors at large by investing into a diversified range of investment assets on consistent basis."

Our Vision

"ASKARI CASH FUND aims to provide diversified portfolio and return that is risk adjusted to suit investors at large, on a consistent basis."



FUND INFORMATION

Management Company

Pak Oman Asset Management Company Limited.
ICON House 83-C, 12th Commercial Street,
Phase-II Extension, DHA, Karachi.
Phone : +92 - 21 - 35899641-44
Fax : +92 - 21 - 35899645
Website : www.pakomanfunds.com

Board of Director of The Management Company

H.E Yahya Bin Said Bin Abdullah Al- Jabri Chairman
Mr. Bahauddin Khan
Mr. Jehangir Shah
Mr. Rashid Ali Ibrahim Al Balushi
Ms. Sadaf Kazmi

Audit Committee

Mr. Rashid Ali Ibrahim Al Balushi
Mr. Jehangir Shah
Mr. Bahauddin Khan

Chief Financial Officer

Mr. Salman Shafiq Hashmi

Company Secretary

Ms. Haajra Jafri

Asset Manager Rating

AM3 ++ (Positive)

Trustee**Central Depository Comany of Pakistan Limited**

CDC House, 99-B, Block B, S.M.C.H.S,
Main Shahrah-e-Faisal, Karachi.

Auditors**RSM Avais Hyder Liaquat Nauman
Chartered Accountants**

407, Progressive Plaza, Beamont Road,
Karachi-75530

Bankers to The Fund

Askari Bank Limited
Allied Bank Limited
Bank Al-Habib Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Dubai Islamic Bank Pakistan Limited
Zarai Taraqiati Bank Limited

Legal Advisor

Mohsin Tayyab Ali
Corporate & Commercial Law Firm
D-21, Block - 4,
KDA Scheme 5, Clifton, Karachi.



DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors (BOD) of Pak Oman Asset Management Company Limited, the Management Company of the Askari Cash Fund (ACF) is pleased to present the Condensed Interim Financial Statements (un-audited) for the half year ended December 31, 2021.

Development and performance review

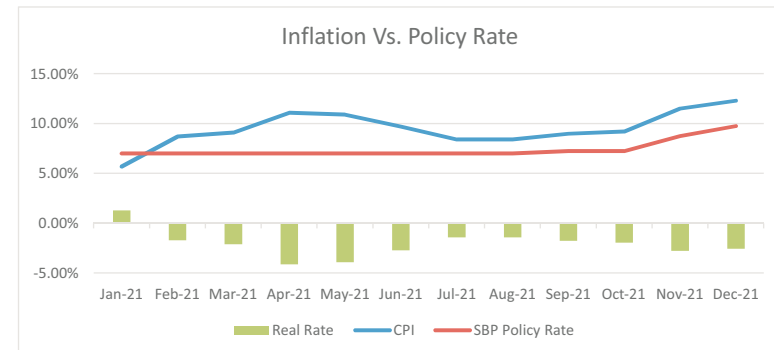
During 2HCY21, ACF delivered annualized return of 9.12% against the benchmark return of 7.09%. The total assets of the fund jumped 81% during 2HCY21 to PKR 2,846.36 million. By end of Dec-21, exposure against T-Bills was eased completely and funds were diverted towards bank deposits as commercial banks have long standing practice of offering attractive deposit rates due to their Quarter-end. Exposure against cash deposits accounted for 96.92% of the fund size.

Earning per unit (EPU)

EPU has not been disclosed as we feel that the determination of weighted average units for calculating EPU is not practicable for open-end funds.

Economic Review

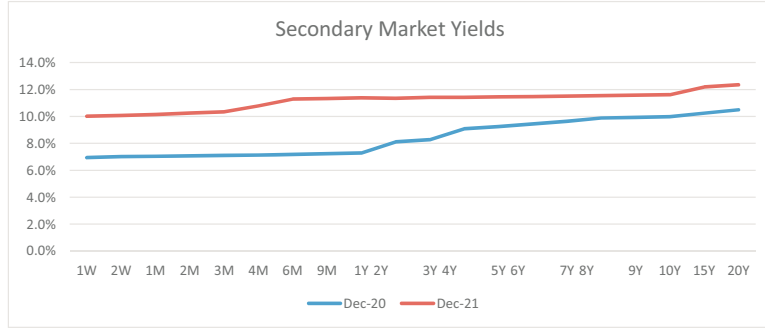
Economy has shown great turnaround in CY21 due to government's proactive approach in coping with pandemic and faster than expected pace of recovery in economy activity. GDP of the country grew at 5.37% during FY21, after government revised its base. National CPI index during the year averaged at 9.5%, which remained slight above central bank's near-term target inflation of 7%-9%. First half of the CY21 witnessed positive triggers on economic front as current account balance remained meagerly in deficit, however, it surged to overall CAD of USD 12.25bn in remaining quarters of CY21. Commodities prices upswing in international and domestic markets surged the price pressure during the year, which lead to SBP action of hiking key rates by 275 bps.

**Fixed income market review**

During the year, average CPI index surged to 9.5% owing to increase in energy prices and input cost. On the other hand, food inflation surged at higher pace owing higher urea/DAP prices and higher support prices announced by government for key agricultural products. Consequently, central bank cumulatively increased



interest rate by 275 bps in its MPC meeting during the year. In line with the policy rate, yields on government securities surged on average 275 bps with yield on 1-year bill jumping ~400 bps from 7.28% in Dec'20 to 11.38% in Dec'21.



Future outlook

Going forward, we believe equity market to perform on multiple triggers. Disbursement of USD 1bn under EFF after Government's agreement with IMF on 6th review, coupled with government's effort to raise fund through multiple Sukuk auctions in international market will provide support to macro indicators. MSCI routine review to allocate country weightage to Pakistan in MSCI FM will open tap of foreign portfolio inflows. We also believe, FY23 budget will take a populist form and include business-friendly policies, given it could be PTT's last budget before the general elections in 2023.

Acknowledgement

We would like to thank you valued investors who have placed their confidence in us. The Board is also thankful to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the Pakistan Stock Exchange for their continued cooperation and support. The Board of Directors also appreciates the efforts put in by the management team for their commitment and hard Work.

For and on behalf of the Board

Chief Executive Officer

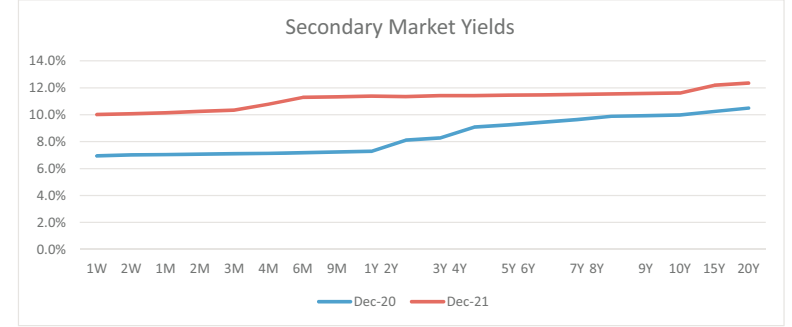
Director

Dated: February 28, 2022



مستقبل کا نقطہ نظر

آگے بڑھتے ہوئے، ہمیں یقین ہے کہ ایکویٹی مارکیٹ متعدد محرکات پر کارکردگی کا مظاہرہ کرے گی۔ چھٹے جائزے پر IMF کے ساتھ حکومت کے معاہدے کے بعد EFF کے تحت 1 بلین امریکی ڈالر کی تقسیم، بین الاقوامی مارکیٹ میں متعدد سکوک نیلامیوں کے ذریعے فنڈ اکٹھا کرنے کی حکومت کی کوششوں کے ساتھ میکر وائڈ کیٹیگز کو مدد فراہم کرے گی۔ MSCI FM میں پاکستان کو کنٹری ویٹج مختص کرنے کے لیے MSCI کا معمول کا جائزہ غیر ملکی پورٹ فولیو کی آمد کو کھول دے گا۔ ہمارا یہ بھی ماننا ہے کہ مالی سال 23 کا بجٹ ایک پاپولسٹ شکل اختیار کرے گا اور اس میں کاروبار و سٹانڈ پالیسیاں شامل ہوں گی، بشرطیکہ یہ 2023 کے عام انتخابات سے قبل پٹی آئی کا آخری بجٹ ہو۔



اظہار تشکر

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، فنڈ کے ٹریڈ اور پاکستان اسٹاک ایکسچینج کے مسلسل تعاون اور حمایت کا شکریہ ادا کرتے ہیں۔ بورڈ آف ڈائریکٹرز انتظامیہ کی ٹیم کے عزم اور محنت کے لیے کی جانے والی کوششوں کو بھی سراہتے ہیں۔

منجانب بورڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

مورخہ: 28 فروری 2022ء



یونٹ ہولڈرز کو ڈائریکٹر ان کی رپورٹ

پاک اومان ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز (BOD)، عسکری کیش فنڈ (ACF) کی مینجمنٹ کمپنی کے 31 دسمبر 2021 کو ختم ہونے والی ششماہی کے لئے منجملہ عبوری مالیاتی گوشوارے پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

ترقی اور کارکردگی کا جائزہ

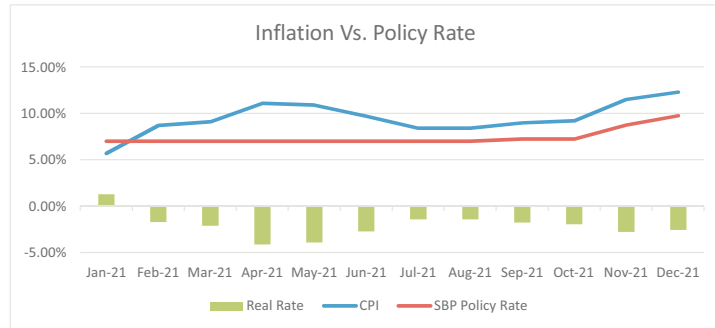
2HCY21 کے دوران، ACF نے 7.09% کے شیئ مارک ریٹرن کے مقابلے میں 9.12% کا سالانہ ریٹرن فراہم کیا۔ فنڈ کے کل اثاثے 2HCY21 کے دوران 81% بڑھ کر 2,846.36 ملین روپے ہو گئے۔ دسمبر 21 کے اختتام تک، ٹی بل کے عوض ایکسپوزر کو مکمل طور پر کم کر دیا گیا اور فنڈ زینک ڈیپازٹس کی طرف منتقل کر دیے گئے کیونکہ اپنی سرمایہ کی وجہ سے کمرشل بینکوں نے پُرکشش ڈیپازٹ ریٹس پیش کرنے کی طویل شیڈولنگ پریکٹس کی۔ کیش ڈیپازٹس کے عوض ایکسپوزر فنڈ سائز کا 96.92% شمار کیا۔

نی یونٹ آمدنی (EPU)

EPU کا انکشاف نہیں کیا گیا ہے کیونکہ ہمیں لگتا ہے کہ EPU کا حساب لگانے کے لیے اوسط اکائیوں کا تعین اوپن اینڈ فنڈز کے لیے قابل عمل نہیں ہے۔

اقتصادی جائزہ

وہائی بیماری سے نمٹنے کے لیے حکومت کے فعال انداز اور معیشت کی سرگرمیوں میں بحالی کی توقع سے زیادہ تیز رفتاری کی وجہ سے CY21 میں معیشت نے زبردست تبدیلی دکھائی دی ہے۔ حکومت کی اپنی بنیاد پر نظر ثانی کے بعد، مالی سال 21 کے دوران ملک کے جی ڈی پی میں 5.37 فیصد اضافہ ہوا۔ سال کے دوران قومی سی پی آئی انڈیکس اوسطاً 9.5% رہا، جو کہ مرکزی بینک کے 7% - 9% کے قریب مدتی ہدف افراط زر سے معمولی زیادہ رہا۔ CY21 کی پہلی ششماہی میں معاشی محاذ پر مثبت محرکات دیکھنے میں آئے کیونکہ کرنٹ اکاؤنٹ بیلنس معمولی طور پر خسارے میں رہا، تاہم، CY21 کی بقیہ سہ ماہیوں میں یہ مجموعی کرنٹ اکاؤنٹ خسارہ 12.25 بلین امریکی ڈالر تک پہنچ گیا۔ بین الاقوامی اور مقامی منڈیوں میں اشیاء کی قیمتوں میں اضافے نے سال کے دوران قیمتوں کے دباؤ کو بڑھایا، جس کی وجہ سے اسٹیٹ بینک نے بنیادی شرحوں میں 275bps اضافہ کر دیا۔



مستقل اہم مارکیٹ کا جائزہ

سال کے دوران، توانائی کی قیمتوں اور ان پٹ لاگت میں اضافے کی وجہ سے اوسط CPI انڈیکس 9.5 فیصد تک بڑھ گیا۔ دوسری طرف، یوریا/ڈی اے پی کی قیمتوں میں اضافے اور اہم زرعی مصنوعات کے لیے حکومت کی جانب سے اعلان کردہ زیادہ امدادی قیمتوں کی وجہ سے اشیاء خورد و نوش کی مہنگائی تیز رفتاری سے بڑھی۔ نتیجتاً، مرکزی بینک نے سال کے دوران اپنے MPC اجلاس میں مجموعی طور پر شرح سود میں 275bps کا اضافہ کر دیا۔ پالیسی شرح کے مطابق، گورنمنٹ سیکورٹیز کی پیداوار میں اوسطاً 275bps کا اضافہ ہوا جس کے ساتھ 1 سال کے بل پر 400bps کا اضافہ ہوا جو دسمبر 20 میں 7.28 فیصد سے دسمبر 21 میں 11.38 فیصد ہو گیا۔



CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

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



TRUSTEE REPORT TO THE UNIT HOLDERS

ASKARI CASH FUND (Formerly Askari Sovereign Cash Fund)

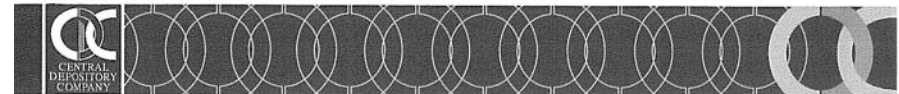
Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Askari Cash Fund (formerly Askari Sovereign Cash Fund) (the Fund) are of the opinion that Pak Oman Asset Management Company Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 24, 2022





**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE UNIT HOLDERS OF ASKARI CASH FUND
REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS**

RSM Awaiz Hyder Liaquat Nauman
Chartered Accountants
407, Progressive Plaza, Beaumont Road
Karachi, 75530 - Pakistan
T: +92 (21) 35655975-6
F: +92 (21) 3565-5977
W: www.rsm-pakistan.pk

Introduction

We have reviewed the accompanying condensed interim statement of asset and liabilities of Askari Cash Fund (the Fund) as at December 31, 2021 and the related condensed interim income statement and the condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim statement of cash flows together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information"), for the six month period ended December 31, 2021. Pak Oman 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 of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of Condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

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

 Chartered Accountants
Karachi
Date:

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Awaiz Hyder Liaquat Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT DECEMBER 31, 2021**

		31 December 2021 Un-audited Note	30 June 2021 Audited Note
		-----Rupees in ('000)-----	
Assets			
Balances with bank	4	2,826,097	1,592,042
Investments	5	-	-
Profit receivable on bank balances		23,727	7,847
Advances, prepayment and other receivables		22,720	22,889
Total assets		2,872,544	1,622,778
Liabilities			
Payable to Management Company	6	21,552	22,069
Payable to Central Depository Company of Pakistan Limited - Trustee		249	251
Payable to the Securities & Exchange Commission of Pakistan		195	369
Dividend Payable		-	3,268
Accrued expenses and other liabilities	7	4,185	22,133
Total liabilities		26,181	48,090
NET ASSETS		2,846,363	1,574,688
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,846,363	1,574,688
CONTINGENCIES AND COMMITMENTS	8	-	-
NUMBER OF UNITS IN ISSUE		26,629,027	15,408,987
NET ASSET VALUE PER UNIT		106.8895	102.1929

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



ASKARI CASH FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

Note	For the half year ended 31 December		For the quarter ended 31 December	
	2021	2020	2021	2020
	-----Rupees in ('000)-----		-----Rupees in ('000)-----	
Income				
Return / mark-up on:				
-government securities	34,345	52,082	3,414	29,720
-bank and term deposit receipts	53,531	16,927	36,557	7,254
Other income	11,537	62	11,537	-
Income From LOP	60	-	60	-
Net (loss) / gain on sale of investments	(363)	310	(571)	310
Net unrealised (loss) on remeasurement of investments at fair value through profit or loss'	-	(661)	252	(630)
Total income	99,110	68,720	51,249	36,654
Expenses				
Remuneration of Asset Management Company	6.1	3,563	3,390	1,897
Sindh Sales Tax on Remuneration of the Management Company	6.2	463	441	246
Reimbursement of operational expenses to the Management Company	6.4	1,016	969	538
Remuneration of trustee inclusive of sales tax		702	712	393
Annual fees to the Securities & Exchange Commission of Pakistan		204	194	164
Auditors' remuneration		253	336	158
Fees and subscription		123	119	(4)
Printing and stationary expenses		15	16	(47)
Securities transaction cost		107	132	55
Legal and professional Charges		85	45	-
Bank and settlement charges		11	23	3
Provision for Sindh Workers' Welfare Fund		-	1,247	-
		6,542	7,624	3,488
Net income for the period before taxation		92,568	61,096	47,761
Taxation	10	-	-	-
Net income for the period after taxation		92,568	61,096	47,761
Allocation of Net Income for the year				
- Net income for the period after taxation		92,568	61,096	47,761
- Income already paid on units redeemed		(21,753)	(24,730)	(7,576)
		70,815	36,366	40,185
Accounting income available for distribution				
-Relating to capital gains		-	-	-
-Excluding capital gains		70,815	36,366	40,185
		70,815	36,366	40,185

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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ASKARI CASH FUND

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

	For the half year ended 31 December		For the quarter ended 31 December	
	2021	2020	2021	2020
	-----Rupees in ('000)-----		-----Rupees in ('000)-----	
Net income for the period after taxation	92,568	61,096	47,761	32,544
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	92,568	61,096	47,761	32,544

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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**ASKARI CASH FUND**

	31 December			31 December		
	2021			2020		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
	-----Rupees in ('000)-----					
Net assets at the beginning of the period	1,540,792	33,896	1,574,688	1,314,427	13,526	1,327,953
Issue of 32,126,744 (2020: 29,242,983) units						
-Capital value (at net asset value per unit at the beginning of the period)	3,283,125	-	3,283,125	2,961,759	-	2,961,759
-Element of income	85,727		85,727	21,901		21,901
	3,368,852	-	3,368,852	2,983,660	-	2,983,660
Redemption of 20,906,704 (2020: 26,373,201) units						
-Capital value (at net asset value per unit at the beginning of the period)	(2,136,517)	-	(2,136,517)	(2,671,104)	-	(2,671,104)
-Element of income	(31,475)	(21,753)	(53,228)	(12,202)	(24,730)	(36,932)
	(2,167,992)	(21,753)	(2,189,745)	(2,683,306)	(24,730)	(2,708,036)
Distribution during the period	-	-	-	-	(14,509)	(14,509)
Total comprehensive income for the period	-	92,568	92,568	-	61,096	61,096
Net assets at the end of the period	2,741,652	104,711	2,846,363	1,614,781	35,383	1,650,164
Undistributed income brought forward comprising of:						
-Realized	33,896			13,526		
-Unrealised	-			-		
	33,896			13,526		
Distribution during the period	-			(14,509)		
Accounting income available for distribution:						
-Relating to capital gains	-			-		
-Excluding capital gains	70,815			36,366		
	70,815			36,366		
Undistributed income carried forward - net	104,711			35,383		
Undistributed income carried forward comprising of:						
-Realized			104,711			36,044
-Unrealised			-			(661)
			104,711			35,383
						-----Rupees-----
Net asset value at the beginning of the period			102.1929			101.2810
Net asset value at the end of the period			106.8895			103.2556

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

**For Pak Oman Asset Management Company Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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**ASKARI CASH FUND**

	31 December	2020
Note	-----Rupees in ('000)-----	-----Rupees in ('000)-----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period after taxation	92,568	61,096
Adjustments for:		
Net loss / (gain) on sale of investments	363	(310)
Net unrealised loss appreciation on remeasurement of investments at fair value through profit or loss ¹	-	661
Provision for Sindh Workers Welfare Fund	-	1,247
	363	1,598
(Increase) / Decrease in assets		
Investments - Net	(363)	(562,404)
Receivable against transfer of units	-	-
Profit receivable on bank balances	(15,880)	(1,953)
Advances, prepayment and other receivables	169	(7,405)
	(16,074)	(571,762)
(Decrease) / Increase in liabilities		
Payable to Asset Management Company	(517)	(631)
Payable to Central Depository Company of Pakistan Limited - Trustee	(2)	31
Payable to the Securities & Exchange Commission of Pakistan	(174)	(162)
Dividend Payable	(3,268)	(19,079)
Accrued expenses and other liabilities	(17,948)	861,575
	(21,909)	841,734
Net cash generated from / (used in) operating activities	54,948	332,666
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	3,368,852	2,983,660
Cash distribution	-	(14,509)
Net payments against redemption of units	(2,189,745)	(2,708,036)
Net cash generated from financing activities	1,179,107	261,115
Net increase in cash and cash equivalents	1,234,055	593,781
Cash and cash equivalents at the beginning of the period	1,592,042	1,054,210
Cash and cash equivalents at the end of the period	2,826,097	1,647,991

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

**For Pak Oman Asset Management Company Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

13



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

1 LEGAL STATUS AND NATURE OF BUSINESS

Askari Cash Fund (formerly: Askari Sovereign Cash Fund) (the Fund) was established under a Trust deed executed between Askari Investment Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee on 09 December 2011. The Fund was registered as a Notified Entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in 25 June 2009.

Pak Oman Asset Management Company Limited (POAMCL) has acquired 100% shares of Askari Investment Management Limited (AIML) from Askari Bank Limited on May 31, 2017 under share purchase agreement dated April 10, 2017. Subsequently, on June 29, 2017, PAOMCL has filed amalgamation scheme, under Section 282 (L) of the Companies Ordinance 1984, which has been approved by SECP via its order dated October 12, 2017. The effective date of merger of POAMCL and AIML is October 30, 2017 as per the above mentioned order.

The Management Company is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at Icon House, 83-C, 12th Commercial Street, Phase-II Extension, DHA, Karachi, Pakistan.

The Fund is an open-ended mutual fund classified as an "Money Market Scheme" by the Management Company and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

The objective of the Fund is to provide the investors with a high level of liquidity along with extremely low credit and price volatility

The Fund primarily invests in government securities and other authorized investments enabling the investors to manage their liquidity efficiently.

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3++" to the Management Company as at 06 August 2021. Furthermore, JCR-VIS has assigned a rating of "AA+(f)" to the Fund as at 17 December 2021.

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

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:



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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2021.

4. BALANCE WITH BANKS

-Saving accounts

	31 December 2021	30 June 2021
	Un-audited	Audited
Note	----- (Rupees in '000) -----	
4.1	<u>2,826,097</u>	<u>1,592,042</u>

- 4.1 These savings accounts carry mark-up at the rates ranging from 5.50% to 12.00% (30 June 2021: 5.25% to 7.00%) per annum.

5. INVESTMENTS

At fair value through profit or loss - held for trading

Government securities

	31 December 2021	30 June 2021
	Un-audited	Audited
Note	----- (Rupees in '000) -----	
5.1	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>



5.1 Government securities

Issue Date	Tenor	Face value				Market value as at 31 December 2021	Market Value as a percentage of	
		As at 01 July 2021	Purchased during the period	Sold / matured during the period	As at 31 December 2021		Net assets	Market value of total investments
------(Rupees in '000)-----						Rs in '000'	------%age-----	
Market treasury bills								
6-May-21	6 months	-	2,250,000	2,250,000	-	-	-	-
20-May-21	6 months	-	800,000	800,000	-	-	-	-
3-Jun-21	3 months	-	1,885,000	1,885,000	-	-	-	-
3-Jun-21	6 months	-	1,150,000	1,150,000	-	-	-	-
2-Jul-21	6 months	-	1,000,000	1,000,000	-	-	-	-
15-Jul-21	6 months	-	500,000	500,000	-	-	-	-
26-Aug-21	6 months	-	1,000,000	1,000,000	-	-	-	-
26-Aug-21	3 months	-	150,000	150,000	-	-	-	-
27-Aug-21	12 months	-	130,000	130,000	-	-	-	-
9-Sep-21	6 months	-	500,000	500,000	-	-	-	-
9-Sep-21	3 months	-	500,000	500,000	-	-	-	-
7-Oct-21	3 months	-	1,115,000	1,115,000	-	-	-	-
21-Oct-21	3 months	-	500,000	500,000	-	-	-	-
		-	11,480,000	11,480,000	-	-		
Carrying value before marked to market as at 31 December 2021						-		

6. PAYABLE TO THE MANAGEMENT COMPANY

Note	31 December 2021 Un-audited	30 June 2021 Audited
-----Rupees in '000)-----		
6.1	884	1,182
6.2	2,660	2,789
6.3	17,757	17,757
6.4	237	327
	11	11
	3	3
	21,552	22,069

6.1 The Management Company has charged its remuneration at the rate of 0.35% (30 June 2021: 0.35%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (2021: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from July 1, 2011. This also includes Rs. 17.757 million (June 30 2021: Rs. 17.757 million) accrued on Federal Excise Duty (FED) on the remuneration of the Management Company as fully explained in note 8.3.



6.3 As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company was applied with effect from 13 June 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law. The matter was collectively taken up by the Management Company jointly with other Asset Management Companies and Trustees of respective Collective Investment Schemes (CISs), through a Constitutional Petition filed in the Honorable Sindh High Court (SHC) during September 2013. In this respect, the SHC had issued a stay order against the recovery of FED due to which the Fund has not made any payments for FED since June 13, 2013.

On 30 June 2016, the Honorable Sindh High Court of Pakistan had passed a Judgment that after 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after 01 July 2011 is ultra vires to the Constitution of Pakistan. On 23 September 2016, the Federal Board of Revenue (FBR) filed an appeal in the Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication. Management Company, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs. 17.757 million until the matter is resolved. Had the provision not been made, the net asset value per unit of the Fund as at December 31, 2021 would have been higher by Rs. 0.67 (June 30, 2021: Rs. 1.15) per unit.

Through Finance Act, 2016, FED on services rendered by Non-Banking Financial Institutions (NBFI)s including Asset Management Companies, which are already subject to provincial sales tax, has been withdrawn. Therefore, no provision for FED has been recorded since July 1, 2017.

6.4 This represents reimbursement of certain expenses to the Management Company. As per regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum upto 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets being the lower amount to the Fund.

7. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	31 December 2021 Un-audited	30 June 2021 Audited
		-----Rupees in ('000) -----	
Auditors' remuneration payable		317	435
Printing charges payable		120	-
Withholding tax payable		795	4,178
Capital Gain Tax payable		978	4,324
Provision for Sindh Workers' Welfare Fund	7.1	-	11,537
Legal and professional charges payable		255	181
Others		1,720	1,478
		4,185	22,133

7.1 WORKERS' WELFARE FUND SINDH WORKERS' WELFARE FUND

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the



total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Fund Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / pension funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / pension funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the CISs / pension 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 August 12, 2021, on August 12, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

8. CONTINGENCIES AND COMMITMENTS

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

9. EXPENSE RATIO

In accordance with the Directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for year ended December 31, 2021 is 0.65% which includes 0.09% representing government levy i.e. Sindh Sales Tax, SECP fee and provision for Sindh Worker's Welfare Fund.

10. TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders (excluding distribution made by issuance of bonus units). Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 the Fund is required to distribute ninety percent of accounting income other than capital gains whether realised or unrealised to the unit holders. The Fund intends to distribute such accounting income for the year ended June 30, 2021 to its unit holders. Accordingly, no provision in respect of taxation has been made in these financial statements.



11. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

For half year ended 31 December	
2021	2020
Un-audited	
-----Rupees in ('000)-----	

11.1 Transactions for the period:

Pak Oman Asset Management Company Limited (Management Company)

Remuneration of the Management Company	3,563	3,390
Sindh Sales tax on Remuneration of Management Company	463	441
Reimbursement of operational expenses to the Management Company	1,016	969

Askari Bank Limited

(Unit holder of 10% or more units of the Fund)

Profit on balances with banks	21	160
-------------------------------	----	-----

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee inclusive of sales tax	702	712
--	-----	-----

Pak Oman Micro Finance Bank Limited (Common directorship)

Issuance of Nil (2021:29) units	-	3
----------------------------------	---	---

Gul Ahmed Energy Limited

(Unit holder of 10% or more units of the Fund)

Issue of 10,953,746 (2020: 5,155,663) units	752,015	526,109
Redemption of 2,002,053 (2020: 1,969,965) units	(209,566)	(202,193)

Habib Metropolitan Bank Ltd

(Unit holder of 10% or more units of the Fund)

Issue of 2,635,190 (2020:Nil) units	275,000	-
Redemption of 2,635,190 (2020:Nil) units	(277,798)	-

Sadia Amir

(Unit holder of 10% or more units of the Fund)

Issue of 2,635,190 (2020:4,681,253) units	275,000	487,304
Redemption of 2,635,190 (2020:7,837,655) units	(277,798)	(803,062)

Key Management Personnel**

Issuance of 92,422.7134 (2020: 19,663) units	9,510	2,000
Redemption of 55,707 (2020: 19,663) units	(5,377)	2,002

Other Staff

Redemption of (2020: Nil) units	-	36
---------------------------------	---	----



ASKARI CASH FUND

	31 December 2021 Un-audited	30 June 2021 Audited
11.2 Investments / outstanding balances as at period / year end	Note	-----Rupees in ('000)-----
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration of the Management Company	884	1,182
Sindh Sales Tax on remuneration of the Management Company	2,660	2,789
Federal Excise Duty on remuneration of the Management Company	17,757	17,757
Reimbursement of operational expenses to the Management Company	237	327
Reimbursement of selling and marketing expenses	11	11
Sales Load Payable	3	3
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	230	220
Sindh Sales Tax on remuneration of the Trustee	19	31
Pak Oman Micro Finance Bank Limited		
Outstanding Nil (30 June 2021: 3050) units - at net asset value	-	316
Dividend Paid - ReInvest	-	26
Askari Bank Limited		
(Unit holder of 10% or more units of the fund)		
Outstanding 369,053 (30 June 2021: 3,170,767) units - at net asset value	39,448	141,047
Habib Metropolitan Bank Limited		
Outstanding Nil (30 June 2021: 1,977,059) units - at net asset value	-	202,042
Dividend Paid - ReInvest	-	4,745
Gul Ahmed Energy Limited		
Outstanding 3,226,930 (30 June 2021: 3,226,930) units - at net asset value	548,605	344,925
Sadia Amir		
Outstanding 2,422,128.5817 (30 June 2021: 2,503,810.7313) units - at net asset value	258,900	202,042
Key Management Personnel**		
Outstanding 35,041 (30 June 2021: 107,600) units - at net asset value	3,746	1,557
Dividend Payable	-	7
Other Staff		
Outstanding Nil (30 June 2021: Nil) units - at net asset value	-	-

** Current year transactions with these persons have not been disclosed as they did not remain connected persons during the year.

** Prior year transactions with these persons have not been disclosed as they became connected persons during the year.

12. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in



ASKARI CASH FUND

an orderly transaction between the market participants at the measurement date. Consequently, differences can arise between carrying value and the fair value estimates.

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

Fair value of investments classified as 'at fair value through profit or loss' which are tradable in an open market is based on the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from the carrying value as the items are short-term in nature

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The table below provides information on financial assets or liabilities carried at fair values, by valuation methods.

	----- As at Dec 31, 2021 -----					
	At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 2	Level 3
On-balance sheet Financial Instruments	----- (Rupees in '000) -----					
Financial assets measured at fair value						
Investments	-	-	-	-	-	-
Financial assets not measured at fair value						
Bank Balances	-	-	2,826,097	2,826,097	-	-
Profit Receivables	-	-	23,727	23,727	-	-
Deposits, Prepayments and other receivables	-	-	22,720	22,720	-	-
	-	-	2,872,544	2,872,544		
Financial liabilities not measured at fair value						
Payable to Management Company	-	-	21,552	21,552	-	-
Payable to Trustee	-	-	249	249	-	-
Accrued expenses and other liabilities	-	-	4,380	4,380	-	-
	-	-	26,181	26,181		

**ASKARI CASH FUND**

----- As at June 30, 2021 -----						
	At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 2	Level 3
----- (Rupees in '000) -----						
On-balance sheet Financial Instruments						
Financial assets measured at fair value						
Investments	-	-	-	-	-	-
Financial assets not measured at fair value						
Bank Balances	-	-	1,592,042	1,592,042	-	-
Profit Receivables	-	-	7,847	7,847	-	-
Deposits, Prepayments and other receivables	-	-	22,889	22,889	-	-
	-	-	1,622,778	1,622,778		
Financial liabilities not measured at fair value						
Payable to Management Company	-	-	22,069	22,069	-	-
Payable to Trustee	-	-	251	251	-	-
Accrued expenses and other liabilities	-	-	25,770	25,770	-	-
	-	-	48,090	48,090		

There were no transfers between above levels during the year.

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

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

13. GENERAL

Figures have been rounded off to the nearest thousand rupees.

14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 26, 2022.

**For Pak Oman Asset Management Company Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director



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Our Mission

"To provide higher risk adjusted returns to investors at large by investing into a diversified range of investment assets on consistent basis."

Our Vision

"ASKARI HIGH YIELD SCHEME aims to provide diversified portfolio and return that is risk adjusted to suit investors at large, on a consistent basis."



FUND INFORMATION

Management Company

Pak Oman Asset Management Company Limited.
ICON House 83-C, 12th Commercial Street,
Phase-II Extension, DHA, Karachi.
Phone : +92 - 21 - 35899641-44
Fax : +92 - 21 - 35899645
Website : www.pakomanfunds.com

Board of Director of The Management Company

H.E Yahya Bin Said Bin Abdullah Al- Jabri Chairman
Mr. Bahauddin Khan
Mr. Jehangir Shah
Mr. Rashid Ali Ibrahim Al Balushi
Ms. Sadaf Kazmi

Audit Committee

Mr. Rashid Ali Ibrahim Al Balushi
Mr. Jehangir Shah
Mr. Bahauddin Khan

Chief Financial Officer

Mr. Salman Shafiq Hashmi

Company Secretary

Ms. Haajra Jafri

Asset Manager Rating

AM3 ++ (Positive)

Trustee**Central Depository Comany of Pakistan Limited**

CDC House, 99-B, Block B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi.

Auditors**RSM Avais Hyder Liaquat Nauman
Chartered Accountants**

407, Progressive Plaza, Beamont Road,
Karachi-75530

Bankers to The Fund

Askari Bank Limited
AlBaraka Bank (Pakistan) Limited
Bank Alfalah Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Silk Bank Limited
JS Bank Limited
Khushhali Bank Limited
Zarai Taraqati Bank Limited
NRSP Microfinance Bank Limited
Summit Bank Limited
The First MicroFinanceBank Limited

Legal Advisor**Mohsin Tayyab Ali****Corporate & Commercial Law Firm**

D-21, Block - 4,
KDA Scheme 5, Clifton, Karachi.



DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors (BOD) of Pak Oman Asset Management Company Limited, the Management Company of the Askari High Yield Scheme (AHYS) is pleased to present the Condensed Interim Financial Statements (un-audited) for the half year ended December 31, 2021.

Development and performance review

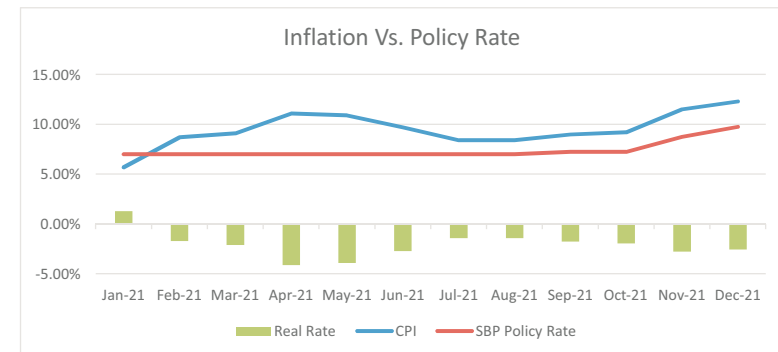
During 2HCY21, AHYS delivered annualized return of 8.63% against the benchmark return of 9.24%. The total assets of the fund dipped 19% during 2HCY21 to PKR 1,726.02 million. By the end of second half, investment in corporate debt was maintained at 20.60%. Exposure against T-Bill was eased completely while 71.50% of the allocation was made against bank deposits with banks.

Earning per unit (EPU)

EPU has not been disclosed as we feel that the determination of weighted average units for calculating EPU is not practicable for open-end funds.

Economic Review

Economy has shown great turnaround in CY21 due to government's proactive approach in coping with pandemic and faster than expected pace of recovery in economy activity. GDP of the country grew at 5.37% during FY21, after government revised its base. National CPI index during the year averaged at 9.5%, which remained slight above central bank's near-term target inflation of 7%-9%. First half of the CY21 witnessed positive triggers on economic front as current account balance remained meagerly in deficit, however, it surged to overall CAD of USD 12.25bn in remaining quarters of CY21. Commodities prices upswing in international and domestic markets surged the price pressure during the year, which lead to SBP action of hiking key rates by 275 bps.

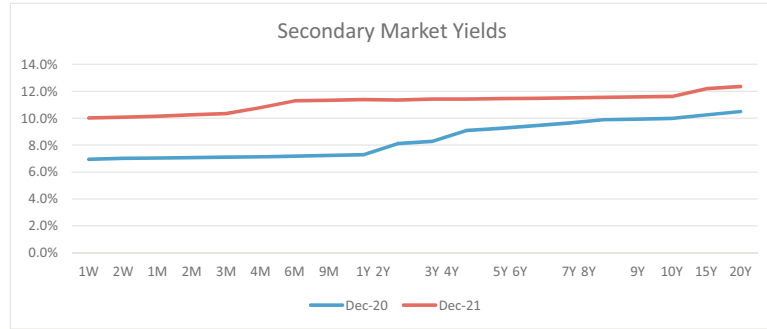
**Fixed income market review**

During the year, average CPI index surged to 9.5% owing to increase in energy prices and input cost. On the other hand, food inflation surged at higher pace owing higher urea/DAP prices and higher support prices announced by government for key agricultural products. Consequently, central bank cumulatively increased interest rate by 275 bps in its MPC meeting during the year. In line with the policy rate, yields on government



ASKARI HIGH YIELD SCHEME

securities surged on average 275 bps with yield on 1-year bill jumping ~400 bps from 7.28% in Dec'20 to 11.38% in Dec'21.



Future outlook

Going forward, we believe equity market to perform on multiple triggers. Disbursement of USD 1bn under EFF after Government's agreement with IMF on 6th review, coupled with government's effort to raise fund through multiple Sukuk auctions in international market will provide support to macro indicators. MSCI routine review to allocate country weightage to Pakistan in MSCI FM will open tap of foreign portfolio inflows. We also believe, FY23 budget will take a populist form and include business-friendly policies, given it could be PTT's last budget before the general elections in 2023.

Acknowledgement

We would like to thank you valued investors who have placed their confidence in us. The Board is also thankful to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the Pakistan Stock Exchange for their continued cooperation and support. The Board of Directors also appreciates the efforts put in by the management team for their commitment and hard Work.

For and on behalf of the Board

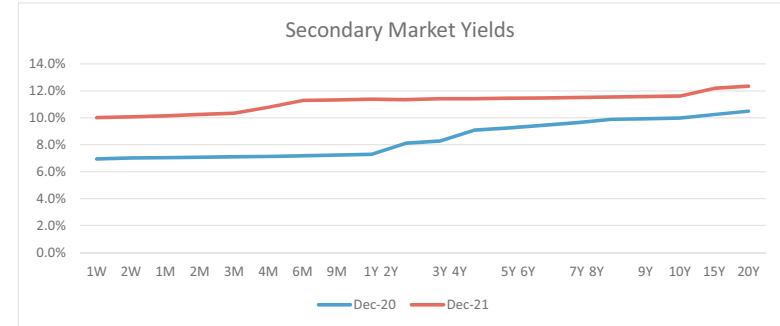
Chief Executive Officer

Director

Dated: February 28, 2022



ASKARI HIGH YIELD SCHEME



مستقبل کا نقطہ نظر

آگے بڑھتے ہوئے، ہمیں یقین ہے کہ ایکویٹی مارکیٹ متعدد محرکات پر کارکردگی کا مظاہرہ کرے گی۔ چھٹے جائزے پر IMF کے ساتھ حکومت کے معاہدے کے بعد EFF کے تحت 1 بلین امریکی ڈالر کی تقسیم، بین الاقوامی مارکیٹ میں متعدد سکوک نیلامیوں کے ذریعے فنڈ اکٹھا کرنے کی حکومت کی کوششوں کے ساتھ میکر وائڈیکٹر کو مدد فراہم کرے گی۔ MSCI FM میں پاکستان کو کنٹری ویٹج مختص کرنے کے لیے MSCI کا معمول کا جائزہ غیر ملکی پورٹ فولیو کی آمد کو کھول دے گا۔ ہمارا یہ بھی ماننا ہے کہ مالی سال 23 کا بجٹ ایک پاپولسٹ شکل اختیار کرے گا اور اس میں کاروبار دوستانہ پالیسیاں شامل ہوں گی، بشرطیکہ یہ 2023 کے عام انتخابات سے قبل پی ٹی آئی کا آخری بجٹ ہو۔

اظہار تشکر

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، فنڈ کے ٹرسٹی اور پاکستان اسٹاک ایکسچینج کے مسلسل تعاون اور حمایت کا شکریہ ادا کرتے ہیں۔ بورڈ آف ڈائریکٹرز انتظامیہ کی ٹیم کے عزم اور محنت کے لیے کی جانے والی کوششوں کو بھی سراہتے ہیں۔

منجانب بورڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

مورخہ: 28 فروری 2022ء



پونٹ ہولڈرز کو ڈائریکٹران کی رپورٹ

پاک اومان ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز (BOD)، عسکری ہائی سیلڈ اسکیم (AHYS) کی مینجمنٹ کمپنی کے 31 دسمبر 2021 کو ختم ہونے والی ششماہی کے لئے متحدہ عبوری مالیاتی گوشوارے پیش کرتے ہوئے اظہارِ مسرت کرتے ہیں۔

ترقی اور کارکردگی کا جائزہ

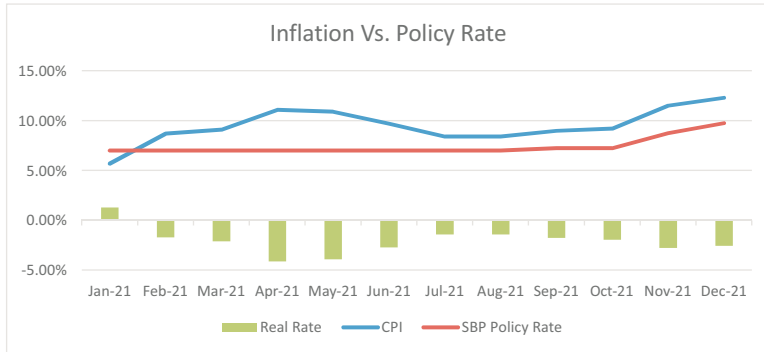
2HCY21 کے دوران، AHYS نے 9.24% کے بیچ مارک ریٹرن کے مقابلے میں 8.63% کا سالانہ ریٹرن فراہم کیا۔ فنڈ کے کل اثاثے 2HCY21 کے دوران 19% کم ہو کر 1,726.02 ملین روپے ہو گئے۔ دوسری ششماہی کے اختتام تک، کارپوریٹ ڈیٹ میں سرمایہ کاری 20.60 فیصد پر برقرار رہی۔ فی بل کے عوض ایکسپوزیچر کو مکمل طور پر کم کر دیا گیا جبکہ بلیکیشن کا 71.50% بینک ڈپازٹس کے لیے رکھا گیا۔

نی پونٹ آمدنی (EPU)

EPU کا انکشاف نہیں کیا گیا ہے کیونکہ ہمیں لگتا ہے کہ EPU کا حساب لگانے کے لیے اوسط اکائیوں کا تعین اوپن اینڈ فنڈز کے لیے قابل عمل نہیں ہے۔

اقتصادی جائزہ

وہابی بیماری سے نمٹنے کے لیے حکومت کے فعال انداز اور معیشت کی سرگرمیوں میں بحالی کی توقع سے زیادہ تیز رفتاری کی وجہ سے CY21 میں معیشت نے زبردست تبدیلی دکھائی دی ہے۔ حکومت کی اپنی بنیاد پر نظر ثانی کے بعد، مالی سال 21 کے دوران ملک کے جی ڈی پی میں 5.37 فیصد اضافہ ہوا۔ سال کے دوران قومی سی پی آئی انڈیکس اوسطاً 9.5% رہا، جو کہ مرکزی بینک کے 7%-9% کے قریب مدتی ہدف افراط زر سے معمولی زیادہ رہا۔ CY21 کی پہلی ششماہی میں معاشی محاذ پر مثبت محرکات دیکھنے میں آئے کیونکہ کرنٹ اکاؤنٹ بیلنس معمولی طور پر خسارے میں رہا، تاہم، CY21 کی بقیہ سہ ماہیوں میں یہ مجموعی کرنٹ اکاؤنٹ خسارہ 12.25 بلین امریکی ڈالر تک پہنچ گیا۔ بین الاقوامی اور مقامی منڈیوں میں اشیاء کی قیمتوں میں اضافے نے سال کے دوران قیمتوں کے دباؤ کو بڑھایا، جس کی وجہ سے اسٹیٹ بینک نے بنیادی شرحوں میں 275bps اضافہ کر دیا۔



مستقل اکم مارکیٹ کا جائزہ

سال کے دوران، توانائی کی قیمتوں اور ان پٹ لاگت میں اضافے کی وجہ سے اوسط CPI انڈیکس 9.5 فیصد تک بڑھ گیا۔ دوسری طرف، یورپی/ڈی اے پی کی قیمتوں میں اضافے اور اہم زرعی مصنوعات کے لیے حکومت کی جانب سے اعلان کردہ زیادہ امدادی قیمتوں کی وجہ سے اشیائے خورد و نوش کی مہنگائی تیز رفتاری سے بڑھی۔ نتیجتاً، مرکزی بینک نے سال کے دوران اپنے MPC اجلاس میں مجموعی طور پر شرح سود میں 275bps کا اضافہ کر دیا۔ پالیسی شرح کے مطابق، گورنمنٹ سیکورٹیز کی پیداوار میں اوسطاً 275bps کا اضافہ ہوا جس کے ساتھ 1 سال کے بل پر 400bps~ کا اضافہ ہوا جو دسمبر 20 میں 7.28 فیصد سے دسمبر 21 میں 11.38 فیصد ہو گیا۔



CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

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



TRUSTEE REPORT TO THE UNIT HOLDERS

ASKARI HIGH YIELD SCHEME

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

We Central Depository Company of Pakistan Limited, being the Trustee of Askari High Yield Scheme (the Fund) are of the opinion that Pak Oman Asset Management Company Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 25, 2022





INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS OF ASKARI HIGH YIELD SCHEME FUND

REVIEW ON REPORT OF FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of asset and liabilities of Askari High Yield Scheme Fund (the Fund) as at December 31, 2021 and the related condensed interim Income Statement and the condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim statement of cash flows together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information"), for the six month period ended December 31, 2021. Pak Oman 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 of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of Condensed Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

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

 Chartered Accountants
Karachi
Date:

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Avais Hyder Liaquat Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT DECEMBER 31, 2021

		31 December 2021 Un-audited	30 June 2021 Audited
Note		Rupees-----	
Assets			
	Balances with bank	4 1,306,316,494	935,153,079
	Investments	5 347,761,738	1,363,585,980
	Accrued profit ,advances, prepayment and other receivables	28,795,735	62,455,557
	Security deposits	58,631,998	2,950,000
	Investment property	42,881,500	42,881,500
	Total assets	1,784,387,465	2,407,026,116
Liabilities			
	Payable to Asset Management Company	6 44,844,959	48,012,210
	Payable to Trustee	370,254	288,866
	Payable to the Securities & Exchange Commission of Pakistan	187,486	398,600
	Payable against Redemption of Units	458,023	-
	Dividend payable	69,227	25,591,860
	Accrued expenses and other liabilities	7 12,427,904	199,280,705
	Total liabilities	58,357,853	273,572,241
NET ASSETS		1,726,029,612	2,133,453,875
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,726,029,612	2,133,453,875
CONTINGENCIES AND COMMITMENTS		8	
NUMBER OF UNITS IN ISSUE		16,039,463	20,688,465
NET ASSET VALUE PER UNIT		107.6114	103.1229

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



ASKARI HIGH YIELD SCHEME

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

		For the Half Year Ended		For the Quarter Ended	
		31 December		31 December	
		2021	2020	2021	2020
Note		Rupees			
Income					
Profit on saving and term deposits		45,701,309	21,407,077	25,811,157	14,371,179
Income from government securities		38,884,956	54,189,131	33,264,484	32,246,928
Other income		19,027,875	7,751,500	(16,645,136)	5,800,000
Net gain / (loss) on sale of investments		5,636,717	(12,325,147)	4,338,621	(3,320,919)
Net unrealised (diminution) / appreciation on remeasurement of investments 'at fair value through profit or loss'		(6,889,944)	20,266,352	(6,405,252)	9,229,488
		102,360,913	91,288,913	40,363,874	58,326,676
Expenses					
Remuneration of Asset Management Company	6.1	14,063,192	12,795,390	6,919,857	7,998,227
Sindh Sales Tax on Remuneration of the Management Company	6.2	1,828,215	1,663,401	899,583	1,039,770
Reimbursement of operational expenses to the Management Company	6.4	937,544	853,179	461,320	533,368
Advertisement & Selling Expense	6.5	3,750,182	3,411,951	1,845,289	5,132,707
Remuneration of Central Depository Company of Pakistan Limited - Trustee		794,574	702,275	390,972	431,314
Annual fees to the Securities & Exchange Commission of Pakistan		187,511	170,605	92,265	106,643
Bank and settlement charges		195,997	14,570	195,997	5,570
Fees & subscription		18,032	14,021	9,016	13,238
Security transaction cost		293,353	653,979	149,040	338,434
Auditors' remuneration		505,632	624,971	252,816	396,117
Printing charges		15,456	16,171	7,728	8,417
Legal and professional charges		-	26,782	-	5,452
Provision for Sindh Workers' Welfare Fund		-	1,406,832	-	845,009
		22,589,688	22,354,127	11,223,883	16,854,266
Net income for the period before taxation		79,771,225	68,934,786	29,139,991	41,472,410
Taxation	10	-	-	-	-
Net income for the period after taxation		79,771,225	68,934,786	29,139,991	41,472,410
Allocation of Net Income for the year:					
- Net income for the period after taxation		79,771,225	68,934,786	29,139,991	41,472,410
- Income already paid on units redeemed		(10,103,778)	(15,414,727)	(10,103,778)	(14,033,270)
		69,667,447	53,520,059	19,036,213	27,439,140
Accounting income available for distribution:					
-Relating to capital gains		-	7,941,205	-	5,908,569
-Excluding capital gains		69,667,447	45,578,854	19,036,213	21,530,571
		69,667,447	53,520,059	19,036,213	27,439,140

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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ASKARI HIGH YIELD SCHEME

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

	For the half year ended 31 December		For the quarter ended 31 December	
	2021	2020	2021	2020
Net income for the period after taxation				
	79,771,225	68,934,786	29,139,991	41,472,410
Other comprehensive income for the period				
	-	-	-	-
Total comprehensive income for the period	79,771,225	68,934,786	29,139,991	41,472,410

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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ASKARI HIGH YIELD SCHEME

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 December					
	2021			2020		
	Capital Value	Undistributed Income	Net Assets	Capital Value	Undistributed Income	Net Assets
	-----Rupees-----					
Net assets at the beginning of the period	1,977,206,671	156,247,203	2,133,453,875	1,022,159,567	145,382,116	1,167,541,683
Issue of 6,211,378 (2020: 27,378,775) units						
-Capital value (at net asset value per unit at the beginning of the period)	640,535,413	-	640,535,413	2,807,285,416	-	2,807,285,416
-Element of (loss) / income	13,309,287	-	13,309,287	73,611,074	-	73,611,074
	653,844,700	-	653,844,700	2,880,896,490	-	2,880,896,490
Redemption of 10,860,380 (2020: 10,128,661) units						
-Capital value (at net asset value per unit at the beginning of the period)	(1,119,953,932)	-	(1,119,953,932)	(1,038,543,251)	-	(1,038,543,251)
-Element of (loss) / income	(10,982,478)	(10,103,778)	(21,086,256)	(9,285,211)	(15,414,727)	(24,699,938)
	(1,130,936,410)	(10,103,778)	(1,141,040,188)	(1,047,828,462)	(15,414,727)	(1,063,243,189)
Total comprehensive income for the period	-	79,771,225	79,771,225	-	68,934,786	68,934,786
Net assets at the end of the period	1,500,114,961	225,914,650	1,726,029,612	2,855,227,595	198,902,175	3,054,129,770
Undistributed income brought forward comprising of:						
-Realized	136,068,289			161,022,035		
-Unrealised	20,178,914			(15,639,919)		
	156,247,203			145,382,116		
Accounting income available for distribution:						
-Relating to capital gains	-			7,941,205		
-Excluding capital gains	69,667,447			45,578,854		
	69,667,447			53,520,059		
Undistributed income carried forward - net	225,914,650			198,902,175		
Undistributed income carried forward comprising of:						
Undistributed income carried forward - net						
-Realized	232,804,594			178,635,823		
-Unrealized	(6,889,944)			20,266,352		
	225,914,650			198,902,175		
	-----Rupees-----					
Net asset value at the beginning of the period			103.1229			102.5351
Net asset value at the end of the period			107.6114			106.6482

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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ASKARI HIGH YIELD SCHEME

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Note	Half year Ended 31 December	
	2021	2020
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period after taxation	79,771,225	68,934,786
Adjustments for:		
Net (gain) / loss on sale of investments	(5,636,717)	12,325,147
Net unrealised diminution / (appreciation) on remeasurement of investments classified as 'financial assets at fair value through profit or loss'	6,889,944	(20,266,352)
Provision for Sindh Workers Welfare Fund	-	1,406,832
	1,253,227	(6,534,373)
Decrease / (Increase) in assets		
Investments - Net	1,014,571,015	(964,890,739)
Receivable against sale of units	33,659,822	(2,425,000)
Accrued profit, deposits, advances, prepayment and other receivables	(55,681,998)	14,874,448
Non-current assets classified as 'held-for-sale'	-	(1,951,500)
	992,548,839	(954,392,791)
(Decrease) in liabilities		
Payable to Asset Management Company	(3,167,251)	(4,115,024)
Payable to Trustee	81,388	99,511
Payable to the Securities & Exchange Commission of Pakistan	(211,114)	9,583
Payable against Redemption of Units	458,023	458,023
Dividend payable	(25,522,633)	(14,599,821)
Accrued expenses and other liabilities	(186,852,801)	851,207
	(215,214,388)	(17,296,521)
Net cash generated from / (used in) operating activities	858,358,903	(909,288,899)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	653,844,700	2,880,896,490
Payments against redemption of units	(1,141,040,188)	(1,063,243,189)
Net cash (used in) / generated from financing activities	(487,195,488)	1,817,653,301
Net increase in cash and cash equivalents	371,163,415	908,364,402
Cash and cash equivalents at the beginning of the period	935,153,079	423,793,700
Cash and cash equivalents at the end of the period	4 1,306,316,494	1,332,158,102

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

Askari High Yield (the Fund) was established under a Trust deed executed between Pak Oman Asset Management Company Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee on 05 December 2005. The Fund was registered as a Notified Entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) on 19 February 2009.

