

**HBL**

**ASSET MANAGEMENT LTD.**  
ایسٹیت مینجمنٹ لمیٹڈ

AMC Rating : AM1 by VIS

# QUARTERLY REPORT 2025

For the period ended September 30, 2025

MOVING TOWARDS  
**EXCELLENCE**

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# CORPORATE INFORMATION

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## Management Company

HBL Asset Management Limited

## Board of Directors (Composition as of October 30, 2025)

<b>Chairman</b>	Mr. Shahid Ghaffar	(Non-Executive Director)
<b>Directors</b>	Mr. Mir Adil Rashid	(Chief Executive Officer)
	Ms. Ava Ardeshir Cowasjee	(Non-Executive Director)
	Mr. Khalid Malik	(Independent Director)
	Ms. Sheeza Ahmed	(Independent Director)
	Mr. Habib Yousuf Habib	(Independent Director)
	Mr. Rayomond H. Kotwal	(Non-Executive Director)
	Mr. Tariq Masaud	(Non-Executive Director)
	Mr. Abrar Ahmed Mir	(Non-Executive Director)

## Audit Committee

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

## Human Resource & Remuneration Committee

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

## Risk Management Committee

Chairman	Mr. Habib Yousuf Habib	(Independent Director)
Members	Mr. Shahid Ghaffar	(Non-Executive Director)
	Mr. Tariq Masaud	(Non-Executive Director)

## Technology Committee

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

## Company Secretary & Chief Financial Officer

Mr. Noman Qurban

## AMC Rating

AM1 (Stable Outlook)

## Legal Advisor

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

## Website

[www.hblasst.com](http://www.hblasst.com)

## Head Office & Registered Office

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

# REVIEW REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY FOR THE PERIOD ENDED SEPTEMBER 30, 2025

The Board of Directors of HBL Asset Management Limited is pleased to present its report together with Financial Statements of HBL Islamic Money Market Fund, HBL Islamic Income Fund, HBL Islamic Stock Fund, HBL Islamic Equity Fund, HBL Islamic Asset Allocation Fund, HBL Islamic Savings Fund and HBL Islamic Fixed Term Fund (the Funds) for the period ended September 30, 2025.

## ECONOMIC REVIEW

Continuing from the previous year, Pakistan's macro-economic outlook marked further improvement during the first quarter of the current fiscal year (ending September 2025). The external-account position strengthened, with the current-account balance improving thanks to robust growth in remittances and strengthening export performance. Foreign-exchange reserves rose significantly, aided by disbursements under the IMF Extended Fund Facility and assurances of financing from friendly nations. The domestic currency likewise appreciated modestly. Sovereign-credit ratings were upgraded during the year by major agencies including Fitch, Moody's and S&P reflecting renewed confidence in Pakistan's macro-financial stability. Inflation moderated into single-digit territory; however, in light of emerging inflation risks and supply-side pressures, the State Bank of Pakistan chose to maintain the policy interest rate rather than cut it further this quarter.

The current-account balance posted a deficit of USD 594 million during the quarter under review (July-Sept FY2026), compared with a deficit of USD 502 million in the same quarter of the previous year. Remittances from overseas Pakistanis increased by 8.4% year-on-year, amounting to USD 9.5 billion in the first three months of the fiscal year. Foreign exchange reserves of the country remained stable at around USD 19 billion at the end of the quarter, unchanged from their level at the close of FY2025. Domestic currency also showed strength with an appreciation of 0.9% during the quarter under review.

Headline inflation eased to 5.6% in September 2025 from 6.9% in September 2024, driven by a high base effect, slower food price growth, and stable energy costs. Core Non-Food-Non-Energy inflation remained elevated at 7.3%, reflecting persistent underlying price pressures. Despite this uptick, average annual inflation for the July–September quarter stood at 4.22%, significantly lower than the 9.19% recorded in the same period the previous year.

The State Bank of Pakistan's MPC kept the policy rate at 11.0%, maintaining a cautious stance amid supply-side risks and external uncertainties. Overall, the decline in headline inflation indicates progress toward price stability, though core inflation and structural factors continue to warrant close monitoring. Pakistan's economy is navigating a phase of gradual recovery, with real GDP growth clocked in at 3.04% for FY25, higher than previous estimate of 2.68%. The IMF continues to support Pakistan through its Extended Fund Facility, with a second tranche of \$1.023 billion disbursed in May 2025, bolstering foreign exchange reserves and supporting economic reforms. Additionally, Pakistan secured a \$1.4 billion loan under the IMF's climate resilience fund to address environmental challenges. Despite these positive developments, risks remain from geopolitical tensions and the ongoing need for structural reforms to ensure sustained and inclusive economic growth.

## STOCK MARKET REVIEW

Pakistan's Islamic equities market, represented by the KMI-30 Index, delivered a remarkable performance, gaining 61,380 points, or 33%, to close at 246,267 points. The robust quarterly performance reflected a significant improvement in investor sentiment, driven by stability in key macroeconomic indicators and the State Bank of Pakistan's decision to maintain the policy rate at 11%, which helped alleviate concerns over inflation and economic stability. Despite challenges during the quarter, including flood-related disruptions and geopolitical uncertainties, the market displayed notable resilience. Overall, the quarter highlighted strong optimism in Pakistan's economic prospects and a growing return of confidence among investors in Shariah-compliant stocks.

During the quarter under review, overall market activity performed strongly, showing significant improvement compared to the previous quarter. The KMI-All-Share Index recorded an average daily trading volume of 499 million shares and a value of PKR 30.8 billion, marking a quarter-on-quarter growth of 29% and 30%, respectively, from 388 million shares and PKR 23.61 billion in the preceding quarter. While foreign investors were net sellers, offloading equities worth USD 136 million, domestic participants including mutual funds, individual investors and companies remained active buyers, driving market liquidity and contributing to the robust performance of the market.

The top positive contributing sectors to the KMI-30 Index during the quarter were Cement, Oil & Gas E&P, Power, Investment Banks, Banks, and Technology & Communication, contributing 10,451, 10,342, 10,027, 8,934, 7,282, and 4,348 points, respectively. No sector recorded any negative contribution during the period, reflecting broad-based gains across the market.

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Although Pakistan's equities market has delivered a strong performance in recent quarters, positioning it among the better-performing markets globally, this positive trend is expected to continue over the medium to long term as the country progresses on its path of gradual economic recovery. A stable external account, supported by timely debt rollovers and cooperation with friendly countries, is likely to further strengthen the country's credit profile. Declining inflation, a maintained policy rate at 11%, and improving corporate profitability are expected to attract additional liquidity to the equities market. Moreover, attractive valuations with dividend yields of up to 5% and a price-to-earnings ratio around 8.58x make Pakistan's equities market an appealing opportunity for investors seeking substantial returns over the medium to long term.

## **MONEY MARKET REVIEW**

As the State Bank of Pakistan maintained a status quo in its monetary policy, keeping the policy rate unchanged at 11%, secondary market yields on government securities remained largely stable compared to the previous quarter, with only minor adjustments observed across maturities. Yields on 3-month, 6-month, 1-year, 3-year, 5-year, and 10-year government securities stood at 11