The Management Company is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at Icon House, 83-C, 12th Commercial Street, Phase-II Extension, DHA, Karachi, Pakistan.

The Fund is an open-ended collective investment Scheme categorised as an "Aggressive Fixed Income Scheme" by the Management Company and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

The objective of the Fund is to provide the investors an opportunity to make competitive returns from fixed income securities while targeting a portfolio duration of six months.

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3++" to the Management Company as at 06 August 2021. Furthermore, JCR-VIS has assigned a rating of "A(f)" to the Fund as at 17 August 2021.

Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as a trustee of the Fund.

2 STATEMENT OF COMPLIANCE

These condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, 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 directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

This condensed interim financial information does not include all the information and disclosures required in the annual financial information and should be read in conjunction with the annual published financial information of the Fund for the year ended 30 June 2021.

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 information give a true and fair view of the state of the Fund's affairs as at 31 December 2021.

2.1 These financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan. Such Standards comprises of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);



- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984;

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

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

2.3 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 this financial information gives a true and fair view of the state of the Fund's affairs as at 30 June 2021.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial information as at and for the year ended 30 June 2021.

		31 December 2020 Un-audited	30 June 2021 Un-audited
	Note	-----Rupees-----	-----Rupees-----
4 BALANCES WITH BANKS			
In savings accounts	4.1	1,306,316,494	935,153,079
4.1	The rate of return on these accounts ranges between 5.50% - 12.25% (30 June 2021: 6.50% and 9.00%) per annum.		
		31 December 2021 Un-audited	30 June 2021 Audited
		-----Rupees-----	-----Rupees-----
5 INVESTMENTS			
At fair value through profit or loss - held for trading	Note		
Government securities			
- Market treasury bills	5.1.1	-	99,451,100
- Pakistan investment bonds	5.1.2	-	467,584,500
- GoP Ijarah	5.1.3	-	-
		-	567,035,600
Debt securities			
- Term finance certificates - unlisted	5.2.1	128,911,713	125,000,000
- Term finance certificates - listed	5.2.2	195,415,897	278,167,647
- Sukuk certificates - listed	5.2.3	10,250,000	10,240,000
- Sukuk certificates - unlisted	5.2.4	13,184,128	20,416,666
		347,761,738	433,824,313
Debt securities			
- Equity Securities-RBFS		-	362,726,067
		347,761,738	1,363,585,980



ASKARI HIGH YIELD SCHEME

5.1 Investment in government securities - 'at fair value through profit or loss'

5.1.1 Market Treasury Bills

Issue date	Tenor	Face value					Balance as at 31 December 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at 01 July 2021	Purchased during the year	Sold / matured during the year	As at 31 December 2021	Provision Held	Carrying value	Market value	Appreciation / Diminution		
-----Rupees-----											
6-May-21	06 Month	100,000,000	-	100,000,000	-	-	-	-	-	-	
2-Jul-21	03 Month	-	100,000,000	100,000,000	-	-	-	-	-	-	
26-Aug-21	06 Month	-	500,000,000	500,000,000	-	-	-	-	-	-	
9-Sep-21	06 Month	-	100,000,000	100,000,000	-	-	-	-	-	-	
4-Nov-21	03 Month	-	70,000,000	70,000,000	-	-	-	-	-	-	
4-Nov-21	03 Month	-	357,500,000	357,500,000	-	-	-	-	-	-	
4-Nov-21	03 Month	-	72,500,000	72,500,000	-	-	-	-	-	-	
21-Oct-21	03 Month	-	500,000,000	500,000,000	-	-	-	-	-	-	
15-Jul-21	03 Month	-	150,000,000	150,000,000	-	-	-	-	-	-	
2-Dec-21	03 Month	-	100,000,000	100,000,000	-	-	-	-	-	-	
2-Dec-21	03 Month	-	400,000,000	400,000,000	-	-	-	-	-	-	
16-Dec-21	06 Month	-	400,000,000	400,000,000	-	-	-	-	-	-	
31 December 2021		100,000,000	2,750,000,000	2,850,000,000	-	-	-	-	-	-	
30 June 2021							99,451,743	99,451,100	(643)		

5.1.2 Pakistan Investment Bonds

Issue date	Tenor	Face value					Balance as at 31 December 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at 01 July 2021	Purchased during the year	Sold / matured during the year	As at 31 December 2021	Provision Held	Carrying value	Market value	Appreciation / Diminution		
-----Rupees-----											
15-Oct-20	05 Years	500,000,000	-	500,000,000	-	-	-	-	-	-	
5-Aug-21	03 Years		250,000,000	250,000,000	-	-	-	-	-	-	
22-Oct-20	03 Years		200,000,000	200,000,000	-	-	-	-	-	-	
6-May-21	05 Years		300,000,000	300,000,000	-	-	-	-	-	-	
6-May-21	05 Years		200,000,000	200,000,000	-	-	-	-	-	-	
5-Aug-21	03 Years	-	200,000,000	200,000,000	-	-	-	-	-	-	
31 December 2021		500,000,000	1,150,000,000	1,650,000,000	-	-	-	-	-	-	
30 June 2021							471,197,815	467,584,500	(3,613,315)		

5.1.3 GOP Ijarah Sukuks

Issue date	Tenor	Face value					Balance as at 31 December 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at 01 July 2021	Purchased during the year	Sold / matured during the year	As at 31 December 2021	Provision Held	Carrying value	Market value	Appreciation / Diminution		
-----Rupees-----											
29-Jul-20	05 Years	-	100,000,000	100,000,000	-	-	-	-	-	-	
	31 December 2021	-	100,000,000	100,000,000	-	-	-	-	-	-	
	30 June 2021						-	-	-		

5.2 Debt Securities

5.2.1 Term Finance Certificates - unlisted

Name of Investee Company	Number of certificates				Balance as at 31 December 2021				Market value as a percentage of net assets	Market value as percentage of total investments	Investment as a percentage of total issue size	
	As at July 01, 2021	Purchased during the period	Sold / matured during the period	As at 31 December 2021	Carrying value	Provision Held	Market value	Appreciation / (Diminution)				
Rupees											%age	
(Certificates having a face value of Rs. 5,000 each unless stated)												
Samba Bank Limited (01-Mar-2021)	1,250	-	-	1,250	124,975,000	-	128,911,713	3,936,713	7.47%	37.07%		
31 December 2021					124,975,000	-	128,911,713	3,936,713	7.47%	37.07%		
June 30, 2021					125,000,000	-	125,000,000	-				



ASKARI HIGH YIELD SCHEME

5.2.2 Term Finance Certificates - listed

Name of investee Company	Number of certificates			Balance as at 31 December 2021				Market value as a percentage of net assets	Market value as percentage of total investments	Investment as a percentage of total issue size
	As at July 01, 2021	Purchased during the period	Sold / matured during the period	As at 31 December 2021	Carrying value	Provision Held	Market value			
Rupees					%age					
(Certificates having a face value of Rs. 5,000 each unless stated)										
JS Bank Limited (29-Dec-2017)	2,000	-	740	1,260	137,384,754	-	127,245,082	(10,139,672)	7.37%	-
JS Bank Limited (14-Dec-2016)	4,000	-	4,000	-	-	-	-	-	-	-
Jahangir Siddiqui & Company Limited (1	30,000	-	-	30,000	68,926,928	-	68,170,815	(756,113)	3.95%	-
31 December 2021	36,000	-	4,740	31,260	206,311,682	-	195,415,897	(10,895,785)	11.32%	56.19%
June 30, 2021					254,581,697	-	278,167,647	23,582,052		

5.2.3 Sukuk Certificates - listed

Name of Investee Company	Number of certificates				Balance as at 31 December 2021				Market value as a percentage of net assets	Market value as percentage of total investments	Investment as a percentage of total issue size
	As at July 01, 2021	Purchased during the period	Sold / matured during the period	As at 31 December 2021	Carrying value	Provision Held	Market value	Appreciation / (Diminution)			
Rupees											
%age											
(Certificates having a face value of Rs. 100,000 each unless stated)											
The Hub Power Company Ltd. - (19-03-2	100	-	-	100	10,240,000	-	10,250,000	10,000	0.59%	2.95%	-
31 December 2021	100	-	-	100	10,240,000	-	10,250,000	10,000	0.59%	2.95%	
June 30, 2021					10,000,000	-	10,240,000	240,000			

5.2.4 Sukuk Certificates - unlisted

Name of Investee Company	Number of certificates				Balance as at 31 December 2021				Market value as a percentage of net assets	Market value as percentage of total investments	Investment as a percentage of total issue size
	As at July 01, 2021	Purchased during the period	Sold / matured during the period	As at 31 December 2021	Carrying value	Provision Held	Market value	Appreciation / (Diminution)			
					Rupees				%age		
(Certificates having a face value of Rs. 5,000 each)											
TPL Corporation Limited (13-Apr-16)	35	-	-	35	13,125,000	-	13,184,128	59,128	0.76%	3.79%	-
31 December 2021	35	-	-	35	13,125,000	-	13,184,128	59,128	0.76%	3.79%	
June 30, 2021					20,416,666	-	20,416,666	-			

5.3

The following ssecurities have been classified as non-performing in accordance with the criteria specified by the SECP, and the Funds's provisioning policy for non-performing exposures. Accordingly, the carrying values stated below have been arrived at after taking into account provisions as under:

December 31, 2021			June 30, 2021		
Carrying	Provision held	Net carrying	Carrying value	Provision held	Net carrying
(Rupees)					

Term Finance Certificates - listed

Trust Investment Bank Limited (04-Jul-08)	14,056,875	14,056,875	-	14,056,875	14,056,875
Worldcall Telecom Limited (07-Oct-08)	5,779,119	5,779,119	-	5,779,119	5,779,119

Term Finance Certificates - unlisted

Agri-tech Limited (29-Nov-07)	59,952,000	59,952,000	-	59,952,000	59,952,000
Agri-tech Limited (01-Jul-11)	11,875,000	11,875,000	-	11,875,000	11,875,000
Azgard Nine Limited (04-Dec-07) - (note: 6.3)	13,007,615	13,007,615	-	13,007,615	13,007,615
Dewan Cement Limited	125,000,000	125,000,000	-	125,000,000	125,000,000
Summit Bank Limited (27-Oct-11)	24,926,245	24,926,245	-	24,926,245	24,926,245
New Allied Electronics Industries (Private) Limited (15-May-07)	10,221,616	10,221,616	-	10,221,616	10,221,616

Sukuk Certificates - unlisted

Security Leasing Corporation Limited (19-Sep-07)	8,710,139	8,710,139	-	8,710,139	8,710,139
	273,528,609	273,528,609	-	273,528,609	273,528,609



ASKARI HIGH YIELD SCHEME

		31 December 2021 Un-audited	30 June 2021 Audited
	Note	-----Rupees-----	
6	PAYABLE TO PAK OMAN ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)		
Remuneration of the Management Company	6.1	2,373,653	5,476,185
Sindh sales tax payable on remuneration of the Management Company	6.2	6,475,479	6,878,808
Federal Excise Duty payable on remuneration of the Management Company	6.3	33,368,337	33,368,337
Reimbursement of operational expenses to the Management Company	6.4	156,467	363,303
Selling and Marketing expenses	6.5	1,987,328	1,441,882
Sales load payable		483,695	483,695
		44,844,959	48,012,210

- 6.1** The Management Company has charged its remuneration at the rate of 1.5% (30 June 2021: 1.5%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.
- 6.2** The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2021: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.
- 6.3** The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 7.2 above, the Management Company is of the view that further levy of FED was not justified.

On 4 September 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

During the year ended 30 June 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.

With effect from 01 July 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.

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 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 33.37 million (30 June 2021: Rs. 33.37 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 31 December 2019 would have been higher by Rs. 2.08 (30 June 2021: Rs. 1.61) per unit.



ASKARI HIGH YIELD SCHEME

- 6.4** This represents reimbursement of certain expenses to the Management Company. As per regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.
- 6.5** SECP vide Circular No. 40 of 2016 dated 30 December 2016 prescribed certain conditions on Asset Management Companies (AMCs) for charging of selling and marketing expenses to certain collective investment schemes managed by them. Pursuant to the circular, the AMCs are allowed to charge selling and marketing expenses for an initial period of three years (01 January 2017 till 31 December 2019) at a maximum cap of 0.4% per annum of net assets of the Fund or actual expenses, whichever is lower. Accordingly, the Management Company has charged 0.4% of daily net assets of the Fund, being the lower amount.

		31 December 2021 Un-audited	30 June 2021 Audited
	Note	-----Rupees-----	
7	ACCRUED EXPENSES AND OTHER LIABILITIES		
Withholding and Capital Gain Tax		1,668,029	7,952,217
Auditors Remuneration Payable		754,120	330,032
Printing Charges Payable		218,529	203,074
Listing Fee Payable		18,032	-
Other payables		8,543,449	31,606,942
Payable against purchase of investments		-	138,511,491
Settlement charges		1,225,745	1,634,105
Dividend Payable		-	-
Provision for Sindh Workers Welfare Fund	7.1	-	19,042,844
		12,427,904	199,280,705

- 7.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Fund Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / pension funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / pension funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the CISs / pension 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



ASKARI HIGH YIELD SCHEME

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 August 12, 2021, on August 12, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

8 CONTINGENCIES AND COMMITMENTS

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

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 December 2021 is 2.47% which includes 0.29% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.50% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

10 TAXATION

The income of the fund is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision in respect of taxation has been made in these financial statements.

	For the half year ended 31 December	
	2021	2020
	Un-audited -----Rupees-----	
11.1 Transactions for the period:		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration of the Management Company	14,063,192	12,795,390
Sindh Sales tax on Remuneration of Management Company	1,828,215	1,663,401
Reimbursement of operational expenses to the Management Company	937,544	853,179
Advertisement & Selling Expense	3,750,182	3,411,951
Askari Bank Limited		
Issue of Nil (2020: 2,866,904) units	-	300,000,000
Redemption of Nil (2020: Nil) units	-	-
Profit on Bank Deposits	138,862	94,243
Bank Charges	-	13,500
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	703,163	621,482
Sindh Sales Tax on Remuneration of the Trustee	91,411	80,793
Pak Oman Investment Company Limited		
Issue of Nil (2020: 3,254,359) units	-	345,000,000
Fauji Oil Terminal & Distribution Co. Ltd		
Issue of Nil (2020: 4,734,595) units	-	502,392,843

For The Half Year and Quarter Ended December 31, 2021

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ASKARI HIGH YIELD SCHEME

	For the half year ended 31 December	
	2021	2020
	Un-audited -----Rupees-----	
Nishat Mills Limited Employees Provident Fund Trust		
Issue of Nil (2020: 5,798,313) units	-	605,935,328
Redemption of Nil (2020: 3,722,678) units	-	(392,055,328)
Other Staff		
Redemption of Nil (2020: 10) units	-	(1,078)
	31 December	30 June
	2021	2021
	Un-audited	Audited
	-----Rupees-----	
11.2 Outstanding balances as at period / year end		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration of the Management Company	2,373,653	5,476,185
Sindh sales tax payable on remuneration of the Management Company	6,475,479	6,878,808
Federal Excise Duty payable on remuneration of the Management Company	33,368,337	33,368,337
Reimbursement of operational expenses to the Management Company	156,467	363,303
Selling and Marketing expenses	1,987,328	1,441,882
Sales load payable	483,695	483,695
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable	370,254	288,866
Security Deposits	100,000	100,000
Askari Bank Limited		
Outstanding 4,666,006.6431 (30 June 2021: 4,666,006.6431) units - at net asset value	502,115,507	481,172,136
Cash Dividend	-	29,300,170
Sindh Province Pension Fund		
Outstanding Nil (30 June 2021: 1,745,044) units - at net asset value	-	129,084,426
Reinvestment Nil (30 June 2021 : 172,932) units	-	8,766,956
The Bank Of Punjab Employees Gratuity Fund		
Outstanding Nil (30 June 2021: 1,745,044) units - at net asset value	-	124,694,801
Reinvestment Nil (30 June 2021 : 70,205) units	-	7,236,064
Nishat Mills Limited Employees Provident Fund Trust		
Outstanding Nil (30 June 2021: 3,952,137) units - at net asset value	-	407,555,835
Reinvestment Nil (30 June 2021 : 136,850) units	-	14,105,227
Key Personnel of Management Company		
Outstanding Nil (30 June 2021: 17,576) units - at net asset value	-	1,812,510
Reinvestment Nil (30 June 2021 : 535) units	-	55,171
*This represents unit holders holding 10% or more of the units in the Fund at the close of the period		

For The Half Year and Quarter Ended December 31, 2021

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**12 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES**

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

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

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

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

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

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

As at Dec 31, 2021						
At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3
(Rupees)						
On-balance sheet Financial Instruments						
Financial assets measured at fair value						
Investments	347,761,738	-	347,761,738	205,665,897	142,095,841	-
Financial assets not measured at fair value						
Bank Balances	-	1,306,316,494	1,306,316,494	-	-	-
Profit Receivables	-	28,795,735	28,795,735	-	-	-
Deposits, Prepayments and other receivables	-	58,631,998	58,631,998	-	-	-
	347,761,738	1,393,744,227	1,741,505,965			
Financial liabilities not measured at fair value						
Payable to Management Company	-	44,844,959	44,844,959	-	-	-
Payable to Trustee	-	370,254	370,254	-	-	-
Accrued expenses and other liabilities	-	13,142,640	13,142,640	-	-	-
	-	58,357,853	58,357,853			



As at June 30, 2021						
At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3
(Rupees)						
On-balance sheet Financial Instruments						
Financial assets measured at fair value						
Investments	1,363,585,980	-	1,363,585,980	288,407,647	145,416,666	-
Financial assets not measured at fair value						
Bank Balances	-	935,153,079	935,153,079	-	-	-
Profit Receivables	-	62,455,557	62,455,557	-	-	-
Deposits, Prepayments and other receivables	-	2,950,000	2,950,000	-	-	-
	1,363,585,980	1,000,558,636	2,364,144,616			
Financial liabilities not measured at fair value						
Payable to Management Company	-	48,012,210	48,012,210	-	-	-
Payable to Trustee	-	288,866	288,866	-	-	-
Accrued expenses and other liabilities	-	225,271,165	225,271,165	-	-	-
	-	273,572,241	273,572,241			

There were no transfers between above levels during the year.

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

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

13 GENERAL

Figures have been rounded off to the nearest Rupee.

14 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorised for issue by the Board of Directors of the Management Company on February 26, 2022.

**For Pak Oman Asset Management Company Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director



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Our Mission

"To provide higher risk adjusted returns to investors at large by investing into a diversified range of investment assets on consistent basis."

Our Vision

"ASKARI SOVEREIGN YIELD ENHANCER FUND aims to provide diversified portfolio and return that is risk adjusted to suit investors at large, on a consistent basis."



FUND INFORMATION

Management Company

Pak Oman Asset Management Company Limited.
ICON House 83-C, 12th Commercial Street,
Phase-II Extension, DHA, Karachi.
Phone : +92 - 21 - 35899641-44
Fax : +92 - 21 - 35899645
Website : www.pakomanfunds.com

Board of Director of The Management Company

H.E Yahya Bin Said Bin Abdullah Al- Jabri Chairman
Mr. Bahauddin Khan
Mr. Jehangir Shah
Mr. Rashid Ali Ibrahim Al Balushi
Ms. Sadaf Kazmi

Audit Committee

Mr. Rashid Ali Ibrahim Al Balushi
Mr. Jehangir Shah
Mr. Bahauddin Khan

Chief Financial Officer

Mr. Salman Shafiq Hashmi

Company Secretary

Ms. Haajra Jafri

Asset Manager Rating

AM3 ++ (Positive)

Trustee**Central Depository Company of Pakistan Limited**

CDC House, 99-B, Block B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi.

Auditors**RSM Avasi Hyder Liaquat Nauman
Chartered Accountants**

407, Progressive Plaza, Beamont Road,
Karachi-75530

Bankers to The Fund

Askari Bank Limited
Bank Alfalah Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
Khushhali Bank Limited
Summit Bank Limited
NRSP Microfinance Bank Limited
The First MicroFinanceBank Limited
Zarai Taraqiati Bank Limited
Dubai Islamic Bank Pakistan Limited

Legal Advisor**Mohsin Tayyab Ali****Corporate & Commercial Law Firm**

D-21, Block - 4,
KDA Scheme 5, Clifton, Karachi.



DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors (BOD) of Pak Oman Asset Management Company Limited, the Management Company of the Askari Sovereign Yield Enhancer (ASYE) is pleased to present the Condensed Interim Financial Statements (un-audited) for the half year ended December 31, 2021.

Development and performance review

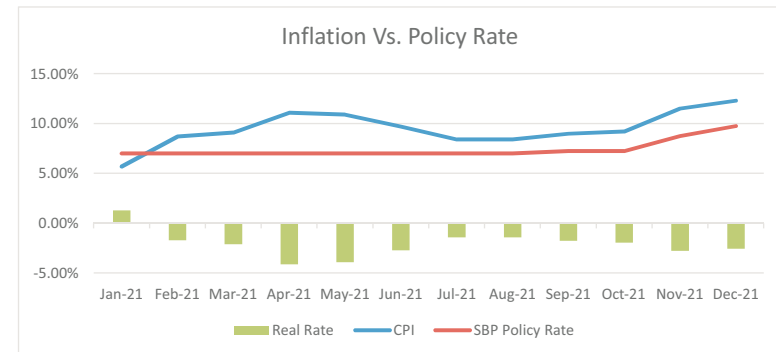
During 2HCY21, ASYE delivered annualized return of 8.35% against the benchmark return of 8.56%. The total assets of the fund dipped 14% during 2HCY21 to PKR 184.14 million. By the end of period, investment in PIBs settled at 48.30%, while exposure in Ijara and T-Bills settled at 24.68% and 12.13% respectively.

Earning per unit (EPU)

EPU has not been disclosed as we feel that the determination of weighted average units for calculating EPU is not practicable for open-end funds.

Economic Review

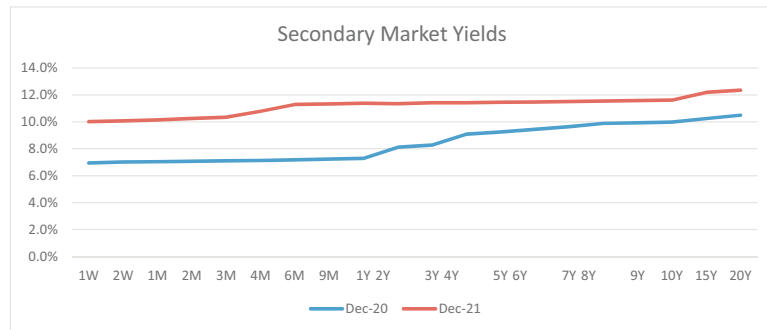
Economy has shown great turnaround in CY21 due to government's proactive approach in coping with pandemic and faster than expected pace of recovery in economy activity. GDP of the country grew at 5.37% during FY21, after government revised its base. National CPI index during the year averaged at 9.5%, which remained slight above central bank's near-term target inflation of 7%-9%. First half of the CY21 witnessed positive triggers on economic front as current account balance remained meagerly in deficit, however, it surged to overall CAD of USD 12.25bn in remaining quarters of CY21. Commodities prices upswing in international and domestic markets surged the price pressure during the year, which lead to SBP action of hiking key rates by 275 bps.

**Fixed income market review**

During the year, average CPI index surged to 9.5% owing to increase in energy prices and input cost. On the other hand, food inflation surged at higher pace owing higher urea/DAP prices and higher support prices announced by government for key agricultural products. Consequently, central bank cumulatively increased interest rate by 275 bps in its MPC meeting during the year. In line with the policy rate, yields on government



securities surged on average 275 bps with yield on 1-year bill jumping ~400 bps from 7.28% in Dec'20 to 11.38% in Dec'21.



Equity market review

Reclassification of Pakistan from MSCI EM to FM with growing pressure on CAD and rising interest rates amid uncertain geopolitics after the US withdrawal from Afghanistan has kept the KSE-100 index under pressure. Benchmark recorded meagre gain of 1.6% in CY21, while in US\$ term the index returned -8.2%. During the year, benchmark index recorded its highest level at 48,976.09 points on June 14, 2021, which was right after the PTI's government's key FY22 Budget speech on June 11, 2021. Market remained strong during the first half, however, rise in raw material and commodities prices and SBP's first hike of the year in Sept'21 tumbled the markets more 4,300 points from year high.



Future outlook

Going forward, we believe equity market to perform on multiple triggers. Disbursement of USD 1bn under EFF after Government's agreement with IMF on 6th review, coupled with government's effort to raise fund through multiple Sukuk auctions in international market will provide support to macro indicators. MSCI routine review to allocate country weightage to Pakistan in MSCI FM will open tap of foreign portfolio inflows. We also believe, FY23 budget will take a populist form and include business-friendly policies, given it could be PTI's last budget before the general elections in 2023.



Acknowledgement

We would like to thank you valued investors who have placed their confidence in us. The Board is also thankful to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the Pakistan Stock Exchange for their continued cooperation and support. The Board of Directors also appreciates the efforts put in by the management team for their commitment and hard Work.

For and on behalf of the Board

Chief Executive Officer

Director

Dated: February 28, 2022



اظہار تشکر

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، فنڈ کے ٹرسٹی اور پاکستان اسٹاک ایکسچینج کے مسلسل تعاون اور حمایت کا شکریہ ادا کرتے ہیں۔ بورڈ آف ڈائریکٹرز انتظامیہ کی ٹیم کے عزم اور محنت کے لیے کی جانے والی کوششوں کو بھی سراہتے ہیں۔

منجانب بورڈ

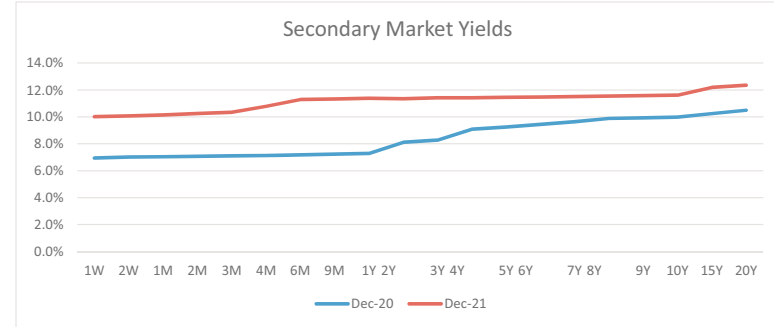
چیف ایگزیکٹو آفیسر

مورخہ: 28 فروری 2022ء

ڈائریکٹر



اضافے اور اہم زرعی مصنوعات کے لیے حکومت کی جانب سے اعلان کردہ زیادہ امدادی قیمتوں کی وجہ سے اشیائے خورد و نوش کی مہنگائی تیز رفتاری سے بڑھی۔ نتیجتاً، مرکزی بینک نے سال کے دوران اپنے MPC اجلاس میں مجموعی طور پر شرح سود میں 275bps کا اضافہ کر دیا۔ پالیسی شرح کے مطابق، گورنمنٹ سکیورٹیز کی پیداوار میں اوسطاً 275bps کا اضافہ ہوا جس کے ساتھ 1 سال کے بل پر 400bps~ کا اضافہ ہوا جو دسمبر 20 میں 7.28 فیصد سے دسمبر 21 میں 11.38 فیصد ہو گیا۔



ایکویٹی مارکیٹ کا جائزہ

افغانستان سے امریکی انخلاء کے بعد غیر یقینی جغرافیائی سیاست کے درمیان CAD پر بڑھتے ہوئے دباؤ اور بڑھتی ہوئی شرح سود کے ساتھ MSCI EM سے FM میں پاکستان کی دوبارہ درجہ بندی نے KSE-100 انڈیکس کو دباؤ میں رکھا ہوا ہے۔ بیٹج مارک نے CY21 میں 1.6% کا معمولی اضافہ ریکارڈ کیا، جبکہ امریکی ڈالر کے لحاظ سے انڈیکس 8.2% واپس آیا۔ سال کے دوران، بیٹج مارک انڈیکس نے 14 جون 2021 کو اپنی بلند ترین سطح 48,976.09 پوائنٹس ریکارڈ کی، جو 11 جون 2021 کو پی ٹی آئی کی حکومت کی مالی سال 22 کی کلیدی بجٹ تقریر کے ٹھیک بعد تھی۔ پہلی ششماہی کے دوران مارکیٹ مضبوط رہی، تاہم خام مال اور اشیاء کی قیمتوں میں اضافہ اور ستمبر 21 میں اسٹیٹ بینک کے سال کے پہلے اضافہ نے مارکیٹوں کو سال کی بلند ترین سطح سے 4,300 پوائنٹس مزید گرادیے۔



مستقبل کا نقطہ نظر

آگے بڑھتے ہوئے، ہمیں یقین ہے کہ ایکویٹی مارکیٹ متعدد محرکات پر کارکردگی کا مظاہرہ کرے گی۔ چھٹے جائزے پر IMF کے ساتھ حکومت کے معاہدے کے بعد EFF کے تحت 1 بلین امریکی ڈالر کی تقسیم، بین الاقوامی مارکیٹ میں متعدد سکوک نیلامیوں کے ذریعے فنڈ اکٹھا کرنے کی حکومت کی کوششوں کے ساتھ میکر وائڈیکٹرز کو مدد فراہم کرے گی۔ MSCI FM میں پاکستان کو کنٹری وینچر مختص کرنے کے لیے MSCI کا معمول کا جائزہ غیر ملکی پورٹ فولیو کی آمد کو کھول دے گا۔ ہمارا یہ بھی ماننا ہے کہ مالی سال 23 کا بجٹ ایک پاپلسٹ شکل اختیار کرے گا اور اس میں کاروبار وستانہ پالیسیاں شامل ہوں گی، بشرطیکہ یہ 2023 کے عام انتخابات سے قبل پی ٹی آئی کا آخری بجٹ ہو۔



یونٹ ہولڈرز کو ڈائریکٹران کی رپورٹ

پاک اومان ایسٹ منیجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز (BOD)، عسکری سوریٹین ہیملڈ انہینسر (ASYF) کی مینجمنٹ کمپنی کے 31 دسمبر 2021 کو ختم ہونے والی ششماہی کے لئے منجملہ عبوری مالیاتی گوشوارے پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

ترقی اور کارکردگی کا جائزہ

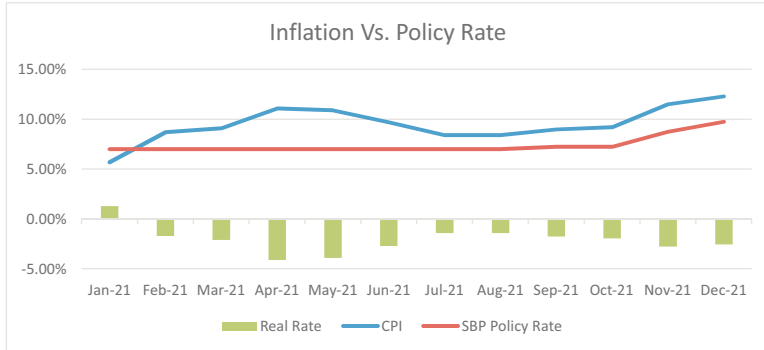
2HCY21 کے دوران، ASYE نے 8.56% کے پیچ مارک ریٹرن کے مقابلے میں 8.35% کا سالانہ ریٹرن فراہم کیا۔ فنڈ کے کل اثاثے 2HCY21 کے دوران 14% کم ہو کر 184.14 ملین روپے ہو گئے۔ مدت کے اختتام تک، PIBs میں سرمایہ کاری 48.30% طے کی گئی، اجراء اور ٹیلی کومنیٹیشنز 24.68% اور 12.13% طے کیا گیا۔

نی یونٹ آمدنی (EPU)

EPU کا انکشاف نہیں کیا گیا ہے کیونکہ ہمیں لگتا ہے کہ EPU کا حساب لگانے کے لیے اوسط اکائیوں کا تعین اوپن اینڈ فنڈز کے لیے قابل عمل نہیں ہے۔

اقتصادی جائزہ

وہابی بیماری سے نمٹنے کے لیے حکومت کے فعال انداز اور معیشت کی سرگرمیوں میں بحالی کی توقع سے زیادہ تیز رفتاری کی وجہ سے CY21 میں معیشت نے زبردست تبدیلی دکھائی دی ہے۔ حکومت کی اپنی بنیاد پر نظر ثانی کے بعد، مالی سال 21 کے دوران ملک کے جی ڈی پی میں 5.37 فیصد اضافہ ہوا۔ سال کے دوران قومی سی پی آئی انڈیکس اوسطاً 9.5% رہا، جو کہ مرکزی بینک کے 7%-9% کے قریب مدتی ہدف افراط زر سے معمولی زیادہ رہا۔ CY21 کی پہلی ششماہی میں معاشی حماز پر مثبت محرکات دیکھنے میں آئے کیونکہ کرنٹ اکاؤنٹ بیلنس معمولی طور پر خسارے میں رہا، تاہم، CY21 کی بقیہ سہ ماہیوں میں یہ مجموعی کرنٹ اکاؤنٹ خسارہ 12.25 ملین امریکی ڈالر تک پہنچ گیا۔ بین الاقوامی اور مقامی منڈیوں میں اشیاء کی قیمتوں میں اضافے نے سال کے دوران قیمتوں کے دباؤ کو بڑھایا، جس کی وجہ سے اسٹیٹ بینک نے بنیادی شرحوں میں 275bps اضافہ کر دیا۔



مستقل اکم مارکیٹ کا جائزہ

سال کے دوران، توانائی کی قیمتوں اور ان پٹ لاگت میں اضافے کی وجہ سے اوسط CPI انڈیکس 9.5 فیصد تک بڑھ گیا۔ دوسری طرف، یوریا/ڈی اے پی کی قیمتوں میں



CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

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



TRUSTEE REPORT TO THE UNIT HOLDERS

ASKARI SOVEREIGN YIELD ENHANCER

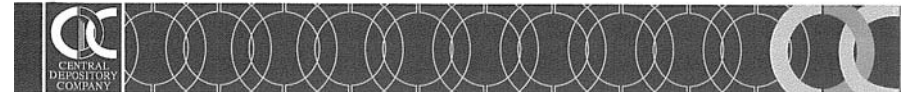
Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Askari Sovereign Yield Enhancer (the Fund) are of the opinion that Pak Oman Asset Management Company Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 24, 2022





RSM Awaiz Hyder Liaquat Nauman
Chartered Accountants
407, Progressive Plaza, Beaumont Road
Karachi, 75530 - Pakistan
T: +92 (21) 35655975-6
F: +92 (21) 3565-5977
W: www.rsm-pakistan.pk

INDEPENDENT AUDITOR'S REVIEW REPORT**TO THE UNIT HOLDERS OF ASKARI SOVEREIGN YIELD ENHANCER****REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS****Introduction**

We have reviewed the accompanying condensed Interim Statement of Asset and Liabilities of Askari Sovereign Yield Enhancer Fund (the Fund) as at December 31, 2021 and the related condensed Interim Income statement and the condensed Interim statement of comprehensive income, condensed Interim statement of movement in unit holders' fund and condensed Interim statement of cash flows together with the notes forming part thereof (here-in-after referred to as the "condensed Interim financial information"), for the six month period ended December 31, 2021. Pak Oman 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 of the condensed Interim statement of profit or loss and condensed Interim statement of comprehensive income for the three months period 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of Condensed Interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

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

 Chartered Accountants
Karachi
Date:

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Awaiz Hyder Liaquat Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT DECEMBER 31, 2021

		31 December 2021 Un-audited	30 June 2021 Audited	
Note		----- (Rupees in '000) -----		
Assets				
	Balances with bank	4	17,921	55,246
	Investments	5	172,757	168,065
	Mark up accrued		1,791	4,618
	Deposits, prepayments and other receivables		1,951	1,950
	Total assets		194,420	229,879
Liabilities				
	Payable to Management Company	6	8,129	8,139
	Payable to Trustee		12	16
	Payable to the Securities & Exchange Commission of Pakistan		25	47
	Dividend payable		487	3,578
	Accrued expenses and other liabilities	7	1,624	4,908
	Total liabilities		10,277	16,689
NET ASSETS			184,143	213,190
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)			184,143	213,190
CONTINGENCIES AND COMMITMENTS		8		
NUMBER OF UNITS IN ISSUE			1,717,223	2,071,815
NET ASSET VALUE PER UNIT			107.2334	102.9004

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



ASKARI SOVEREIGN YIELD ENHANCER

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

	For the half year ended 31 December		For the quarter ended 31 December	
	2021	2020	2021	2020
Note	(Rupees in '000)			
Income				
Profit on saving and term deposits	2,842	1,959	1,581	1,236
Income from government securities	7,306	7,808	3,406	3,611
Income from term finance certificates	-	-	-	-
Other income	3,225	-	-	-
Capital gain on sale of investments - net	(180)	(2,510)	543	(2,298)
Net unrealised (diminution) / appreciation on remeasurement of investments at fair value through profit or loss'	(357)	(3,634)	(899)	842
Total income	12,836	3,623	4,631	3,391

Expenses

Remuneration of the Management Company	6.1	1,653	1,642	792	641
Sindh Sales Tax on remuneration of the Management Company	6.2	215	213	103	83
Reimbursement of operational expenses to the Management Company	6.4	122	122	58	48
Remuneration of Central Depository Company Limited - Trustee		90	103	36	40
Annual fees to the Securities & Exchange Commission of Pakistan		24	24	11	10
Auditors' remuneration		288	377	144	129
Fees and Subscription		119	119	59	56
Securities transaction cost		227	190	123	(76)
Printing expenses		16	16	8	(14)
Bank Settlement and Other Charges		25	13	25	208
Legal and professional charges		19	57	19	-
Selling and Marketing		490	-	237	-
Provision for Sindh Workers' Welfare Fund	7.1	-	15	-	106
		3,288	2,891	1,615	1,231

Net income for the period before taxation **9,548** **731** **3,016** **2,160**

Taxation 10 - - - -

Net income for the period after taxation **9,548** **731** **3,016** **2,160**

Allocation of Net Income for the year:

- Net income for the period after taxation	9,548	731	3,016	2,160
- Income already paid on units redeemed	(2,106)	(59)	(59)	(59)
	7,442	672	2,957	2,101

Accounting income available for distribution:

-Relating to capital gains	-	-	-	-
-Excluding capital gains	7,442	672	2,957	2,101
	7,442	672	2,957	2,101

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

12



ASKARI SOVEREIGN YIELD ENHANCER

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

	For the half year ended 31 December		For the quarter ended 31 December	
	2021	2020	2021	2020
	(Rupees in ('000))			
Net income for the period after taxation	9,548	731	3,016	2,160
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	9,548	731	3,016	2,160

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

13



ASKARI SOVEREIGN YIELD ENHANCER

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Half Year Ended December 31					
	2021			2020		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
	(Rupees in '000)					
Net assets at the beginning of the period	203,909	9,281	213,192	233,524	8,706	242,230
Issue of 2,365,062 (2020: 98,410) units						
-Capital value (at net asset value per unit at the beginning of the period)	243,364	-	243,364	10,099	-	10,099
-Element of (loss) / income	6,637	-	6,637	(85)	-	(85)
	250,001	-	250,001	10,014	-	10,014
Redemption of 2,719,654 (2020: 250,097) units						
-Capital value (at net asset value per unit at the beginning of the period)	(279,853)	-	(279,853)	(25,665)	-	(25,665)
-Element of (loss) / income	(6,637)	(2,108)	(8,745)	85	(59)	26
	(286,490)	(2,108)	(288,598)	(25,580)	(59)	(25,639)
Total comprehensive income for the period	-	9,548	9,548	-	731	731
Net assets at the end of the period	167,420	16,721	184,143	217,958	9,378	227,336
Undistributed income brought forward comprising of:						
-Realized	9,845			8,927		
-Unrealised	(564)			(221)		
	9,281			8,706		
Accounting income available for distribution:						
-Relating to capital gains	-			-		
-Excluding capital gains	7,442			672		
	7,442			9,378		
Undistributed income carried forward - net	16,723			9,378		
Undistributed income carried forward comprising of:						
-Realized	(537)			(6,144)		
-Unrealised	17,260			15,522		
	16,723			9,378		
	-----Rupees-----					
Net asset value at the beginning of the period			102,9004			102,6206
Net asset value at the end of the period			107,2334			102,9252

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

14



ASKARI SOVEREIGN YIELD ENHANCER

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Half Year Ended December 31	
	2021	2020
	(Rupees in '000)	
Note		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period after taxation	9,548	731
Adjustments for:		
Capital gain on sale of investments - net	180	2,510
Net unrealised gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	357	3,634
Provision for Sindh Workers Welfare Fund	-	15
	537	6,159
(Increase) / decrease in assets		
Investments - Net	(5,229)	79,753
Mark up accrued	2,827	570
Deposits, prepayments and other receivables	(1)	(41)
	(2,403)	80,282
Increase / (decrease) in liabilities		
Payable to Management Company	(10)	(129)
Payable to Trustee	(4)	(2)
Payable to the Securities & Exchange Commission of Pakistan	(22)	(18)
Dividend payable	(3,091)	(15,248)
Accrued expenses and other liabilities	(3,285)	98,344
	(6,412)	82,947
Mark-up on bank balances and term deposits received	-	-
Mark-up on term finance certificates received	-	-
Mark-up on government securities received	-	-
Net cash generated from operating activities	1,270	170,119
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	250,001	10,014
Cash distribution	-	-
Payments against redemption of units	(288,596)	(25,639)
Net cash used in financing activities	(38,595)	(15,625)
Net (decrease) / increase in cash and cash equivalents	(37,325)	154,494
Cash and cash equivalents at the beginning of the period	55,246	10,383
Cash and cash equivalents at the end of the period	4 17,921	164,877

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

15



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

1 LEGAL STATUS AND NATURE OF BUSINESS

Askari Sovereign Yield Enhancer (the Fund) was established under a Trust deed executed between Askari Investment Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee on December 09, 2011. The Fund was registered as a Notified Entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in December 23, 2011.

Pak Oman Asset Management Company Limited (POAMCL) has acquired 100% shares of Askari Investment Management Limited (AIML) from Askari Bank Limited on May 31, 2017 under share purchase agreement dated April 10, 2017. PAOMCL has filed amalgamation scheme, under Section 282 (L) of the Companies Ordinance 1984, which has been approved by SECP via its order dated October 12, 2017. The effective date of merger of POAMCL and AIML is October 30, 2017 as per the above mentioned order."

The Management Company is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at Finance and Trade Centre, First Floor, Tower A, Karachi, Pakistan.

The Fund is an open-ended mutual fund classified as an "income scheme" by the Management Company and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

The objective of the Fund is to generate relatively higher yield than the conventional bank deposits, from a portfolio constituted of credit worthy sovereign instruments and banking sector fixed income instruments and deposits.

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3++" to the Management Company. Furthermore, JCR-VIS has assigned a rating of "AA-(f)" to the Fund.

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

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

"These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;



- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2021.

		31 December 2021 Un-audited	30 June 2021 Audited
	Note	------(Rupees in '000)-----	
4. BALANCE WITH BANKS			
-Saving accounts	4.1	<u>17,921</u>	<u>55,246</u>

- 4.1 These savings accounts carry mark-up at the rates ranging from 5.75% to 11.25% (30 June 2021: 6.50% to 8.00%) per annum.

		31 December 2021 Un-audited	30 June 2021 Audited
	Note	------(Rupees in '000)-----	
5. INVESTMENTS			
At fair value through profit or loss - held for trading			
Government Securities	5.1	24,627	123,832
Pakistan Investment Bonds	5.1.2	98,040	44,232
GOP Ijara	5.2	50,090	-
		<u>172,757</u>	<u>168,065</u>



ASKARI SOVEREIGN YIELD ENHANCER

5.1 Government securities

Issue Date	Tenor	Face value				Market value as at 31 December 2021	Market Value as a percentage of	
		As at 01 July 2021	Purchased during the period	Sold / matured during the period	As at 31 December 2021		Net assets	Market value of total investments
		(Rupees in '000)				Rupees in '000'	%age	
3-Jun-21	3 Months	100,000	-	100,000	-	-	-	-
16-Jul-20	12 Months	25,000	-	25,000	-	-	-	-
3-Jun-21	3 Months	-	55,000	55,000	-	-	-	-
26-Aug-21	6 Months	-	175,000	150,000	25,000	24,627	13.37%	14.26%
15-Jul-21	3 Months	-	200,000	200,000	-	-	-	-
9-Sep-21	6 Months	-	100,000	100,000	-	-	0.00%	0.00%
						24,627	13.37%	14.26%
Market Value as at 30-June 2021						123,832		

5.1.2 Pakistan Investment Bonds

Issue Date	Tenor	Face value				Market value as at 31 December 2021	Market Value as a percentage of	
		As at 01 July 2021	Purchased during the period	Sold / matured during the period	As at 31 December 2021		Net assets	Market value of total investments
		(Rupees in '000)				Rupees in '000'	%age	
10-Dec-2020	10 Years	50,000	-	50,000	-	-	0.00%	0.00%
22-Oct-2020	10 Years		200,000	200,000	-	-	0.00%	0.00%
06-May-2021	10 Years		100,000		100,000	98,040	53.24%	56.75%
						98,040	53.24%	56.75%
Market Value as at 30 June 2021						44,232		

5.2 GOP Ijara

Issue Date	Face value				Market value as at 31 December 2021	Market Value as a percentage of	
	As at 01 July 2021	Purchased during the period	Sold / matured during the period	As at 31 December 2021		Net assets	Market value of total investments
	(Rupees in '000)				Rupees in '000'	%age	
09-Dec-2020		100,000	50,000	50,000	50,090	27.20%	28.99%
					50,090	27.20%	53.24%
Market Value as at 30 June 2021					-		



ASKARI SOVEREIGN YIELD ENHANCER

		31 December 2021	30 June 2021
		Un-audited	Audited
6.	PAYABLE TO THE MANAGEMENT COMPANY	Note	------(Rupees in '000)-----
	Remuneration of the Management Company	6.1	262
	Sindh Sales Tax on remuneration of the Management Company	6.2	34
	Federal Excise Duty on remuneration of the Management Company	6.3	7,469
	Reimbursement of operational expenses to the Management Company	6.4	364
			8,129
			8,139

6.1 The Management Company has charged its remuneration at the rate of 1.35% (30 June 2021: 1.35%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2021: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

6.3 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 6.2 above, the Management Company is of the view that further levy of FED was not justified.

On 4 September 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

During the year ended 30 June 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.

With effect from 01 July 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.

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 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 7,469 million (30 June 2021: Rs. 7,469 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 31 December 2021 would have been higher by Rs. 4.35 (30 June 2021: Rs. 3.60) per unit.

6.4 This represents reimbursement of certain expenses to the Management Company. As per



regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.

7. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	31 December 2021 Un-audited	30 June 2021 Audited
		-----Rupees in ('000) -----	
Auditors' remuneration payable		346	505
Capital gain tax		1	1
Withholding tax payable		405	317
Provision for Sindh Workers' Welfare Fund	7.1	-	3,225
Legal and professional charges payable		19	66
Selling and Advertising payable		536	559
Others		317	235
		1,624	4,349

7.1 PROVISION FOR SINDH WORKERS' WELFARE FUND

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Fund Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / pension funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / pension funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the CISs / pension 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 August 12, 2021, on August 12, 2021 amounted to Rs. 3.225 million. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

8 CONTINGENCIES AND COMMITMENTS

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

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 December 2021 is 2.44% which includes 0.12% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

10 TAXATION

The income of the fund is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision in respect of taxation has been made in these financial statements.

11 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

11.1 Transactions for the period:	31 December	
	2021	2020
	Un-audited	
	----- (Rupees in '000) -----	
Pak Oman Asset Management Company Limited (Management Company)		
Reimbursement of the Management Company	1,653	1,642
Sindh Sales tax on Remuneration of Management Company	215	213
Reimbursement of operational expenses to the Management Company	122	122
Askari Bank Limited		
Profit on balances with banks	11	1
Bank Charges	-	-
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	80	91
Sindh Sales Tax on remuneration of the Trustee	10	12



	31 December 2021 Un-audited ----- (Rupees in '000) -----	30 June 2021 Audited
11.2 Investments / outstanding balances as at period / year end		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration payable to the Management Company	262	254
Reimbursement of operational expenses to the Management Company	364	383
Sindh Sales Tax on remuneration of the Management Company	34	33
Federal Excise Duty payable on Remuneration of the Management Company	7,469	7,469
Askari Bank Limited*		
Balances with banks	306	600
Outstanding 1,000,000 (30 June 2021: 1,000,000) units - at net asset value	107,233	102,900
Dividend payable	-	3,091
Hommie Jamshed Nusserwanjee Charitable Trust*		
Outstanding 277,706.7061 (30 June 2021: 277,706.7061) units - at net asset value	29,779	28,576
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	11	14
SST on Remuneration payable to the Trustee	1	2
Security deposit	100	100
Key Management Personnel of the Management Company		
Outstanding Ni (June 2021: 10) Units	-	3

* This represents unit holders holding 10% or more of the units in the Fund at the close of the period

12. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Fair value of investments classified as 'at fair value through profit or loss' which are tradable in an open market is based on the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from the carrying value as the items are short-term in nature.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Fair value measurements using inputs other than quoted prices included within level 1 that



are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and

- Fair value measurements using Inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

The table below provides information on financial assets or liabilities carried at fair values, by valuation methods.

As at Dec 31, 2021							
	At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3
On-balance sheet Financial Instruments	(Rupees in '000)						
Financial assets measured at fair value							
Investments	172,757	-	-	172,757	-	172,757	-
Financial assets not measured at fair value							
Bank Balances	-	-	17,921	17,921	-	-	-
Profit Receivables	-	-	1,791	1,791	-	-	-
Deposits, Prepayments and other receivables	-	-	1,951	1,951	-	-	-
	172,757	-	21,663	194,420			
Financial liabilities not measured at fair value							
Payable to Management Company	-	-	8,129	8,129	-	-	-
Payable to Trustee	-	-	12	12	-	-	-
Accrued expenses and other liabilities	-	-	2,136	2,136	-	-	-
	-	-	10,277	10,277			
As at June 30, 2021							
	At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3
On-balance sheet Financial Instruments	(Rupees in '000)						
Financial assets measured at fair value							
Investments	168,065	-	-	168,065	-	168,065	-
Financial assets not measured at fair value							
Bank Balances	-	-	55,246	55,246	-	-	-
Profit Receivables	-	-	4,618	4,618	-	-	-
Deposits, Prepayments and other receivables	-	-	1,950	1,950	-	-	-
	168,065	-	61,814	229,879			
Financial liabilities not measured at fair value							
Payable to Management Company	-	-	8,139	8,139	-	-	-
Payable to Trustee	-	-	16	16	-	-	-
Accrued expenses and other liabilities	-	-	8,533	8,533	-	-	-
	-	-	16,688	16,688			



There were no transfers between above levels during the year.

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

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

13 GENERAL

Figures have been rounded off to the nearest thousand rupees.

14 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 26, 2022.

**For Pak Oman Asset Management Company Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director



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Our Mission

"To provide higher risk adjusted returns to investors at large by investing into a diversified range of investment assets on consistent basis."

Our Vision

"PAK OMAN ADVANTAGE ASSET ALLOCATION FUND aims to provide diversified portfolio and return that is risk adjusted to suit investors at large, on a consistent basis."



FUND INFORMATION

Management Company

Pak Oman Asset Management Company Limited.
 ICON House 83-C, 12th Commercial Street,
 Phase-II Extension, DHA, Karachi.
 Phone : +92 - 21 - 35899641-44
 Fax : +92 - 21 - 35899645
 Website : www.pakomanfunds.com

Board of Director of The Management Company

H.E Yahya Bin Said Bin Abdullah Al- Jabri Chairman
 Mr. Bahauddin Khan
 Mr. Jehangir Shah
 Mr. Rashid Ali Ibrahim Al Balushi
 Ms. Sadaf Kazmi

Audit Committee

Mr. Rashid Ali Ibrahim Al Balushi
 Mr. Jehangir Shah
 Mr. Bahauddin Khan

Chief Financial Officer

Mr. Salman Shafiq Hashmi

Company Secretary

Ms. Haajra Jafri

Asset Manager Rating

AM3 ++ (Positive)

Trustee

Digital Custodian Company
(formerly MCB Financial Services Ltd)
 4th Floor, Perdesi House, 2/1, R-Y-16,
 Old Queens Road, Karachi.

Auditors

RSM Avas Hyder Liaquat Nauman
Chartered Accountants
 407, Progressive Plaza, Beamont Road,
 Karachi-75530

Bankers to The Fund

Bank Alfalah Limited
 BankIslami Pakistan Limited
 JS Bank Limited
 Khushhali Bank Limited
 NRSP Microfinance Bank Limited
 The First MicroFinanceBank Limited

Legal Advisor

Mohsin Tayyab Ali
Corporate & Commercial Law Firm
 D-21, Block - 4,
 KDA Scheme 5, Clifton, Karachi.



DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors (BOD) of Pak Oman Asset Management Company Limited, the Management Company of the Pak Oman Advantage Asset Allocation Fund (POAAAF) is pleased to present the Condensed Interim Financial Statements (un-audited) for the half year ended December 31, 2021.

Development and performance review

During 2HCY21, Pak Oman Advantage Asset Allocation Fund (POAAAF) delivered the return of -17.38% against the benchmark return of -3.13%. The total assets of the fund declined 17% during 2HCY21 to PKR 83.85 million. During 2QFY22, average exposure against equities was maintained at 55%. POAAF generated a return of -2.17% against the KSE 100 performance of -2.47%, generating an out performance of 30bps.

Summary of significant matter - Minimum fund size

As per regulation 54, sub-regulation 3(a) of the Non-Banking Finance Companies and Notified Entities Regulation, 2008 (the NBFC Regulation), the net assets of an Open End Scheme Shall be Rs.100 million at all times during the life of scheme and all existing Open End Schemes shall ensure compliance with this minimum scheme size by the first day of July, 2012.

Subject to above, if at any time the size any Open End Scheme falls below the minimum size as specified above, the Management Company shall ensure compliance within three months of the breach and if the fund size remains below the minimum fund size limit for consecutive ninety days, the Asset Management Company shall immediately intimate the grounds to the Commission upon which it believes that the Open End Scheme is still commercially viable and its objective can still be achieved.

The size of the Fund fell below the above-mentioned limit on various occasions during the period ended Dec 31, 2021. From August 25, 2021 to December 31, 2021; the size of the Fund for consecutive 129 days was below Rs.100 million. As at December 31, 2021; the size of the Fund remained below the limit of Rs. 100 million.

Subsequent to the period ended December 31, 2021; the size of the Fund had increased to Rs. 104 million on January 21, 2022 and met the prescribed limit of minimum fund size when the Parent Company of the Management Company transferred its investment from another fund to Pak Oman Advantage Asset Allocation Fund. On January 27, 2022; the size of the Fund again fell below Rs. 100 million.

Loss per unit (LPU)

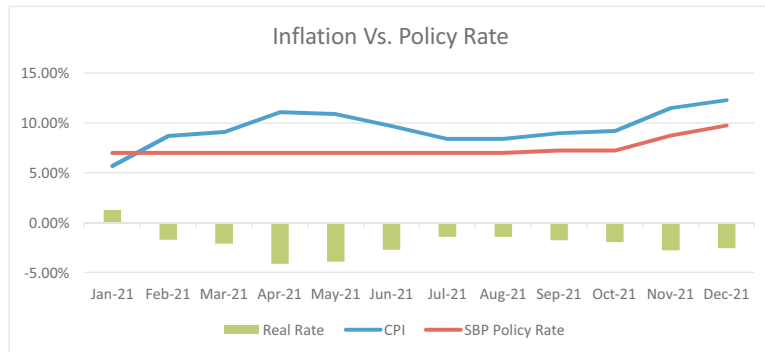
LPU has not been disclosed as we feel that the determination of weighted average units for calculating LPU is not practicable for open-end funds.

Economic Review

Economy has shown great turnaround in CY21 due to government's proactive approach in coping with pandemic and faster than expected pace of recovery in economy activity. GDP of the country grew at 5.37% during FY21, after government revised its base. National CPI index during the year averaged at 9.5%, which remained slight above central bank's near-term target inflation of 7%-9%. First half of the CY21 witnessed positive triggers on economic front as current account balance remained meagerly in deficit, however, it surged

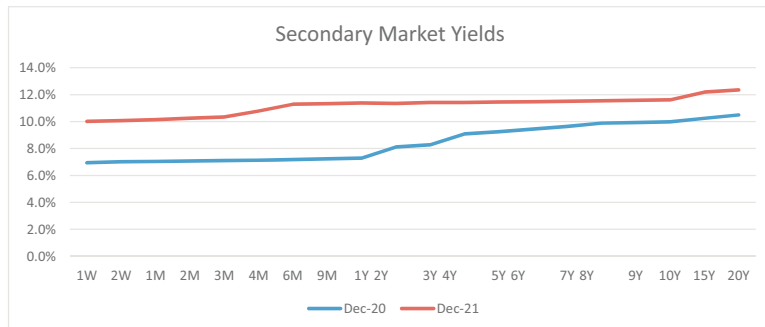


to overall CAD of USD 12.25bn in remaining quarters of CY21. Commodities prices upswing in international and domestic markets surged the price pressure during the year, which lead to SBP action of hiking key rates by 275 bps.



Fixed income market review

During the year, average CPI index surged to 9.5% owing to increase in energy prices and input cost. On the other hand, food inflation surged at higher pace owing higher urea/DAP prices and higher support prices announced by government for key agricultural products. Consequently, central bank cumulatively increased interest rate by 275 bps in its MPC meeting during the year. In line with the policy rate, yields on government securities surged on average 275 bps with yield on 1-year bill jumping ~400 bps from 7.28% in Dec'20 to 11.38% in Dec'21.



Equity market review

Reclassification of Pakistan from MSCI EM to FM with growing pressure on CAD and rising interest rates amid uncertain geopolitics after the US withdrawal from Afghanistan has kept the KSE-100 index under pressure. Benchmark recorded meagre gain of 1.6% in CY21, while in US\$ term the index returned -8.2%. During the year, benchmark index recorded its highest level at 48,976.09 points on June 14, 2021, which was right after the PTI's government's key FY22 Budget speech on June 11, 2021. Market remained strong during the first half, however, rise in raw material and commodities prices and SBP's first hike of the year in Sept'21 tumbled the markets more 4,300 points from year high.



Future outlook

Going forward, we believe equity market to perform on multiple triggers. Disbursement of USD 1bn under EFF after Government's agreement with IMF on 6th review, coupled with government's effort to raise fund through multiple Sukuk auctions in international market will provide support to macro indicators. MSCI routine review to allocate country weightage to Pakistan in MSCI FM will open tap of foreign portfolio inflows. We also believe, FY23 budget will take a populist form and include business-friendly policies, given it could be PTI's last budget before the general elections in 2023.

Acknowledgement

We would like to thank you valued investors who have placed their confidence in us. The Board is also thankful to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the Pakistan Stock Exchange for their continued cooperation and support. The Board of Directors also appreciates the efforts put in by the management team for their commitment and hard Work.

For and on behalf of the Board

Chief Executive Officer

Director

Dated: February 28, 2022



مستقبل کا نقطہ نظر

آگے بڑھتے ہوئے، ہمیں یقین ہے کہ ایکویٹی مارکیٹ متعدد محرکات پر کارکردگی کا مظاہرہ کرے گی۔ چھٹے جائزے پر IMF کے ساتھ حکومت کے معاہدے کے بعد EFF کے تحت 1 بلین امریکی ڈالر کی تقسیم، بین الاقوامی مارکیٹ میں متعدد سلوک نیلامیوں کے ذریعے فنڈ اکٹھا کرنے کی حکومت کی کوششوں کے ساتھ میکر و انڈیکیزز کو مدد فراہم کرے گی۔ MSCI FM میں پاکستان کو کنٹری وینچر مختص کرنے کے لیے MSCI کا معمول کا جائزہ غیر ملکی پورٹ فولیو کی آمد کو کھول دے گا۔ ہمارا یہ بھی ماننا ہے کہ مالی سال 23 کا بجٹ ایک پاپولسٹ شکل اختیار کرے گا اور اس میں کاروبار دوستانہ پالیسیاں شامل ہوں گی، بشرطیکہ یہ 2023 کے عام انتخابات سے قبل پی ٹی آئی کا آخری بجٹ ہو۔

اظہار تشکر

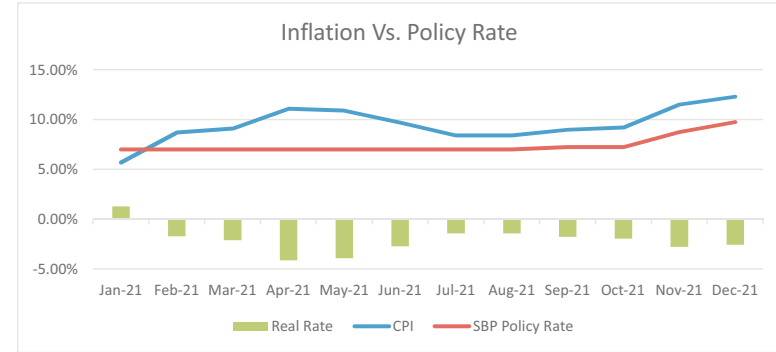
ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سکیورٹیز اینڈ انویسٹمنٹ کمپنیز آف پاکستان، فنڈ کے ٹرسٹی اور پاکستان اسٹاک ایکسچینج کے مسلسل تعاون اور حمایت کا شکریہ ادا کرتے ہیں۔ بورڈ آف ڈائریکٹرز انتظامیہ کی ٹیم کے عزم اور محنت کے لیے کی جانے والی کوششوں کو بھی سراہتے ہیں۔

مختار بورڈ

چیف ایگزیکٹو آفیسر

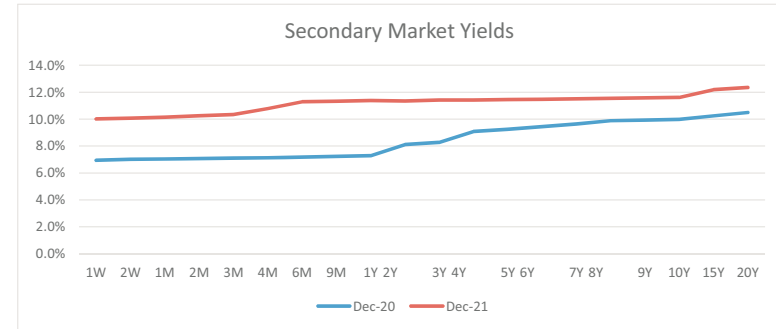
مورخہ: 28 فروری 2022ء

ڈائریکٹر



مستقبل اکم مارکیٹ کا جائزہ

سال کے دوران، توانائی کی قیمتوں اور ان پٹ لاگت میں اضافے کی وجہ سے اوسط CPI انڈیکس 9.5 فیصد تک بڑھ گیا۔ دوسری طرف، یوریا/ڈی اے پی کی قیمتوں میں اضافے اور اہم زرعی مصنوعات کے لیے حکومت کی جانب سے اعلان کردہ زیادہ امدادی قیمتوں کی وجہ سے اشیائے خورد و نوش کی مہنگائی تیز رفتاری سے بڑھی۔ نتیجتاً، مرکزی بینک نے سال کے دوران اپنے MPC اجلاس میں مجموعی طور پر شرح سود میں 275bps کا اضافہ کر دیا۔ پالیسی شرح کے مطابق، گورنمنٹ سکیورٹیز کی پیداوار میں اوسطاً 275bps کا اضافہ ہوا جس کے ساتھ 1 سال کے بل پر 400bps~ کا اضافہ ہوا جو دسمبر 20 میں 7.28 فیصد سے دسمبر 21 میں 11.38 فیصد ہو گیا۔



ایکویٹی مارکیٹ کا جائزہ

افغانستان سے امریکی انخلاء کے بعد غیر یقینی جغرافیائی سیاست کے درمیان CAD پر بڑھتے ہوئے دباؤ اور بڑھتی ہوئی شرح سود کے ساتھ MSCI EM سے FM میں پاکستان کی دوبارہ درجہ بندی نے KSE-100 انڈیکس کو دباؤ میں رکھا ہوا ہے۔ بیٹچ مارک نے CY21 میں 1.6% کا معمولی اضافہ ریکارڈ کیا، جبکہ امریکی ڈالر کے لحاظ سے انڈیکس 8.2% واپس آیا۔ سال کے دوران، بیٹچ مارک انڈیکس نے 14 جون 2021 کو اپنی بلند ترین سطح 48,976.09 پوائنٹس ریکارڈ کی، جو 11 جون 2021 کو پی ٹی آئی کی حکومت کی مالی سال 22 کی کلیدی بجٹ تقریر کے ٹھیک بعد تھی۔ پہلی ششماہی کے دوران مارکیٹ مضبوط رہی، تاہم خام مال اور اشیاء کی قیمتوں میں اضافہ اور ستمبر 21 میں اسٹیٹ بینک کے سال کے سہ ماہی اضافہ نے مارکیٹوں کو سال کی بلند ترین سطح سے 4,300 پوائنٹس مزید گرا دیا۔



یونٹ ہولڈرز کو ڈائریکٹران کی رپورٹ

پاک اومان ایسٹ منیجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز (BOD)، پاک اومان ایسٹ الیکشن فنڈ (POAAAF) کی منیجمنٹ کمپنی کے 31 دسمبر 2021ء کو ختم ہونے والی ششماہی کے لئے منجملہ عبوری مالیاتی گوشارے پیش کرتے ہوئے اظہارِ مسرت کرتے ہیں۔

ترقی اور کارکردگی کا جائزہ

2HCY21 کے دوران، پاک اومان ایسٹ الیکشن فنڈ (POAAAF) نے 3.13% کے شیئ مارک ریٹرن کے مقابلے میں 17.38% کا سالانہ ریٹرن فراہم کیا۔ فنڈ کے کل اثاثے 2HCY21 کے دوران 17% کم ہو کر 83.85 ملین روپے ہو گئے۔ 2QFY22 کے دوران، ایکویٹی کے عوض اوسط ایکسپوزر 55% پر برقرار رہا۔ POAAAF نے KSE 100 انڈیکس 2.47% کارکردگی کے مقابلے میں 2.17% منفعت پیدا کی، جو کہ 30bps کی بہتر کارکردگی کا مظاہرہ کرتی ہے۔

اہم معاملہ کا غلامہ- AAAF کی تیغ

نان بینکنگ فنانس لیمٹڈ اینڈ نوٹیفائیڈ اینڈ ریگولیٹڈ ریگولیشن، 2008 (این بی ایف سی ریگولیشن) کے ضابطہ 54، ذیلی ضابطہ (a) 3 کے مطابق، اوپن اینڈ اسکیم کے خالص اثاثے اسکیم کی تمام زندگی کے دوران ہر وقت 100 ملین روپے ہوں گے اور تمام موجودہ اوپن اینڈ اسکیمیں جولائی 2012 کے پہلے دن تک اسکیم کے اس کم از کم سائز کی تعمیل کو یقینی بنائیں گی۔

مندرجہ بالا کے حوالہ سے، اگر کسی بھی وقت کسی بھی اوپن اینڈ اسکیم کا سائز اوپر بیان کردہ کم از کم سائز سے نیچے آتا ہے، تو منیجمنٹ کمپنی خلاف ورزی کے تین ماہ کے اندر تعمیل کو یقینی بنائے گی اور اگر فنڈ کا سائز لگانے والے دنوں تک فنڈ کے سائز کی کم از کم حد سے نیچے رہتا ہے تو، اثاثہ منیجمنٹ کمپنی فوری طور پر کمیشن کو ان وجوہات سے آگاہ کرے گی جن پر اسے یقین ہے کہ اوپن اینڈ اسکیم ابھی بھی تجارتی طور پر قابل عمل ہے اور ابھی بھی اس کا مقصد حاصل کیا جاسکتا ہے۔

31 دسمبر 2021 کو ختم ہونے والی مدت کے دوران مختلف مواقع پر فنڈ کا حجم اوپر بیان کردہ حد سے نیچے آ گیا۔ 25 اگست 2021 سے 31 دسمبر 2021 تک؛ مسلسل 129 دنوں تک فنڈ کا حجم 100 ملین روپے سے کم تھا۔ جیسا کہ 31 دسمبر 2021 کو؛ فنڈ کا سائز 100 ملین روپے کی حد سے نیچے رہا۔

31 دسمبر 2021 کو ختم ہونے والی مدت کے بعد؛ فنڈ کا سائز 21 جنوری 2022 کو 104 ملین روپے تک بڑھ گیا اور فنڈ سائز کی کم از کم مقررہ حد کو پورا کیا جب منیجمنٹ کمپنی کی پیرنٹ کمپنی نے پاک اومان ایڈوائس ایسٹ الیکشن فنڈ کو دوسرے فنڈ سے اپنی سرمایہ کاری منتقل کی۔ 27 جنوری 2022 کو؛ فنڈ کا سائز دوبارہ 100 ملین روپے سے نیچے گر گیا۔

یونٹ نقصان (LPU)

LPU کا اکتشاف نہیں کیا گیا ہے کیونکہ ہمیں لگتا ہے کہ LPU کا حساب لگانے کے لیے اوسط اکائیوں کا تعین اوپن اینڈ فنڈ کے لیے قابل عمل نہیں ہے۔

اقتصادی جائزہ

وہابی بیماری سے نمٹنے کے لیے حکومت کے فعال انداز اور معیشت کی سرگرمیوں میں بحالی کی توقع سے زیادہ تیز رفتاری کی وجہ سے 2CY21 میں معیشت نے زبردست تبدیلی دکھائی دی ہے۔ حکومت کی اپنی بنیاد پر نظر ثانی کے بعد، مالی سال 21 کے دوران ملک کے جی ڈی پی میں 5.37 فیصد اضافہ ہوا۔ سال کے دوران قومی سی پی آئی انڈیکس اوسطاً 9.5% رہا، جو کہ مرکزی بینک کے 7% - 9% کے قریب مدتی ہدف افراط زر سے معمولی زیادہ رہا۔ 2CY21 کی پہلی ششماہی میں معاشی محاذ پر مثبت محرکات دیکھنے میں آئے کیونکہ کرنٹ اکاؤنٹ بیلنس معمولی طور پر خسارے میں رہا، تاہم، 2CY21 کی بقیہ سہ ماہیوں میں یہ مجموعی کرنٹ اکاؤنٹ خسارہ 12.25 ملین امریکی ڈالر تک پہنچ گیا۔ بین الاقوامی اور مقامی منڈیوں میں اشیاء کی قیمتوں میں اضافے نے سال کے دوران قیمتوں کے دباؤ کو بڑھایا، جس کی وجہ سے اسٹیٹ بینک نے بنیادی شرحوں میں 275bps اضافہ کر دیا۔



REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

PAK OMAN ADVANTAGE ASSET ALLOCATION FUND

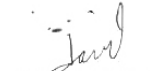
Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

Pak Oman Advantage Asset Allocation Fund, an open end scheme established under a Trust Deed dated May 27, 2008 executed between Pak Oman Asset Management Company Limited, as the Management Company and Central Depository Company of Pakistan Limited, as the Trustee.

Digital Custodian Company Limited formerly MCB financial Services Limited was appointed as a new trustee in place of CDC under third supplemental Trust Deed dated 15 May 2012. Accordingly the Trust Deed was approved by SECP on 17 January 2012 under the Rules. However, the assets of the Fund were transferred on June 13, 2012.

1. Pak Oman Asset Management Company Limited, the Management Company of Pak Oman Advantage Asset Allocation Fund has, in all material respects, managed Pak Oman Advantage Asset Allocation Fund during the period ended 31st December 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

The attention of the unit holders is drawn towards emphasis of matter mentioned independent auditor's review report in which net assets of the scheme at 31st December 2021 was 83.853 million below the prescribed limit of 100 million as per regulation 54 (3a) of NBFC regulation 2008.


Authorize signatory

Karachi: February 25, 2022

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



PAK OMAN ADVANTAGE ASSET ALLOCATION FUND



INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS OF PAK OMAN ADVANTAGE ASSET ALLOCATION FUND

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of asset and liabilities of Pak Oman Advantage Asset Allocation Fund (the Fund) as at December 31, 2021 and the related condensed interim income Statement and the condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim statement of cash flows together with the notes forming part thereof (hereinafter referred to as the "condensed interim financial information"), for the six month period ended December 31, 2021. Pak Oman 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 of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of Condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Emphasis of Matter

Without qualifying our conclusion, we draw attention to the fact that the fund Net Asset Value as at December 31, 2021 was 83.853 million which is below the prescribed benchmark of 100 million as per regulation no 54 (3a) of Non-Banking Finance Company's regulations 2008. These conditions, along with the other matters set forth in Note number 1.1 indicate the existence of a material uncertainty which may cast significant doubt about the Fund's ability to continue as a going concern.

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

 Chartered Accountants
Karachi
Date:

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Avais Hyder Liaquat Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



PAK OMAN ADVANTAGE ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT DECEMBER 31, 2021

31 December 2021 30 June 2021
Un-audited Audited
Note -----Rupees in '000-----

Assets

Balances with Bank	4	40,190	17,425
Investments	5	41,874	88,315
Dividend receivable and markup accrued		560	519
Deposits, prepayments and other receivables		5,001	4,887
Total assets		87,625	111,145

Liabilities

Payable to Management Company	6	1,118	1,122
Payable to Trustee		25	26
Payable to the Securities and Exchange Commission of Pakistan		29	19
Payable against purchase of equity securities		-	4,025
Dividend payable		1,360	1,360
Accrued expenses and other liabilities	7	1,240	3,100
Total liabilities		3,772	9,652

NET ASSETS

83,853 **101,493**

UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)

83,853 **101,493**

CONTINGENCIES AND COMMITMENTS

8

NUMBER OF UNITS IN ISSUE

2,031,198 **2,031,103**

NET ASSET VALUE PER UNIT

41.2824 **49.9695**

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



PAK OMAN ADVANTAGE ASSET ALLOCATION FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

	For the Half Year Ended 31 December		For the Quarter Ended 31 December	
	2021	2020	2021	2020
(LOSS) / INCOME	Note -----Rupees in (000') -----		-----Rupees in (000') -----	
Mark-up income on saving accounts	1,019	865	673	519
Mark-up Income on term finance certificates	195	402	(36)	171
Mark-up income on Sukuk certificates	-	36	(36)	-
Mark-up income on Pakistan Investment Bonds	-	666	(548)	118
Dividend income	779	806	647	674
Other Income	1,838	-	-	-
Capital (loss) / gain on sale of investments	(6,933)	7,881	(12,568)	2,246
Unrealised (loss) / gain on revaluation of marketable securities at fair value through profit or loss	(12,399)	1,102	(10,599)	2,902
	(15,501)	11,754	(22,467)	6,630

EXPENSES

Remuneration of the Management Company	6.1	931	971	437	477
Sindh Sales Tax on remuneration of the Management Company	6.2	120	126	56	62
Reimbursement of operational expenses to the Management Company	6.3	47	49	22	24
Selling and Marketing expense	6.4	186	-	170	(16)
Remuneration of Trustee		34	36	32	34
Annual fee to the Securities and Exchange Commission of Pakistan		9	10	4	5
Auditors' remuneration		256	291	148	183
Securities transaction cost		427	1,121	(73)	621
Printing and Stationary charges		16	16	8	8
Legal and professional charges		85	29	64	8
Fees and Subscription		18	17	14	13
Settlement and Bank charges		3	-	3	-
Provision for Sindh Workers' Welfare Fund		-	184	(78)	106
Total expenses		2,132	2,847	807	1,525

Taxation	10	-	-	-	-
Net income / (loss) for the period before taxation		(17,633)	8,907	(23,274)	5,105

Allocation of Net income for the period:

- Net loss for the period after taxation	(17,633)	8,907	(23,274)	5,105
- Income already paid on units redeemed	-	(235)	-	(235)
	(17,633)	8,672	(23,274)	4,870

Accounting income available for distribution:

- Relating to capital gains	-	8,983	-	5,148
- Excluding capital gains	(17,633)	(311)	(23,274)	(278)
	(17,633)	8,672	(23,274)	4,870

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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PAK OMAN ADVANTAGE ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

	For the Half Year Ended 31 December		For the Quarter Ended 31 December	
	2021	2020	2021	2020
	-----Rupees in (000') -----		-----Rupees in (000') -----	
Net (loss) / income for the period after taxation	(17,633)	8,907	(23,274)	5,105
Other comprehensive (loss) / income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	(17,633)	8,907	(23,274)	5,105

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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PAK OMAN ADVANTAGE ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 December					
	2021			2020		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
	Rupees in ('000)			Rupees in ('000)		
Net assets at the beginning of the period	97,537	3,956	101,493	100,984	(6,006)	94,977
Issuance of 15,237 (2020: 1,221) units						
-Capital value (at net asset value per unit at the beginning of the period)	761	-	761	55	-	55
-Element of (loss) / income	(32)	-	(32)	3	-	3
	729	-	729	58	-	58
Redemption of 15,142 (2020: 72,016) units						
-Capital value (at net asset value per unit at the beginning of the period)	(757)	-	(757)	(3,255)	-	(3,255)
-Element of (loss) / income	21	-	21	-	(235)	(235)
	(736)	-	(736)	(3,255)	(235)	(3,490)
Total comprehensive income for the period	-	(17,633)	(17,633)	-	8,907	8,907
Dividend Distribution	-	-	-	-	(1,342)	(1,342)
Net assets at the end of the period	97,530	(13,677)	83,853	97,787	1,324	99,110
Undistributed income brought forward comprising of:						
-Realized	5,730			(3,664)		
-Unrealised	(1,774)			(2,342)		
	3,956			(6,006)		
Accounting income available for distribution:						
-Relating to capital gains	-			8,983		
-Excluding capital gains	(17,633)			(311)		
	(17,633)			8,672		
Undistributed income carried forward - net	(13,677)			2,666		
Undistributed income carried forward comprising of:						
-Realized	(1,278)			1,564		
-Unrealised	(12,399)			1,102		
	(13,677)			2,666		
	-----Rupees-----					
Net asset value at the beginning of the period			49,9695			45,1865
Net asset value at the end of the period			41,2824			48,7961

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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PAK OMAN ADVANTAGE ASSET ALLOCATION FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 December	
	2021	2020
	Rupees in ('000')	
Note		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period after taxation	(17,633)	8,907
Adjustments for:		
Net loss / (gain) on sale of investments	6,933	(7,881)
Net unrealised diminution / (appreciation) on remeasurement of investments at fair value through profit or loss'	12,399	(1,102)
	19,332	(8,983)
Decrease in assets		
Investments - Net	27,108	15,028
Mark-up accrued	(41)	1,505
Deposits, prepayment and other receivable	(114)	(5,205)
	26,953	11,328
(Decrease) / Increase in liabilities		
Payable to Management Company	(4)	(39)
Payable to Trustee	(1)	-
Payable to the Securities & Exchange Commission of Pakistan	10	(10)
Payable against purchase of equity securities	(4,025)	-
Accrued expenses and other liabilities	(1,860)	6,534
	(5,880)	6,485
Net cash generated from operating activities	22,772	17,737
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	729	58
Payments against redemption of units	(736)	(3,490)
Net cash used in financing activities	(7)	(3,432)
Net increase in cash and cash equivalents	22,765	14,305
Cash and cash equivalents at the beginning of the period	17,425	20,663
Cash and cash equivalents at the end of the period	40,190	34,968

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

Pak Oman Advantage Asset Allocation Fund (the Fund) was established under a Trust deed executed between Pak Oman Asset Management Limited as the Management Company and MCB Financial Services Limited (MCBFSL). The trust deed was approved on 02 June 2008 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003 (The NBFC Rules) and was executed on 18 March 2011.

The Management Company is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at Finance and Trade Centre, First Floor, Tower A, Karachi, Pakistan.

The Fund is an open-ended mutual fund classified as an "Asset Allocation" by the Management Company and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3++" to the Management Company as at August 06, 2021. and a stability rating of 1 Year -2 Star, 3 Year -2 Star, 5 Year -2 Star by PACRA to the Fund as at August 06, 2021.

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

1.1 Going Concern Status

As per regulation 54, sub-regulation 3(a) of the Non-Banking Finance Companies and Notified Entities Regulation, 2008 (the NBFC Regulation), the net assets of an Open End Scheme shall be Rs.100 million at all times during the life of scheme and all existing Open End Schemes shall ensure compliance with this minimum scheme size by the first day of July, 2012.

Subject to above, if at any time the size any Open End Scheme falls below the minimum size as specified above, the Management Company shall ensure compliance within three months of the breach and if the fund size remains below the minimum fund size limit for consecutive ninety days, the Asset Management Company shall immediately intimate the grounds to the Commission upon which it believes that the Open End Scheme is still commercially viable and its objective can still be achieved.

The size of the Fund fell below the above-mentioned limit on various occasions during the period ended Dec 31, 2021. From August 25, 2021 to December 31, 2021; the size of the Fund for consecutive 129 days was below Rs.100 million. As at December 31, 2021; the size of the Fund remained below the limit of Rs. 100 million.



Subsequent to the period ended December 31, 2021; the size of the Fund had increased to Rs. 104 million on January 21, 2022 and met the prescribed limit of minimum fund size when the Parent Company of the Management Company transferred its investment from another fund to Pak Oman Advantage Asset Allocation Fund. On January 27, 2022; the size of the Fund again fell below Rs. 100 million. The conditions stated above, indicate the existence of material uncertainties which may cast significant doubt about the fund's ability to continue as going concern.

1.2 Mitigating Factors

The Company has taken following steps to make the fund to continue as going concern:

- Implementation of a stronger investment strategy; POAMCL has been undergone HR changes and hired process of finalizing all key teams which will allow us to implement a stronger investment strategy that can fulfill all fiduciary duties.
- Research; we are aiming to build a stronger base in fundamental research, utilizing newly acquired resources for in-house research. We will also be casting a wider net to capture research from various brokerage houses and think tanks, to supplement our fundamental approach to fund management.
- Sales; with the improvement in returns, the investment team will be aiming to educate the sales team in key areas. This will translate into sticky business, where investors are buying our investment thesis and not just returns. This will allow a steady maintenance of AUMs.
- Despite the underperformance in returns, we have not experienced any redemption in the fund. This is because of tightly knit investor base that supports our vision. We look forward to further strengthening and growing our relationships.

The management has prepared future projections in line with the above mentioned factors which shows that the fund will remain going concern in future.

Based on the above the financial information have been prepared on the basis of going concern assumption.

2 STATEMENT OF COMPLIANCE

These condensed interim financial information have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, 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 directives issued by the



SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

This condensed interim financial information does not include all the information and disclosures required in the annual financial information and should be read in conjunction with the annual published financial statements of the Fund for the year ended 30 June 2021.

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 information give a true and fair view of the state of the Fund's affairs as at 31 December 2021.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2021.

4 CASH AND BANK BALANCES

Balances with banks:
- in saving accounts

	31 December 2021	30 June 2021
	Un-audited	Audited
Note -----Rupees in '000-----		
4.1	<u>40,190</u>	<u>17,425</u>

- 4.1 The rate of return on these accounts ranges between 2.75% - 8.745% (30 June 2021: 2.75% and 8.745%) per annum.

5 INVESTMENTS

At fair value through profit or loss - held for trading

Listed equity securities	5.1	41,874	79,578
Term finance certificates	5.2	-	8,737
		<u>41,874</u>	<u>88,315</u>



5.1 Listed equity securities

At fair value through profit or loss - equity securities

Shares of listed companies- fully paid ordinary shares with a face value of Rs 10 each unless stated other wise

Name of Investee Company	Number of Shares				Rupees		Percentage			
	As at 01 July 2021	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 31 December 2021	Carrying value as at 31 December 2021	Market value as at 31 December 2021	Market Value as a percentage of total investments	Market Value as percentage of net assets	Paid up capital of investee company
COMMERCIAL BANKS										
MEEZAN BANK LIMITED	18,468	-	55	18,100	423	43	57	0.14%	0.07%	-
HABIB BANK LIMITED	-	27,000	-	-	27,000	3,039	3,149	7.52%	3.76%	0.002%
UNITED BANK LIMITED	42,000	-	-	42,000	-	-	-	-	-	-
	60,468	27,000	55	60,100	27,423	3,082	3,206	7.66%	3.83%	
Glass & Ceramics										
Ghani Global Glass Limited	75,000	154,000	-	229,000	-	-	-	-	-	-
	75,000	154,000	-	229,000	-	-	-	0.00%	0.00%	
CEMENT										
D.G. KHAN CEMENT COMPANY LIMITED	40,500	26,844	-	10,344	57,000	6,261	4,728	11.29%	5.64%	0.032%
FAUJI CEMENT COMPANY LIMITED	258,000	40,000	-	186,000	112,000	2,546	2,057	4.91%	2.45%	0.081%
POWER CEMENT LIMITED	391,000	-	-	391,000	-	-	-	-	-	-
Lucky Cement	-	3,400	-	-	3,400	2,981	2,310	5.52%	2.75%	0.001%
MAPLE LEAF CEMENT FACTORY LIMITED	42,000	64,000	-	13,000	93,000	3,897	3,343	7.98%	3.99%	0.007%
PIONEER CEMENT LIMITED	16,000	-	-	4,000	12,000	1,573	1,065	2.54%	1.27%	0.006%
	747,500	134,244	-	604,344	277,400	17,258	13,503	32.24%	16.10%	
POWER GENERATION AND DISTRIBUTION										
K-ELECTRIC LIMITED	-	260,000	-	260,000	-	-	-	-	-	-
THE HUB POWER COMPANY LIMITED	-	36,000	-	13,000	23,000	1,608	1,641	3.92%	1.96%	-
KOT ADDU POWER COMPANY LIMITED	-	26,000	-	26,000	-	-	-	-	-	-
	-	322,000	-	299,000	23,000	1,608	1,641	3.92%	1.96%	
OIL AND GAS MARKETING COMPANIES										
PAKISTAN STATE OIL COMPANY LIMITED	12,284	-	-	12,000	284	61	50	0.12%	0.06%	-
SUI NORTHERN GAS PIPELINES LIMITED	-	129,000	-	70,000	59,000	2,937	1,974	4.71%	2.35%	0.009%
	12,284	129,000	-	82,000	59,284	2,998	2,024	4.83%	2.41%	
OIL AND GAS EXPLORATION COMPANIES										
Cnergyco Pk Limited (Byco Petroleum Limited)	164,000	297,000	-	311,000	150,000	1,623	1,022	2.44%	1.22%	0.124%
OIL & GAS DEVELOPMENT COMPANY LIMITED	-	30,000	-	-	30,000	2,711	2,586	6.18%	3.08%	0.001%
PAKISTAN PETROLEUM LIMITED	12,000	74,000	-	37,000	49,000	3,697	3,873	9.25%	4.62%	0.002%
	176,000	401,000	-	348,000	229,000	8,031	7,481	17.87%	8.92%	
ENGINEERING										
AMRELI STEELS LIMITED	49,000	44,000	-	93,000	-	-	-	-	-	-
INTERNATIONAL STEELS LIMITED	23,000	11,000	-	34,000	-	-	-	-	-	-
MUGHAL IRON AND STEEL INDUSTRIES LTD	29,000	-	-	29,000	-	-	-	-	-	-
	101,000	55,000	-	156,000	-	-	-	-	-	
Cables & Electrical Goods										
PAK ELEKTRON LIMITED	64,000	-	-	64,000	-	-	-	-	-	-
Waves Singer Pakistan	-	120,000	-	120,000	-	-	-	-	-	-
	64,000	120,000	-	184,000	-	-	-	-	-	
FERTILIZER										
FAUJI FERTILIZER BIN QASIM LIMITED	109,000	-	-	109,000	-	-	-	-	-	-
	109,000	-	-	109,000	-	-	-	-	-	
PHARMACEUTICALS										
THE SEARLE COMPANY LIMITED	232	-	-	-	232	56	33	0.08%	0.04%	-
	232	-	-	-	232	56	33	0.08%	0.04%	
CHEMICALS										
ENGRO POLYMER & CHEMICALS LIMITED	126,000	-	-	126,000	-	-	-	-	-	-
	126,000	-	-	126,000	-	-	-	0.00%	0.00%	



PAK OMAN ADVANTAGE ASSET ALLOCATION FUND

Name of Investee Company	Number of Shares				Rupees		Percentage		
	As at 01 July 2021	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 31 December 2021	Carrying value as at 31 December 2021	Market value as at 31 December 2021	Market Value as a percentage of total investments	Paid up capital of investee company
FOODS AND PERSONAL CARE PRODUCTS									
TREET CORPORATION LIMITED	-	126,000	-	46,000	80,000	4,579	3,335	7.96%	3.98%
Unity Foods Limited	90,000	-	-	7,000	83,000	3,695	2,197	5.49%	2.68%
Unity Foods Limited - LOR	-	16,699	-	-	16,699	-	18	0.05%	0.02%
AL-SHAHEER CORPORATION LIMITED	-	104,000	-	104,000	-	-	-	-	-
	90,000	246,699	-	157,000	179,699	8,274	5,550	13.50%	6.68%
REFINERY									
National Refinery Limited	4,500	-	-	4,500	-	-	-	-	-
	4,500	-	-	4,500	-	-	-	-	-
TECHNOLOGIES AND COMMUNICATION									
NETSOL Technologies Pakistan	22,000	42,000	-	23,000	41,000	6,534	3,848	9.00%	5.00%
TRG Pak Ltd	47,000	22,000	-	69,000	-	-	-	-	-
SYSTEMS LIMITED	-	1,200	-	-	1,200	841	912	2.00%	1.00%
	69,000	65,200	-	92,000	42,200	7,375	4,760	11%	6.00%
TEXTILE COMPOSITE									
Nishat Mills Limited	31,500	-	-	31,500	-	-	-	-	-
	31,500	-	-	31,500	-	-	-	0.00%	0.00%
TRANSPORT									
PAKISTAN INTERNATIONAL BULK LIMITED	593,500	-	-	215,000	378,500	4,307	2,786	0.07%	0.03%
	593,500	-	-	215,000	378,500	4,307	2,786	0.07%	0.03%
MISCELLANEOUS									
Pakistan Aluminum Beverage Cans Limited	-	64,000	-	38,000	26,000	1,284	890	2.13%	1.06%
SIDDIQSONS TIN PLATE LIMITED	-	60,000	-	60,000	-	-	-	-	-
	-	124,000	-	98,000	26,000	1,284	890	2.13%	1.06%
Total as at 31 December 2021					1,242,738	54,273	41,874	100%	41%
Total as at 30 June 2021						46,889	37,420		

5.1.1 Investments include shares with market value of Rs. 2.607 million (30 June 2021: Rs. 3.7330 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trade in accordance with circular no. 11 dated 23 October 2007 issued by the Securities and Exchange Commission of Pakistan.

5.2 Term finance certificates - unlisted

Name of the investee company	Number of certificates				Market value as at 31 December 2021	Investment as a percentage of		
	As at 01 July 2021	Purchased during the year	Sold / matured during the year	As at 31 December 2021		Net assets	Market Value of total Investment	Issue size
					Rs in '000'		%	

All term finance certificates have a face value of Rs. 5,000 each unless stated otherwise

JS Bank Limited (29-Dec-2017)	85	-	85	-	-	-	-	-
	85	-	85	-	-	-	-	-

Market value as at December 31, 2021

-

Market value as at June 30, 2021

7,822



PAK OMAN ADVANTAGE ASSET ALLOCATION FUND

		31 December 2021	30 June 2021
		Un-audited	Audited
6	PAYABLE TO MANAGEMENT COMPANY	Note	-----Rupees in '000-----
	Remuneration of the Management Company	6.1	117
	Sindh sales tax payable on remuneration of the Management Company	6.2	115
	Federal Excise Duty payable on remuneration of the Management Company	6.3	736
	Reimbursement of operational expenses to the Management Company	6.4	32
	Marketing and advertising fee payable	6.5	91
	Sales Load Payable		27
			<u>1,118</u>
			<u>1,122</u>

6.1 The Management Company has charged its remuneration at the rate of 2% (30 June 2021: 2%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2021: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

6.3 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 6.2 above, the Management Company is of the view that further levy of FED was not justified.

On 4 September 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

During the year ended 30 June 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.

With effect from 01 July 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.

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 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 0.736 million (30 June 2021: Rs. 0.736 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 31 December 2021 would have been higher by Rs. 0.36 (30 June 2021: Rs. 0.36) per unit.

6.4 This represents reimbursement of certain expenses to the Management Company. As per regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the



actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund..

- 6.5 SECP vide Circular No. 40 of 2016 dated 30 December 2016 prescribed certain conditions on Asset Management Companies (AMCs) for charging of selling and marketing expenses to certain collective investment schemes managed by them. Pursuant to the circular, the AMCs are allowed to charge selling and marketing expenses for an initial period of three years (01 January 2017 till 31 December 2019) at a maximum cap of 0.4% per annum of net assets of the Fund or actual expenses, whichever is lower. Accordingly, the Management Company has charged 0.4% of daily net assets of the Fund, being the lower amount.

7	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	31 December 2021 Un-audited	30 June 2021 Audited
			-----Rupees in '000-----	
	Auditors' remuneration payable		256	402
	Transaction / Settlement charges payable		629	529
	Provision for Sindh Workers' Welfare Fund	7.1	-	1,837
	Other Payable		355	332
			1,240	3,100

- 7.1 "As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Fund Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / pension funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / pension funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the CISs / pension 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 August 12, 2021, on August 12, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund."

8 CONTINGENCIES AND COMMITMENTS

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



9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 December 2021 is 4.71% which includes 0.47% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio exceeds the maximum limit of 4.50% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

10 TAXATION

The income of the fund is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision in respect of taxation has been made in these financial statements.

		Un-audited For the Quarter Ended December 31	
		2021	2020
		Un-audited -----Rupees in '000-----	
11	TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES		

11.1 Details of transaction with related parties during the period are as follows:

Pak Oman Asset Management Company Limited (Management Company)			
Remuneration of the Management Company	931	971	
Sindh Sales tax on Remuneration of Management Company	120	126	
Reimbursement of operational expenses to the Management Company	47	49	
Selling and Marketing expense	186	-	
MCB Financial Services Limited (Trustee)			
Remuneration of the Trustee	30	32	
SST on Remuneration of the Trustee	4	4	

11.2	Balances outstanding at the period / year end	31 December 2021 Un-audited	30 June 2021 Audited
		-----Rupees in '000-----	

Pak Oman Asset Management Company Limited (Management Company)			
Remuneration payable to the management company	117	137	
Sindh Sales tax payable on remuneration of the Management Company	115	118	
Federal Excise Duty payable on remuneration of the Management Company	736	736	
Reimbursement of operational expenses to the Management Company	32	33	
Marketing and advertising fee payable	91	70	
Front End Load Payable	27	28	

MCB Financial Services Limited (Trustee)			
Trustee fee payable	22	23	
SST on Trustee fee payable	3	3	

Pak Oman Investment Company Limited - Parent of the Management Company			
Investment held in the fund 2,000,000 (30 June 2021: Nil) units	82,565	-	
Dividend Payable	-	1,123	



12 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Fair value hierarchy:

- 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 (that is, as prices) or indirectly (that is, derived from prices)"
- Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The following table presents the Fund's financial assets which are carried at fair value:

As at Dec 31, 2021							
	At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3
On-balance sheet Financial Instruments							
(Rupees in '000)							
Financial assets measured at fair value							
Investments	41,874	-	-	41,874	41,874	-	-
Financial assets not measured at fair value							
Bank Balances	-	-	40,190	40,190	-	-	-
Profit Receivables	-	-	560	560	-	-	-
Deposits, Prepayments and other receivables	-	-	5,001	5,001	-	-	-
	41,874	-	45,751	87,625			
Financial liabilities not measured at fair value							
Payable to Management Company	-	-	1,118	1,118	-	-	-
Payable to Trustee	-	-	25	25	-	-	-
Accrued expenses and other liabilities	-	-	2,629	2,629	-	-	-
	-	-	3,772	3,772			



As at June 30, 2021							
	At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3
On-balance sheet Financial Instruments							
(Rupees in '000)							
Financial assets measured at fair value							
Investments	88,315	-	-	88,315	79,578	8,737	-
Financial assets not measured at fair value							
Bank Balances	-	-	17,425	17,425	-	-	-
Profit Receivables	-	-	519	519	-	-	-
Deposits, Prepayments and other receivables	-	-	4,887	4,887	-	-	-
	88,315	-	22,831	111,146			
Financial liabilities not measured at fair value							
Payable to Management Company	-	-	1,122	1,122	-	-	-
Payable to Trustee	-	-	26	26	-	-	-
Accrued expenses and other liabilities	-	-	8,504	8,504	-	-	-
	-	-	9,652	9,652			

There were no transfers between above levels during the year.

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

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

In order to manage the Fund's overall liquidity, the Fund also has the option to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. Further, the Fund also has the ability to suspend redemptions of units with the approval of the Board of Directors of the Management Company in extraordinary circumstances. The Fund can also borrow, with prior approval of the Trustee, for meeting redemption requests. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of total net assets at the time of borrowing with repayment within 90 days of such borrowings. No such borrowings were made during the year.



13 GENERAL

Figures have been rounded off to the nearest thousand rupee.

14 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorised for issue by the Board of Directors of the Management Company on February 26, 2022.

**For Pak Oman Asset Management Company Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director



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Our Mission

"To provide higher risk adjusted returns to investors at large by investing into a diversified range of investment assets on consistent basis."

Our Vision

PAK OMAN
ADVANTAGE ISLAMIC INCOME FUND
aims to provide diversified portfolio and
return that is risk adjusted to suit investors
at large, on a consistent basis."



FUND INFORMATION

Management Company

Pak Oman Asset Management Company Limited.
ICON House 83-C, 12th Commercial Street,
Phase-II Extension, DHA, Karachi.
Phone : +92 - 21 - 35899641-44
Fax : +92 - 21 - 35899645
Website : www.pakomanfunds.com

Board of Director of The Management Company

H.E Yahya Bin Said Bin Abdullah Al- Jabri Chairman
Mr. Bahauddin Khan
Mr. Jehangir Shah
Mr. Rashid Ali Ibrahim Al Balushi
Ms. Sadaf Kazmi

Audit Committee

Mr. Rashid Ali Ibrahim Al Balushi
Mr. Jehangir Shah
Mr. Bahauddin Khan

Chief Financial Officer

Mr. Salman Shafiq Hashmi

Company Secretary

Ms. Haajra Jafri

Asset Manager Rating

AM3 ++ (Positive)

Trustee

Digital Custodian Company
(formerly MCB Financial Services Ltd)
4th Floor, Perdesi House, 2/1, R-Y-16,
Old Queens Road, Karachi.

Auditors

RSM Avasi Hyder Liaquat Nauman
Chartered Accountants
407, Progressive Plaza, Beamont Road,
Karachi-75530

Bankers to The Fund

BankIslami Pakistan Limited
Bank Alfalah Limited
Dubai Islamic Bank Pakistan Limited
Habib Bank Limited
NRSP Microfinance Bank Limited
Silkbank Limited
Soneri Bank Limited
Zarai Taraqati Bank

Legal Advisor

Mohsin Tayyab Ali
Corporate & Commercial Law Firm
D-21, Block - 4,
KDA Scheme 5, Clifton, Karachi.



DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors (BOD) of Pak Oman Asset Management Company Limited, the Management Company of the Pak Oman Advantage Islamic Income Fund (POAIIF) is pleased to present the Condensed Interim Financial Statements (un-audited) for the half year ended December 31, 2021.

Development and performance review

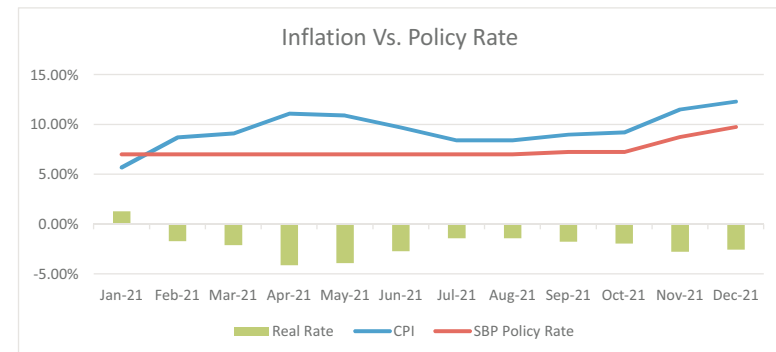
During 2HCY21, POAIIF delivered annualized return of 7.82% against the benchmark return of 3.13%. The total assets of the fund declined 31% during 2HCY21 to PKR 1,225.17 million. By end of Dec 2021, exposure against variable rate GOP Ijarah sukuk was reduced to 34.88% while approximately 45.47% of the funds were invested as cash.

Earning per unit (EPU)

EPU has not been disclosed as we feel that the determination of weighted average units for calculating EPU is not practicable for open-end funds.

Economic Review

Economy has shown great turnaround in CY21 due to government's proactive approach in coping with pandemic and faster than expected pace of recovery in economy activity. GDP of the country grew at 5.37% during FY21, after government revised its base. National CPI index during the year averaged at 9.5%, which remained slight above central bank's near-term target inflation of 7%-9%. First half of the CY21 witnessed positive triggers on economic front as current account balance remained meagerly in deficit, however, it surged to overall CAD of USD 12.25bn in remaining quarters of CY21. Commodities prices upswing in international and domestic markets surged the price pressure during the year, which lead to SBP action of hiking key rates by 275 bps.

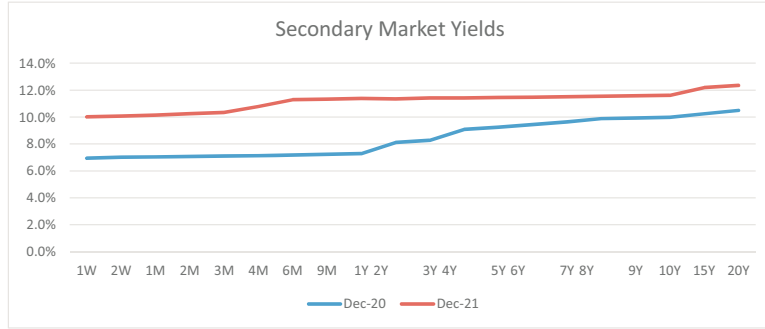
**Fixed income market review**

During the year, average CPI index surged to 9.5% owing to increase in energy prices and input cost. On the other hand, food inflation surged at higher pace owing higher urea/DAP prices and higher support prices announced by government for key agricultural products. Consequently, central bank cumulatively increased interest rate by 275 bps in its MPC meeting during the year. In line with the policy rate, yields on government



PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

securities surged on average 275 bps with yield on 1-year bill jumping ~400 bps from 7.28% in Dec'20 to 11.38% in Dec'21.



Future outlook

Going forward, we believe equity market to perform on multiple triggers. Disbursement of USD 1bn under EFF after Government's agreement with IMF on 6th review, coupled with government's effort to raise fund through multiple Sukuk auctions in international market will provide support to macro indicators. MSCI routine review to allocate country weightage to Pakistan in MSCI FM will open tap of foreign portfolio inflows. We also believe, FY23 budget will take a populist form and include business-friendly policies, given it could be PTI's last budget before the general elections in 2023.

Acknowledgement

We would like to thank you valued investors who have placed their confidence in us. The Board is also thankful to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the Pakistan Stock Exchange for their continued cooperation and support. The Board of Directors also appreciates the efforts put in by the management team for their commitment and hard Work.

For and on behalf of the Board

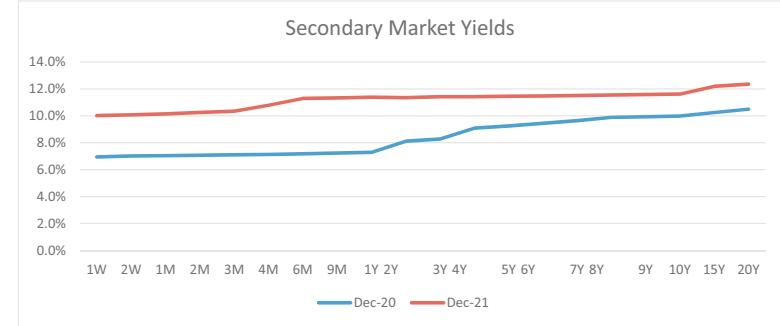
Chief Executive Officer

Director

Dated: February 28, 2022



PAK OMAN ADVANTAGE ISLAMIC INCOME FUND



مستقبل کا نقطہ نظر

آگے بڑھتے ہوئے، ہمیں یقین ہے کہ ایکویٹی مارکیٹ متعدد محرکات پر کارکردگی کا مظاہرہ کرے گی۔ چھٹے جائزے پر IMF کے ساتھ حکومت کے معاہدے کے بعد EFF کے تحت 1 بلین امریکی ڈالر کی تقسیم، بین الاقوامی مارکیٹ میں متعدد سکوٹ نیلامیوں کے ذریعے فنڈ اکٹھا کرنے کی حکومت کی کوششوں کے ساتھ میکر وائڈیکٹر کو مدد فراہم کرے گی۔ MSCI FM میں پاکستان کو کنٹری ویٹج مختص کرنے کے لیے MSCI کا معمول کا جائزہ غیر ملکی پورٹ فولیو کی آمد کو کھول دے گا۔ ہمارا یہ بھی ماننا ہے کہ مالی سال 23 کا بجٹ ایک پاپولسٹ شکل اختیار کرے گا اور اس میں کاروبار دوستانہ پالیسیاں شامل ہوں گی، بشرطیکہ یہ 2023 کے عام انتخابات سے قبل پی ٹی آئی کا آخری بجٹ ہو۔

اظہار تشکر

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، فنڈ کے ٹرسٹی اور پاکستان اسٹاک ایکسچینج کے مسلسل تعاون اور حمایت کا شکریہ ادا کرتے ہیں۔ بورڈ آف ڈائریکٹرز انتظامیہ کی ٹیم کے عزم اور محنت کے لیے کی جانے والی کوششوں کو بھی سراہتے ہیں۔

منجانب بورڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

مورخہ: 28 فروری 2022ء



یونٹ ہولڈرز کو ڈائریکٹران کی رپورٹ

پاک اومان ایسٹ منیجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز (BOD)، پاک اومان ایڈوائسنگ اسلامک انکم فنڈ (POAIF) کی منیجمنٹ کمپنی کے 31 دسمبر 2021 کو ختم ہونے والی ششماہی کے لئے منجملہ عبوری مالیاتی گوشوارے پیش کرتے ہوئے اظہارِ مسرت کرتے ہیں۔

ترقی اور کارکردگی کا جائزہ

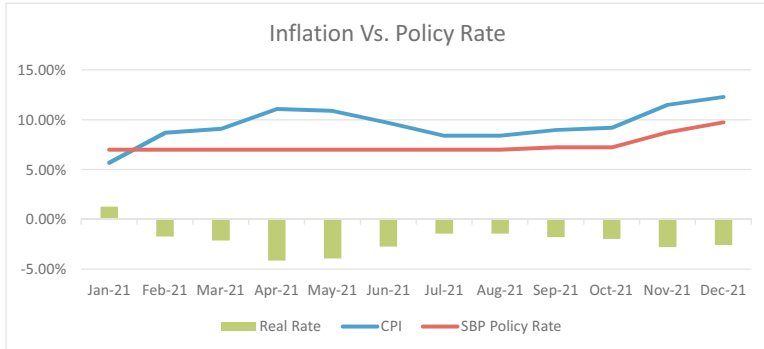
2HCY21 کے دوران، POAIF نے 3.13% کے منیج مارک ریٹرن کے مقابلے میں 7.82% کا سالانہ ریٹرن فراہم کیا۔ فنڈ کے کل اثاثے 2HCY21 کے دوران 31% کم ہو کر 1,225.17 ملین روپے ہو گئے۔ دسمبر 2021 کے اختتام تک، منیجریٹ GOP اجارہ سکوک کے عوض ایکسپوزر 34.88% کم تھا جبکہ تقریباً 45.47% فنڈز کی بطور نقد سرمایہ کاری کی گئی۔

نی یونٹ آمدنی (EPU)

EPU کا انکشاف نہیں کیا گیا ہے کیونکہ ہمیں لگتا ہے کہ EPU کا حساب لگانے کے لیے اوسط اکائیوں کا تعین اوپن اینڈ فنڈز کے لیے قابل عمل نہیں ہے۔

اقتصادی جائزہ

وفاقی بیماری سے نمٹنے کے لیے حکومت کے فعال انداز اور معیشت کی سرگرمیوں میں بحالی کی توقع سے زیادہ تیز رفتاری کی وجہ سے CY21 میں معیشت نے زبردست تبدیلی دکھائی دی ہے۔ حکومت کی اپنی بنیاد پر نظر ثانی کے بعد، مالی سال 21 کے دوران ملک کے جی ڈی پی میں 5.37 فیصد اضافہ ہوا۔ سال کے دوران قومی سی آئی اے انڈیکس اوسطاً 9.5% رہا، جو کہ مرکزی بینک کے 7%-9% کے قریب مدنی ہدف افراط زر سے معمولی زیادہ رہا۔ CY21 کی پہلی ششماہی میں معاشی لحاظ پر مثبت محرکات دیکھنے میں آئے کیونکہ کرنٹ اکاؤنٹ بیلنس معمولی طور پر خسارے میں رہا، تاہم، CY21 کی بقیہ سہ ماہیوں میں یہ مجموعی کرنٹ اکاؤنٹ خسارہ 12.25 ملین امریکی ڈالر تک پہنچ گیا۔ بین الاقوامی اور مقامی منڈیوں میں اشیاء کی قیمتوں میں اضافے نے سال کے دوران قیمتوں کے دباؤ کو بڑھایا، جس کی وجہ سے اسٹیٹ بینک نے بنیادی شرحوں میں 275bps اضافہ کر دیا۔



مستقل اکم مارکیٹ کا جائزہ

سال کے دوران، توانائی کی قیمتوں اور ان پٹ لاگت میں اضافے کی وجہ سے اوسط CPI انڈیکس 9.5 فیصد تک بڑھ گیا۔ دوسری طرف، پوریا/ڈی اے پی کی قیمتوں میں اضافے اور اہم زرعی مصنوعات کے لیے حکومت کی جانب سے اعلان کردہ زیادہ امدادی قیمتوں کی وجہ سے اشیائے خورد و نوش کی مہنگائی تیز رفتاری سے بڑھی۔ نتیجتاً، مرکزی بینک نے سال کے دوران اپنے MPC اجلاس میں مجموعی طور پر شرح سود میں 275bps کا اضافہ کر دیا۔ پالیسی شرح کے مطابق، گورنمنٹ سیکورٹیز کی پیداوار میں اوسطاً 275bps کا اضافہ ہوا جس کے ساتھ 1 سال کے بل پر 400bps~ کا اضافہ ہوا جو دسمبر 20 میں 7.28 فیصد سے دسمبر 21 میں 11.38 فیصد ہو گیا۔



REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

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

Pak Oman Advantage Islamic Income Fund, an open end scheme established under a Trust Deed dated May 27, 2008 executed between Pak Oman Asset Management Company Limited, as the Management Company and Central Depository Company of Pakistan Limited, as the Trustee.

Digital Custodian Company Limited formerly MCB financial Services Limited was appointed as a new trustee in place of CDC under third supplemental Trust Deed dated 15 May 2012. Accordingly the Trust Deed was approved by SECP on 17 January 2012 under the Rules. However, the assets of the Fund were transferred on June 13, 2012.

1. Pak Oman Asset Management Company Limited, the Management Company of Pak Oman Advantage Islamic Income Fund has, in all material respects, managed Pak Oman Advantage Islamic Income Fund during the period ended 31st December 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 25, 2022

Authorize signatory



PAK OMAN ADVANTAGE ISLAMIC INCOME FUND



RSM Avasi Hyder Liaquat Nauman
Chartered Accountants
407, Progressive Plaza, Beaumont Road
Karachi, 75530 - Pakistan
T: +92 (21) 35655975-6
F: +92 (21) 3565-5977
W: www.rsm-pakistan.pk

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS OF PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of asset and liabilities of Pak Oman Advantage Islamic Income Fund (the Fund) as at December 31, 2021 and the related condensed interim income statement and the condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim statement of cash flows together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information"), for the six month period ended December 31, 2021. Pak Oman 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 of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of Condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

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

Chartered Accountants
Karachi
Date:

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Avasi Hyder Liaquat Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT DECEMBER 31, 2021

		31 December 2021 Un-audited	30 June 2021 Audited
Note		-----Rupees in ('000) -----	
Assets			
	Balances with bank	4 558,336	1,362,223
	Investments	5 596,872	396,712
	Mark up accrued	20,195	18,300
	Deposits, prepayments and other receivable	54,886	4,901
	Total assets	1,230,289	1,782,136
Liabilities			
	Payable to Asset Management Company	6 1,405	1,418
	Payable to Trustee	229	121
	Payable to the Securities & Exchange Commission of Pakistan	432	269
	Dividend payable	176	6,571
	Accrued expenses and other liabilities	7 2,868	5,569
	Total liabilities	5,110	13,948
NET ASSETS		1,225,179	1,768,188
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,225,179	1,768,188
CONTINGENCIES AND COMMITMENTS		7 -	-
NUMBER OF UNITS IN ISSUE		22,330,765	33,497,948
NET ASSET VALUE PER UNIT		54.8650	52.7850

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

	For the Half Year Ended 31 December		For the Quarter Ended 31 December	
	2021	2020	2021	2020
Note	-----Rupees in `000)-----			
INCOME				
Mark-up income on saving and term deposits	33,614	17,153	13,141	9,164
Mark-up income on marketable securities	26,437	26,287	19,732	13,206
Capital Gain / (loss) on sale of investments	3,859	(2,255)	3,961	(1,453)
Unrealised loss on revaluation of marketable securities at fair value through profit or loss	(1,424)	(35)	(2,709)	(498)
Other Income	3,442	-	-	-
	65,928	41,150	34,125	20,419

EXPENSES

Remuneration of the Management Company	6.1	2,851	1,949	1,507	984
Sindh Sales Tax on remuneration of the Management Company	6.2	371	253	196	128
Reimbursement of operational expenses to the Management Company	6.4	-	-	-	-
Remuneration of MCB Financial Services Limited - Trustee		599	409	315	207
Annual fees to the Securities and Exchange Commission of Pakistan		163	111	86	56
Auditors' remuneration		284	285	142	165
Fees and subscription		18	20	9	16
Shahriah advisory fee		78	78	39	39
Bank, settlement, brokerage and other charges		304	250	295	109
Legal and professional charges		84	26	84	5
Printing Charges		17	-	-	-
Provision for Sindh Workers' Welfare Fund	7.1	-	754	-	373
		4,769	4,135	2,673	2,082

Net income for the period before taxation **61,159** **37,013** **31,452** **18,337**

Taxation 10 - - - -

Net income for the period after taxation **61,159** **37,013** **31,452** **18,337**

Allocation of Net Income for the period:

- Net income for the period after taxation	61,159	37,013	31,452	18,337
- Income already paid on units redeemed	(18,254)	(5,064)	(10,519)	(4,192)
	42,905	31,949	20,933	14,145

Accounting income available for distribution:

-Relating to capital gains	2,435	-	1,252	-
-Excluding capital gains	40,470	31,949	19,681	14,145
	42,905	31,949	20,933	14,145

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

**For Pak Oman Asset Management Company Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

10



PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED AND QUARTER ENDED 31 DECEMBER 2021

	For the Half Year Ended 31 December		For the Quarter Ended 31 December	
	2021	2020	2021	2020
	-----Rupees in (`000)-----			
Net income for the period after taxation	61,159	37,013	9,542	9,542
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	61,159	37,013	9,542	9,542

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

**For Pak Oman Asset Management Company Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

11



PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Note	For Half Year Ended 31 December					
	2021			2020		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	-----Rupees in ('000)-----					
Net assets at the beginning of the period	1,687,616	80,573	1,768,188	1,002,781	10,028	1,012,809
Issue of 24,491,390 (2020: 17,690,515) units						
-Capital value (at net asset value per unit at the beginning of the period)	1,292,778	-	1,292,778	928,655	-	928,655
-Element of Income	17,661	-	17,661	17,772	-	17,772
	1,310,439	-	1,310,439	946,427	-	946,427
Redemption 35,658,574 of (2020: 14,995,406) units						
-Capital value (at net asset value per unit at the beginning of the period)	(1,882,238)	-	(1,882,238)	(787,169)	-	(787,169)
-Element of (loss)	(14,115)	(18,254)	(32,369)	(10,833)	(5,064)	(15,897)
	(1,896,353)	(18,254)	(1,914,607)	(798,002)	(5,064)	(803,066)
Total comprehensive income for the period	-	61,159	61,159	-	37,013	37,013
Net assets at the end of the period	<u>1,101,702</u>	<u>123,478</u>	<u>1,225,179</u>	<u>1,151,206</u>	<u>41,977</u>	<u>1,193,183</u>
Undistributed income brought forward comprising of:						
- Realised income	81,461			12,254		
- Unrealised loss	(888)			(2,226)		
	<u>80,573</u>			<u>10,028</u>		
Accounting income available for distribution:						
- Relating to capital gains	2,435			-		
- Excluding capital gains	40,470			31,949		
	<u>42,905</u>			<u>31,949</u>		
Undistributed income carried forward - net	<u>123,478</u>			<u>41,977</u>		
Undistributed income carried forward comprising of:						
- Realised income	124,902			42,012		
- Unrealised loss	(1,424)			(35)		
	<u>123,478</u>			<u>41,977</u>		
Net asset value per unit at beginning of the period		<u>52,7850</u>			<u>52,4940</u>	
Net asset value per unit at end of the period		<u>54,8650</u>			<u>54,2628</u>	

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Note	For the Half Year Ended 31 December	
	2021	2020
	-----Rupees in ('000)-----	-----Rupees in ('000)-----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period after taxation	61,159	37,013
Adjustments for:		
Capital (gain) / loss on sale of investments	(3,859)	2,255
Unrealised loss on revaluation of marketable securities at fair value through profit or loss	1,424	35
	(2,435)	2,290
Decrease / (Increase) in assets		
Investments - Net	(197,725)	(526,596)
Mark up accrued	(1,895)	(16,417)
Deposits, prepayments and other receivable	(49,985)	(273)
	(249,605)	(543,286)
(Decrease) / Increase in liabilities		
Payable to Asset Management Company	(13)	(57)
Payable to Trustee	108	30
Payable to the Securities & Exchange Commission of Pakistan	163	63
Dividend payable	(6,395)	(14,329)
Accrued expenses and other liabilities	(2,701)	348
	(8,838)	(13,945)
Net cash generated from operating activities	<u>(199,719)</u>	<u>(517,928)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	1,310,439	946,427
Cash distribution	-	-
Payments against redemption of units	(1,914,607)	(803,066)
Net cash used in financing activities	<u>(604,168)</u>	<u>143,361</u>
Net decrease in cash and cash equivalents	<u>(803,887)</u>	<u>(374,567)</u>
Cash and cash equivalents at the beginning of the period	1,362,223	860,371
Cash and cash equivalents at the end of the period	<u>4</u> <u>558,336</u>	<u>485,804</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

13



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Pak Oman Advantage Islamic Income Fund (the Fund) was established as an open-end scheme under a trust deed (the Trust Deed) executed between Pak Oman Asset Management Company Limited (the Management Company) as the Management Company, a company incorporated under the Companies Ordinance, 1984 and MCB Financial Services Limited (the Trustee) as a trustee under the trust deed (the Trust Deed) that was executed on May 15, 2012. The Fund is registered as a notified entity under the Non Banking Finance Companies and Notified Entities Regulations, 2008.
- 1.2** The registered office of the Management Company is situated at Finance and Trade Centre, First Floor, Tower A, Karachi.
- 1.3** The Fund is a Shariah compliant open-end mutual fund and is listed on the Pakistan Stock Exchange. Its units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.
- 1.4** The Fund is categorised as an income fund in accordance with the requirements of the Securities and Exchange Commission of Pakistan's (SECP's) circular No. 7 dated March 6, 2009 and, accordingly, its investments comprise of Shariah compliant securities, so as to ensure riba-free return on investments. All investments provided by the Shariah Advisor of the Fund and comprise the investments permissible as "Authorised Investments" under the Trust Deed.
- 1.5** In accordance with the criteria specified by the rating agency, Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3++" to the Management Company and a stability rating of A(f) to the Fund.
- 1.6** Title to the assets of the Fund are held in the name of MCB Financial Services Limited as a trustee of the Fund.

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, 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 directives issued by the



SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

This condensed interim financial statements does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual published financial statements of the Fund for the year ended 30 June 2021.

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 31 December 2021.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2021.

		31 December 2021 Un-audited	30 June 2021 Audited
	Note	----- (Rupees in '000) -----	
4. BALANCE WITH BANKS			
-Saving accounts	4.1	558,336	1,362,223

- 4.1** These savings accounts carry mark-up at the rates ranging from 5.90%-11.00% (30 June 2021: 6.00% to 8.00%) per annum.

		31 December 2021 Un-audited	30 June 2021 Audited
	Note	----- (Rupees in '000) -----	
5. INVESTMENTS			
At fair value through profit or loss - held for trading			
Listed Sukuk certificates	5.1	152,230	210,690
GOP Ijarah		433,926	171,140
Unlisted Sukuk certificates		10,716	14,882
		596,872	396,712



PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

5.1 Unlisted Sukuk certificates

Name of the investee company	Number of certificates				Market value as at 31 December 2021	Investment as a percentage of		
	As at 01 July 2021	Purchased during the period	Sold / matured during the period	As at 31 December 2021		Market value as a percentage of net assets	Market value as a percentage of investment	Investment as a percentage of total issue size
	(Rupees in '000)					%		
Byco Petroleum Pakistan Limited	255	-	-	255	10,716	0.87%	1.80%	
	255	-	-	255	10,716	0.87%	1.80%	
Carrying value as at 30 June 2021					14,882			

5.2 Sukuk Certificates - Listed

Name of the investee company	Number of certificates				Market value as at 31 December 2021	Investment as a percentage of		
	As at 01 July 2021	Purchased during the period	Sold / matured during the period	As at 31 December 2021		Market value as a percentage of net assets	Market value as a percentage of investment	Investment as a percentage of total issue size
	(Rupees in '000)					%		
TPL Corporation Limited	35	-	-	35	13,184	1.08%	2.21%	
International Brands Limited	1200	-	-	1,200	20,146	1.64%	3.38%	
The Hub Power Co. Ltd.	650	-	-	650	66,625	5.44%	11.16%	
K-Electric	14750	-	4,500	10,250	52,275	4.27%	8.76%	
	16,635	-	4,500	12,135	152,230	12.43%	25.51%	
Market value as at 30 June 2021					210,690			

5.3 GOP Ijarah Sukuk

Name of the investee company	Number of certificates				Market value as at 31 December 2021	Investment as a percentage of		
	As at 01 July 2021	Purchased during the period	Sold / matured during the period	As at 31 December 2021		Market value as a percentage of net assets	Market value as a percentage of investment	Investment as a percentage of total issue size
	(Rupees in '000)					%		
GOP IJARA SUKUK 30-04-2020	1,250	120	420	950	91,666	7.48%	15.36%	
GOP IJARA SUKUK FRR 29-07-2020	500	1,500	500	1,500	144,000	11.75%	24.13%	
GOP IJARA SUKUK 06-10-2021	-	5,000	3,000	2,000	198,260	16.18%	33.22%	
GOP IJARA SUKUK VRR 29-10-2021	-	4,000	4,000	-	-	0.00%	0.00%	
GOP IJARA SUKUK VRR 09-12-2020	-	8,000	8,000	-	-	0.00%	0.00%	
	1,750	18,620	15,920	4,450	433,926	35.41%	72.71%	
Market value as at 30 June 2021					171,140			



PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

		31 December 2021	30 June 2020	
		Un-audited	Audited	
	Note	----- (Rupees in '000) -----		
6	PAYABLE TO THE MANAGEMENT COMPANY			
	Remuneration of the Management Company	6.1	567	578
	Sindh Sales Tax on remuneration of the Management Company	6.2	156	157
	Federal Excise Duty on remuneration of the Management Company	6.3	661	661
	Reimbursement of operational expenses to the Management Company	6.4	-	-
	Sales Load Payable		21	21
			<u>1,405</u>	<u>1,418</u>

6.1 The Management Company has charged its remuneration at the rate of 0.35% (30 June 2021: 0.35%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

6.3 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 6.2 above, the Management Company is of the view that further levy of FED was not justified.

On 4 September 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

During the year ended 30 June 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.

With effect from 01 July 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.

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 01 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 0.0661 million (30 June 2021: 0.0661 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 31 December 2021 would have been higher by Rs. 0.0296 (30 June 2021: Rs. 0.0197) per unit.



- 6.4 This represents reimbursement of certain expenses to the Management Company. As per regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.

		31 December 2021 Un-audited	30 June 2021 Audited
Note	-----Rupees in ('000) -----		
7 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		351	481
Provision for Sindh Workers' Welfare Fund	7.1	-	3,442
Others		2,517	1,645
		2,868	5,569

- 7.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Fund Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / pension funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / pension funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the CISs / pension 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 August 12, 2021, on August 12, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF amounted to Rs.3.442 million. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

8 CONTINGENCIES AND COMMITMENTS

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



9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 December 2021 is 0.4% which includes 0.04% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.50% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

10 TAXATION

The income of the fund is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision in respect of taxation has been made in these financial statements.

	For the Half Year Ended 31 December	
	2021	2020
	Un-audited	Un-audited
	-----Rupees (000')-----	
11 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS		
11.1 Transactions for the period:		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration for the period	2,851	1,949
Sindh Sales Tax on remuneration of the Management Company	371	253
Reimbursement of operational expenses to the Management Company	-	-
Shariah Advisor Fee		78
MCB Financial Services Limited - Trustee of the Fund		
Remuneration of the Trustee	599	409
Pak Oman Investment Company Limited - holding company of the Management Company		
Issuance of Nil Units (Dec 2020 941,092 Units)	-	50,000
Dividend paid	-	-
Pak Qatar Individual Family Participant Investment Fund		
Redemption of Nil Units (Dec 2020 935,480 Units)	-	50,000
Investments of 1,039,554.4402 Units (Dec 2020 Nil Units)	55,652	-
Key Management Personnels		
Redemption of 31,032.67 Units (Dec 2020 Nil Units)	1,654	-
Investments of 31,032.67 Units (Dec 2020 Nil Units)	1,654	-



PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

	31 December 2021 (Unaudited)	30 June 2021 (Audited)
	-----Rupees ('000')-----	
11.2 Outstanding balances as at period / year end		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration payable to the Management Company	567	578
Sindh Sales Tax payable on Remuneration of the Management Company	156	157
Federal Excise Duty payable on Remuneration of the Management Company	661	661
Sales Loads.	21	21
Shariah Advisor fee	-	38
MCB Financial Services Limited - The Trustee		
Remuneration payable to the Trustee	229	121
Pak Oman Investment Company Limited - holding Company of Management Company of the Fund		
Outstanding: 4,347,534.0566 (30 June 2021: 4,347,534.0566) units	238,527	229,484
Dividend Payable	-	6,905
Pak Qatar Individual Family Participant Investment Fund		
Outstanding: 14,297,956.1938 (30 June 2021: 13,258,401.7536) units	784,457	13,258
Dividend Payable	-	-
Key Management Personnels		
Units outstanding Nil Units (30 June 2021: 5,305.4921 units)	-	280
Cash distribution payable	-	17

12 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Fair value of investments is determined as per the policy disclosed in note 3.2.8 to these financial statements.

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: Quoted price (unadjusted) in an active market for identical assets or liabilities that the entity can access at the measurement date;
- 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).



PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

The following table analysis within the fair value hierarchy the Fund's financial assets (by class) measured at fair value:

	As at Dec 31, 2021						
	At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3
On-balance sheet Financial Instruments	(Rupees in '000)						
Financial assets measured at fair value							
Investments	596,872	-	-	596,872		596,872	-
Financial assets not measured at fair value							
Bank Balances	-	-	558,336	558,336	-	-	-
Profit Receivables	-	-	20,195	20,195	-	-	-
Deposits, Prepayments and other receivables	-	-	54,886	54,886	-	-	-
	596,872	-	633,417	1,230,289			
Financial liabilities not measured at fair value							
Payable to Management Company	-	-	1,405	1,405	-	-	-
Payable to Trustee	-	-	229	229	-	-	-
Accrued expenses and other liabilities	-	-	3,476	3,476	-	-	-
	-	-	5,110	5,110			

	As at June 30, 2021						
	At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3
On-balance sheet Financial Instruments	(Rupees in '000)						
Financial assets measured at fair value							
Investments	396,712	-	-	396,712	14,882	381,830	-
Financial assets not measured at fair value							
Bank Balances	-	-	1,362,223	1,362,223	-	-	-
Profit Receivables	-	-	18,300	18,300	-	-	-
Deposits, Prepayments and other receivables	-	-	4,901	4,901	-	-	-
	396,712	-	1,385,424	1,782,136			
Financial liabilities not measured at fair value							
Payable to Management Company	-	-	1,418	1,418	-	-	-
Payable to Trustee	-	-	121	121	-	-	-
Accrued expenses and other liabilities	-	-	12,409	12,409	-	-	-
	-	-	13,948	13,948			



There were no transfers between above levels during the year.

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

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

13 GENERAL

Figures have been rounded off to the nearest thousand rupees.

14 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 26, 2022.

**For Pak Oman Asset Management Company Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director



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Our Mission

"To provide higher risk adjusted returns to investors at large by investing into a diversified range of investment assets on consistent basis."

Our Vision

"PAK OMAN DAILY DIVIDEND FUND aims to provide diversified portfolio and return that is risk adjusted to suit investors at large, on a consistent basis."



FUND INFORMATION

Management Company

Pak Oman Asset Management Company Limited.
 ICON House 83-C, 12th Commercial Street,
 Phase-II Extension, DHA, Karachi.
 Phone : +92 - 21 - 35899641-44
 Fax : +92 - 21 - 35899645
 Website : www.pakomanfunds.com

Board of Director of The Management Company

H.E Yahya Bin Said Bin Abdullah Al- Jabri Chairman
 Mr. Bahauddin Khan
 Mr. Jehangir Shah
 Mr. Rashid Ali Ibrahim Al Balushi
 Ms. Sadaf Kazmi

Audit Committee

Mr. Rashid Ali Ibrahim Al Balushi
 Mr. Jehangir Shah
 Mr. Bahauddin Khan

Chief Financial Officer

Mr. Salman Shafiq Hashmi

Company Secretary

Ms. Haajra Jafri

Asset Manager Rating

AM3 ++ (Positive)

Trustee

Digital Custodian Company
(formerly MCB Financial Services Ltd)
 4th Floor, Perdesi House, 2/1, R-Y-16,
 Old Queens Road, Karachi.

Auditors

RSM Avas Hyder Liaquat Nauman
Chartered Accountants
 407, Progressive Plaza, Beamont Road,
 Karachi-75530

Bankers to The Fund

Dubai Islami Bank Limited
 Faysal Bank Limited

Legal Advisor

Mohsin Tayyab Ali
Corporate & Commercial Law Firm
 D-21, Block - 4,
 KDA Scheme 5, Clifton, Karachi.



DIRECTORS REPORT TO THE UNIT HOLDERS

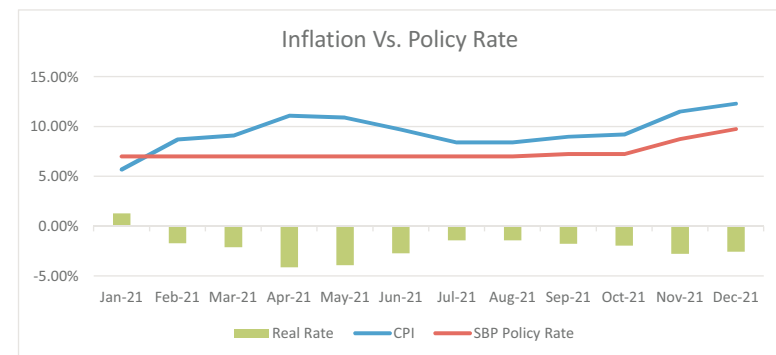
The Board of Directors (BOD) of Pak Oman Asset Management Company Limited, the Management Company of the Pak Oman Daily Dividend Fund (PODDF) is pleased to present the Condensed Interim Financial Statements (un-audited) for the period from December 8, 2021 to December 31, 2021.

Development and performance review

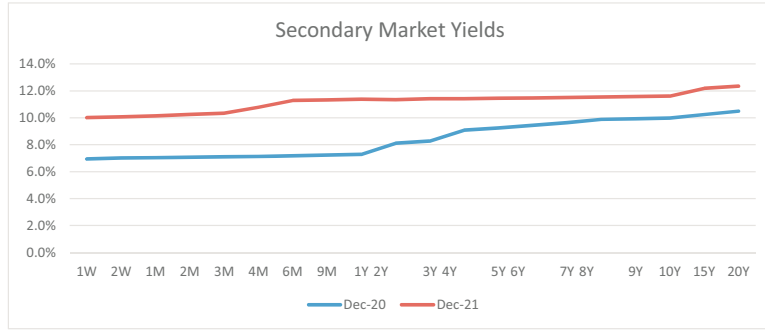
Pak Oman Daily Dividend Fund (PODDF) was initiated on 8-Dec-21. For the period under review, PODDF generated an annualized return of 8.85% versus the benchmark return of 3.22, thus registering an out-performance of 5.63% p.a. The fund aims to consistently provide better return than the profit rates offered by Islamic Banks / Islamic windows of commercial banks. Around 99.6% of assets of the Fund are invested in bank deposits which enhances the liquidity profile of the Fund.

Economic Review

Economy has shown great turnaround in CY21 due to government's proactive approach in coping with pandemic and faster than expected pace of recovery in economy activity. GDP of the country grew at 5.37% during FY21, after government revised its base. National CPI index during the year averaged at 9.5%, which remained slight above central bank's near-term target inflation of 7%-9%. First half of the CY21 witnessed positive triggers on economic front as current account balance remained meagerly in deficit, however, it surged to overall CAD of USD 12.25bn in remaining quarters of CY21. Commodities prices upswing in international and domestic markets surged the price pressure during the year, which lead to SBP action of hiking key rates by 275 bps.

**Fixed income market review**

During the year, average CPI index surged to 9.5% owing to increase in energy prices and input cost. On the other hand, food inflation surged at higher pace owing higher urea/DAP prices and higher support prices announced by government for key agricultural products. Consequently, central bank cumulatively increased interest rate by 275 bps in its MPC meeting during the year. In line with the policy rate, yields on government securities surged on average 275 bps with yield on 1-year bill jumping ~400 bps from 7.28% in Dec'20 to 11.38% in Dec'21.



Future outlook

Going forward, we believe equity market to perform on multiple triggers. Disbursement of USD 1bn under EFF after Government's agreement with IMF on 6th review, coupled with government's effort to raise fund through multiple Sukuk auctions in international market will provide support to macro indicators. MSCI routine review to allocate country weightage to Pakistan in MSCI FM will open tap of foreign portfolio inflows. We also believe, FY23 budget will take a populist form and include business-friendly policies, given it could be PTI's last budget before the general elections in 2023.

Acknowledgement

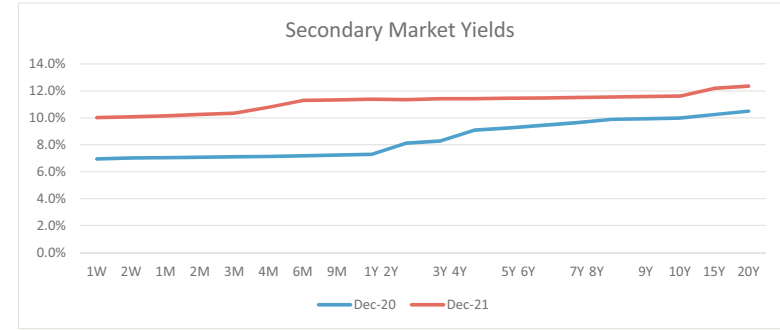
We would like to thank you valued investors who have placed their confidence in us. The Board is also thankful to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the Pakistan Stock Exchange for their continued cooperation and support. The Board of Directors also appreciates the efforts put in by the management team for their commitment and hard Work.

For and on behalf of the Board

Chief Executive Officer

Director

Dated: February 28, 2022



مستقبل کا نقطہ نظر

آگے بڑھتے ہوئے، ہمیں یقین ہے کہ ایکویٹی مارکیٹ متعدد محرکات پر کارکردگی کا مظاہرہ کرے گی۔ چھپنے جانے پر IMF کے ساتھ حکومت کے معاہدے کے بعد EFF کے تحت 1 بلین امریکی ڈالر کی تقسیم، بین الاقوامی مارکیٹ میں متعدد سکوٹ نیلامیوں کے ذریعے فنڈ اکٹھا کرنے کی حکومت کی کوششوں کے ساتھ میکر وائڈ ٹیکسٹ کو مدد فراہم کرے گی۔ MSCI FM میں پاکستان کو کنٹری ویٹج مختص کرنے کے لیے MSCI کا معمول کا جائزہ غیر ملکی پورٹ فولیو کی آمد کو کھول دے گا۔ ہمارا یہ بھی ماننا ہے کہ مالی سال 23 کا بجٹ ایک پاپلسٹ شکل اختیار کرے گا اور اس میں کاروبار و مہنگائی پالیسیاں شامل ہوں گی، بشرطیکہ یہ 2023 کے عام انتخابات سے قبل پی ٹی آئی کا آخری بجٹ ہو۔

اظہار تشکر

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، فنڈ کے ٹرسٹی اور پاکستان اسٹاک ایکسچینج کے مسلسل تعاون اور حمایت کا شکریہ ادا کرتے ہیں۔ بورڈ آف ڈائریکٹرز انتظامیہ کی ٹیم کے عزم اور محنت کے لیے کی جانے والی کوششوں کو بھی سراہتے ہیں۔

منجانب بورڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

مورخہ: 28 فروری 2022ء



یونٹ ہولڈرز کو ڈائریکٹران کی رپورٹ

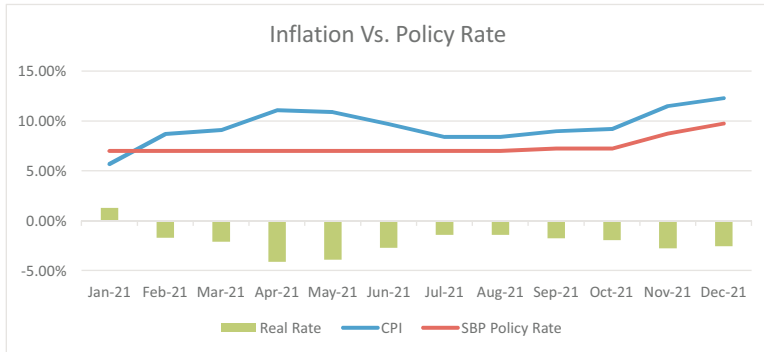
پاک اومان ایسٹ میجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز (BOD)، پاک اومان ڈیلی ڈیویڈنڈ فنڈ (PODDF) کی میجمنٹ کمیٹی کے 31 دسمبر 2021 کو ختم ہونے والی ششماہی کے لئے منجمد عبوری مالیاتی گوشوارے پیش کرتے ہوئے اظہارِ مسرت کرتے ہیں۔

ترقی اور کارکردگی کا جائزہ

پاک اومان ڈیلی ڈیویڈنڈ فنڈ (PODDF) 8 دسمبر 201 کو شروع کیا گیا۔ زیر جائزہ مدت کے دوران، PODDF نے 3.22% کے شیئنگ مارک ریٹرن کے مقابلے میں 8.85% کا سالانہ ریٹرن فراہم کیا، لہذا 5.63% سالانہ کی بہتر کارکردگی دکھائی۔ فنڈ کا مقصد اسلاک ٹیکنیکل / کمرشل ٹیکنیکل کی اسلاک ونڈوز کی طرف سے پیشکش کردہ منافع ریش سے مسلسل بہتر منفعیت فراہم کرنا ہے۔ فنڈ کے تقریباً 99.6% اثاثوں کی پینک ڈیپازٹس میں سرمایہ کاری کی گئی جو فنڈ کی لیکویڈیٹی کی پروفائل کو بڑھاتے ہیں۔

اقتصادی جائزہ

وہابی بیماری سے نمٹنے کے لیے حکومت کے فعال انداز اور معیشت کی سرگرمیوں میں بحالی کی توقع کے زیادہ تیز رفتاری کی وجہ سے CY21 میں معیشت نے زبردست تبدیلی دکھائی دی ہے۔ حکومت کی اپنی بنیاد پر نظر ثانی کے بعد، مالی سال 21 کے دوران ملک کے جی ڈی پی میں 5.37 فیصد اضافہ ہوا۔ سال کے دوران قومی سی پی آئی انڈیکس اوسطاً 9.5% رہا، جو کہ مرکزی بینک کے 7% - 9% کے قریب مدتی ہدف افراط زر سے معمولی زیادہ رہا۔ CY21 کی پہلی ششماہی میں معاشی محاذ پر مثبت محرکات دیکھنے میں آئے کیونکہ کرنٹ اکاؤنٹ بیلنس معمولی طور پر خسارے میں رہا، تاہم، CY21 کی بقیہ سہ ماہیوں میں یہ مجموعی کرنٹ اکاؤنٹ خسارہ 12.25 بلین امریکی ڈالر تک پہنچ گیا۔ بین الاقوامی اور مقامی منڈیوں میں اشیاء کی قیمتوں میں اضافے نے سال کے دوران قیمتوں کے دباؤ کو بڑھایا، جس کی وجہ سے اسٹیٹ بینک نے بنیادی شرحوں میں 275bps اضافہ کر دیا۔



مستقل انکم مارکیٹ کا جائزہ

سال کے دوران، توانائی کی قیمتوں اور ان چٹ لاگت میں اضافے کی وجہ سے اوسط CPI انڈیکس 9.5 فیصد تک بڑھ گیا۔ دوسری طرف، یوریا / ڈی اے پی کی قیمتوں میں اضافے اور اہم زرعی مصنوعات کے لیے حکومت کی جانب سے اعلان کردہ زیادہ امدادی قیمتوں کی وجہ سے اشیائے خورد و نوش کی مہنگائی تیز رفتاری سے بڑھی۔ نتیجتاً، مرکزی بینک نے سال کے دوران اپنے MPC اجلاس میں مجموعی طور پر شرح سود میں 275bps کا اضافہ کر دیا۔ پالیسی شرح کے مطابق، گورنمنٹ سیکورٹیز کی پیداوار میں اوسطاً 275bps کا اضافہ ہوا جس کے ساتھ 1 سال کے بل پر 400bps~ کا اضافہ ہوا جو دسمبر 20 میں 7.28 فیصد سے دسمبر 21 میں 11.38 فیصد ہو گیا۔



REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

PAK OMAN DAILY DIVIDEND FUND

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

Pak Oman Daily Dividend Fund, an open end scheme established under a Trust Deed dated June 18, 2021 executed between Pak Oman Asset Management Company Limited, as the Management Company and Digital Custodian Company Limited formerly MCB financial Services Limited was appointed as a trustee. The fund commence its operation on December 8, 2021.

1. Pak Oman Asset Management Company Limited, the Management Company of Pak Oman Daily Dividend Fund has, in all material respects, managed Pak Oman Daily Dividend Fund during the period ended 31st December 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 25, 2022

Authorize signatory

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



RSM Awaiz Hyder Liaquat Nauman
Chartered Accountants
407, Progressive Plaza, Beaumont Road
Karachi, 75530 - Pakistan
T: +92 (21) 35655975-6
F: +92 (21) 3565-5977
W: www.rsm-pakistan.pk

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS OF PAK OMAN DAILY DIVIDEND FUND

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS**Introduction**

We have reviewed the accompanying condensed interim statement of asset and liabilities of Pak Oman Daily Dividend Fund (the Fund) as at December 31, 2021 and the related condensed interim income statement and the condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim statement of cash flows together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information"), for the six month period ended December 31, 2021. Pak Oman 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.

Scope of Review

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

Conclusion

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

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

Adnan Zaman
Chartered Accountants
Karachi
Date:

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Awaiz Hyder Liaquat Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT DECEMBER 31, 2021

**31 December
2021**
Un-audited
Note --Rupees in ('000)--

Assets

Balances with bank
Profit receivable on bank balances
Formation Cost and other receivables
Total assets

4	550,008
	1,464
	6
	551,478

Liabilities

Payable to Management Company
Payable to Central Depository Company of Pakistan Limited - Trustee
Payable to the Securities & Exchange Commission of Pakistan
Dividend Payable
Accrued expenses and other liabilities
Total liabilities

6	17
	11
	3
	-
7	134
	165

NET ASSETS**551,313****UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)****551,313****CONTINGENCIES AND COMMITMENTS**

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NUMBER OF UNITS IN ISSUE**55,131,373****NET ASSET VALUE PER UNIT****10.0000**

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



PAK OMAN DAILY DIVIDEND FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE PERIOD FROM 08 DECEMBER 2021 TO 31 DECEMBER 2021

	For the Period 08 December 2021 to 31 December 2021	For the Period 08 December 2021 to 31 December 2021
Note	-----Rupees in ('000)-----	
Income		
Return / mark-up on:		
-bank and term deposit receipts	1,464	1,464
Other income	6	6
Total income	1,470	1,470
Expenses		
Remuneration of Asset Management Company	6.1 15	15
Sindh Sales Tax on Remuneration of the Management Company	6.2 2	2
Reimbursement of operational expenses to the Management Company	6.3 -	-
Remuneration of trustee inclusive of sales tax	11	11
Annual fees to the Securities & Exchange Commission of Pakistan	3	3
Auditors' remuneration	70	70
Fees and subscription	13	13
Printing and stationary expenses	2	2
Securities transaction cost	4	4
Legal and professional Charges	18	18
Bank and settlement charges	-	-
Provision for Sindh Workers' Welfare Fund	-	-
	138	138
Net income for the period before taxation	1,332	1,332
Taxation	10 -	-
Net income for the period after taxation	1,332	1,332
Allocation of Net Income for the year		
- Net income for the period after taxation	1,332	1,332
- Income already paid on units redeemed	-	-
	1,332	1,332
Accounting income available for distribution		
-Relating to capital gains	-	-
-Excluding capital gains	1,332	1,332
	1,332	1,332

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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PAK OMAN DAILY DIVIDEND FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE PERIOD FROM 08 DECEMBER 2021 TO 31 DECEMBER 2021

	For the Period 08 December 2021 to 31 December 2021	For the Period 08 December 2021 to 31 December 2021
	-----Rupees in ('000)-----	
Net income for the period after taxation	1,332	1,332
Other comprehensive income	-	-
Total comprehensive income for the period	1,332	1,332

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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PAK OMAN DAILY DIVIDEND FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE PERIOD FROM 08 DECEMBER 2021 TO 31 DECEMBER 2021

		08 December to 31 December 2021		
		Capital Value	Undistributed Income	Total
Note		Rupees in ('000)-		
Net assets at the beginning of the period		-	-	-
Issue of 55,302,000 units				
-Capital value (at net asset value per unit at the beginning of the period)		554,325	-	554,325
-Element of income		-	-	-
		554,325	-	554,325
Redemption of 301,154 units				
-Capital value (at net asset value per unit at the beginning of the period)		(3,012)	-	(3,012)
-Element of income		-	-	-
		(3,012)	-	(3,012)
Distribution during the period	5	-	(1,332)	(1,332)
Total comprehensive income for the period		-	1,332	1,332
Net assets at the end of the period		551,313	-	551,313
Undistributed income brought forward comprising of:				
-Realized		-		
-Unrealised		-		
		-		
Distribution during the period	5	(1,332)		
Accounting income available for distribution:				
-Relating to capital gains		-		
-Excluding capital gains		1,332		
		1,332		
Undistributed income carried forward - net		-		
Undistributed income carried forward comprising of:				
-Realized		-		
-Unrealised		-		
		-		

				Rupees---
Net asset value at the beginning of the period				-
Net asset value at the end of the period				10.0000

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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PAK OMAN DAILY DIVIDEND FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE PERIOD FROM 08 DECEMBER 2021 TO 31 DECEMBER 2021

		08 December 2021 to 31 December 2021
Note		-Rupees in ('000)-
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period after taxation		1,332
Adjustments for:		
Net unrealised (appreciation) / Loss on remeasurement of investments at fair value through profit or loss'		-
Provision for Sindh Workers Welfare Fund		-
		-
(Increase) / Decrease in assets		
Investments - Net		-
Profit receivable on bank balances		(1,464)
Advances, prepayment and other receivables		(6)
		(1,470)
Increase in liabilities		
Payable to Asset Management Company		17
Payable to Central Depository Company of Pakistan Limited - Trustee		11
Payable to the Securities & Exchange Commission of Pakistan		3
Dividend Payable		-
Accrued expenses and other liabilities		134
		165
Net cash generated from operating activities		27
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units		554,325
Cash distribution		(1,332)
Net payments against redemption of units		(3,012)
Net cash generated from financing activities		549,981
Net increase in cash and cash equivalents		550,008
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	4	550,008

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Half Year and Quarter Ended December 31, 2021

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD FROM 08 DECEMBER 2021 TO 31 DECEMBER 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

Pak Oman Daily Dividend Fund (the Fund) was established under a Trust deed executed between Pak Oman Asset Management Limited as the Management Company and Digital Custodian Company Limited (Formerly MCB Financial Services Limited (MCBFSL)). The trust deed was executed on 18 June 2021 and approved by the Securities and Exchange Commission of Pakistan (SECP) on 24 November 2021 in accordance with the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003 (The NBFC Rules).

The Management Company is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at Icon House, 83-C, 12th Commercial Street, Phase-II Extension, DHA, Karachi, Pakistan.

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3++" to the Management Company as at 06 August 2021. and has assigned a rating of "AA(f)" to the Fund as at 29 Dec 2021.

Title to the assets of the Fund is held in the name of Digital Custodian Company Limited (Formerly MCB Financial Services Limited) as the trustee of the Fund.

The fund is started during the period, accordingly these financial statements are prepared for 24 days from the period 08 December 2021 when the fund starts its operations to the period ended December 31, 2021.

The fund is not yet listed on Pakistan stock Exchange but is in the process of Listing.

2. BASIS OF PREPARATION

2.1 Statement of compliance

"These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

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



2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for the investments which are stated at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Fund.

2.4 Critical accounting estimates and judgements

The preparation of financial statements in conformity with approved accounting and reporting standards requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements as a whole are as follows:

- (i) classification and valuation of financial assets (notes 3.2); and
- (ii) impairment of financial assets (notes 3.2.5)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements stated are set out below and have been consistently applied in all the years presented unless otherwise :

3.1 Cash and cash equivalents

Cash comprises current and saving accounts with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to insignificant change in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

3.2 Financial assets

3.2.1 Classification

The management of the Fund determines appropriate classification of investments at the time of purchase and classifies these investments at fair value through profit or loss - held-for-trading, loans and receivables or available-for-sale.

a) Investments at fair value through profit or loss

Financial assets that are acquired principally for the purpose of generating profit from short-term fluctuations in market prices, interest rate movements or are financial assets included in a portfolio in which a pattern of short term profit making exists.

**b) Loans and receivables**

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

c) Investment at fair value through OCI

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as (i) loans and receivables, (ii) held to maturity investments or (iii) financial assets at fair value through profit and loss.

3.2.2 Regular way contracts

All regular purchases / sales of investments are recognized on the trade date i.e. the date that the Fund commits to purchase / sell the investments. Purchases / sales of investments require delivery of securities within the time frame established by the stock exchange regulations.

3.2.3 Initial recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss - held for trading. Financial assets carried at fair value through profit or loss - held for trading are initially recognised at fair value and transaction costs are recognised in the income statement.

3.2.4 Subsequent measurement**a) Financial assets 'at fair value through profit or loss****1) Debt securities (other than government securities)**

The investment of the Fund in debt securities is valued on the basis of rates determined by the Mutual Fund Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities vide its circular no. 1 of 2009 dated January 6, 2009 and circular no. 33 of 2012 dated October 24, 2012. In the determination of the rates MUFAP takes into account the holding pattern of these securities and categorizes them as traded, thinly traded and non-traded securities. The circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

2) Government securities

The investment of the Fund in government securities is valued on the basis of rates announced by the Financial Markets Association of Pakistan.

3) Equity securities

The investment of the Fund in equity securities are valued on the basis of closing quoted market prices available at the stock exchange.

Investments of the Fund in unquoted equity securities are carried at lower of investment price or their break-up value as per the latest audited financial statements.



Net gains and losses arising from changes in the fair value of financial assets carried 'at fair value through profit or loss - held for trading' are taken to the 'income statement'.

Net gains and losses arising from changes in fair value of 'available for sale' financial assets are taken to the 'statement of comprehensive income' until these are derecognised or impaired. At this time, the cumulative gain or loss previously recognised directly in the 'statement of comprehensive income' is transferred to the 'income statement'.

b) Loans and receivables

Subsequent to initial recognition, financial assets classified as 'loans and receivables' are carried at amortised cost using the effective interest method. Gains or losses are also recognised in the 'income statement' when financial assets carried at amortised cost are derecognised or impaired, and through the amortisation process.

3.2.5 Impairment of financial assets

The carrying value of the Fund's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever, the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the 'income statement'.

a) Debt securities

Provision for non-performing debt securities is made on the basis of time based criteria as prescribed under circular no. 33 of 2012 dated October 24, 2012 issued by the SECP. Impairment losses recognised on debt securities can be reversed through the 'income statement'.

As allowed under circular no. 13 of 2009 dated May 4, 2009 issued by the SECP, the management may also make provision against debt securities over and above the minimum provision requirement prescribed in the aforesaid circular, in accordance with the provisioning policy approved by the Board of Directors and disseminated by the Management Company on its website.

b) Equity securities

For equity securities classified as 'available for sale', a significant or prolonged decline in the fair value of the security below its cost is considered, among other indicators, as an indicator that the security is impaired. If any such evidence exists for 'available for sale' financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in 'income statement', is reclassified from other comprehensive income and recognized in the income statement. However, the decrease in impairment loss on equity securities are not reversed through the income statement.

c) Loans and receivables

For financial assets classified as 'loans and receivables', a provision for impairment is established when there is an objective evidence that the Fund will not be able to collect all amounts due according to the original terms. The amount of the provision is the difference



between the assets carrying value and present value of estimated future cash outflows, discounted at the original effective interest rate.

3.2.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

3.2.7 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'statement of assets and liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

3.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

3.4 Issuance and redemption of units

Units issued are allocated at the offer price, prevalent on the day on which the applications for purchase of units are received, however, units are issued on the receipt of cash / realisation of cheques. The offer price represents the net asset value per unit as at the close of the business day plus the allowable front-end sales load and provision of any duties and charges, if applicable. The sales load is payable to the Management Company.

Units redeemed are recorded at the redemption price, applicable to units for which the Fund receives redemption applications during the business hours of that day. The redemption price represents the net asset value per unit as at the close of the business day less any back-end load and an amount that the management company may consider to be an appropriate provision of duties and charges. Redemption of units is recorded on acceptance of application for redemption.

3.5 Element of income / (loss) included in prices of units issued less those in units redeemed

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.6 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a



result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.7 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the 'income statement' on the date at which the sale transaction takes place.
- Unrealised gains / (losses) arising on revaluation of investments classified as financial assets 'at fair value through profit or loss - held for trading' are included in the 'income statement' in the period in which they arise.
- Dividend income is recognised when the right to receive the dividend is established.
- Markup / return on government securities, term finance certificate, sukuks, commercial papers, clean placements, bank balances and term deposits are recognized on a time proportionate basis using the effective interest method.

3.8 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 its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders (excluding distribution made by issuance of bonus units).

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

3.9 Proposed distributions

Distributions declared subsequent to the year end are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared.

		31 December 2021 Un-audited (Rupees in '000)
	Note	
4. BALANCE WITH BANKS		
-Saving accounts	4.1	550,008
		<u>550,008</u>

- 4.1 These savings accounts carry mark-up at the rates ranging from 8.00% to 10.25% per annum.



5. INTERIM CASH DISTRIBUTION DURING THE PERIOD

---- FOR THE HALF YEAR ENDED DECEMBER 31, 2021 ----

Rate per unit	Declaration date	Distribution from income '000
0.0022	December 8, 2021	0.22
0.0022	December 9, 2021	44.22
0.0068	December 10, 2021	138.08
0.0022	December 13, 2021	44.71
0.0023	December 14, 2021	46.75
0.0022	December 15, 2021	44.72
0.0022	December 16, 2021	44.73
0.0079	December 17, 2021	160.67
0.0025	December 20, 2021	50.89
0.0025	December 21, 2021	50.90
0.0025	December 22, 2021	50.91
0.0025	December 23, 2021	50.92
0.0076	December 24, 2021	154.85
0.0025	December 27, 2021	50.98
0.0025	December 28, 2021	50.23
0.0025	December 29, 2021	50.25
0.0027	December 30, 2021	148.78
0.0027	December 31, 2021	148.82
		1,331.63

31 December
2021

Un-audited

6. PAYABLE TO THE MANAGEMENT COMPANY Note (Rupees in '000)

Remuneration of the Management Company	6.1	15
Sindh Sales Tax on remuneration of the Management Company	6.2	2
Reimbursement of operational expenses to the Management Company	6.3	-
		17

6.1 The Management Company has charged its remuneration at the rate of 0.10% per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

6.3 This represents reimbursement of certain expenses to the Management Company. As per regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the



actual cost whichever is lower. Accordingly, the Management Company has not charged to the Fund during the period.

7. ACCRUED EXPENSES AND OTHER LIABILITIES

31 December
2021

-Rupees in ('000)-

Auditors' remuneration payable	70
Printing charges payable	4
Withholding tax payable	26
Legal & Professional Charges	19
Shariah Advisor Fee	2
Rating Fee	10
Listing Fee	3
	134

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 December 2021.

9. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 December 2021 is 0.12% which includes 0.01% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.50% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

10. TAXATION

10.1 The income of the fund is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision in respect of taxation has been made in these financial statements.

For half year ended
31 December
2021

Un-audited

-Rupees in ('000)-

11. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

11.1 Transactions for the period:

Pak Oman Asset Management Company Limited

Issue of 300,000 units	3,000
Dividend of 1,357.3260 units	14
Redemption of 301,153.7260 units	3,012

Salman Shafiq Hashmi

Issue of 1,000 units	10
Dividend of 5.8620 units	-



For half year ended
31 December
2021
Un-audited
-Rupees in ('000)-

**CDC TRUSTEE FAYSAL ISLAMIC FINANCIAL PLANNING FUND -
FAYSAL SHARIA CAPITAL PRESERVATION**

(Unit holder of 10% or more units of the Fund)

Issue of 15,000,000 units	150,000
Dividend of 84,669.3690 units	847

Osama Irfan Muneer

Issue of 1,000 units	10
Dividend of 5.4200 units	-

FAUJI FERTILIZER BIN QASIM LTD

(Unit holder of 10% or more units of the Fund)

Issue of 30,000,000 units	300,000
Dividend of 8,100 units	81

31 December
2021
Un-audited
-Rupees in ('000)-

11.2 Investments / outstanding balances as at period / year end

Pak Oman Asset Management Company Limited (Management Company)

Remuneration of the Management Company	15
Sindh Sales Tax on remuneration of the Management Company	2

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee inclusive of sales tax	11
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FAUJI FERTILIZER BIN QASIM LTD

(Unit holder of 10% or more units of the fund)

Outstanding 30013771.58 units - at net asset value	300,138
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**CDC TRUSTEE FAYSAL ISLAMIC FINANCIAL PLANNING FUND -
FAYSAL SHARIA CAPITAL PRESERVATION PLAN IV**

(Unit holder of 10% or more units of the fund)

Outstanding 15,084,669.3690 units - at net asset value	150,847
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Key Management Personnel**

Outstanding 1,004.98 units - at net asset value	10
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Other Staff

Outstanding 1,003.796 units - at net asset value	10
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* This represents unit holders holding 10% or more of the units in the Fund at the close of the period.

** These represents transactions and balances pertaining to staff members who are pertaining key management personnel as at the close of the period.



12. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Fair value of investments classified as 'at fair value through profit or loss' which are tradable in an open market is based on the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from the carrying value as the items are short-term in nature.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The table below provides information on financial assets or liabilities carried at fair values, by valuation methods.

As at Dec 31, 2021						
At Fair Value through profit or Loss	At Fair Value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3
(Rupees in '000)						
On-balance sheet Financial Instruments						
Financial assets measured at fair value						
Investments	-	-	-	-	-	-
Financial assets not measured at fair value						
Bank Balances	-	550,008	550,008	-	-	-
Profit Receivables	-	1,464	1,464	-	-	-
Deposits, Prepayments and other receivables	-	6	6	-	-	-
	-	551,478	551,478			
Financial liabilities not measured at fair value						
Payable to Management Company	-	17	17	-	-	-
Payable to Trustee	-	11	11	-	-	-
Accrued expenses and other liabilities	-	137	137	-	-	-
	-	165	165			



There were no transfers between above levels during the year.

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

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

13 GENERAL

Figures have been rounded off to the nearest thousand rupee.

14 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 26, 2022.

**For Pak Oman Asset Management Company Limited
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director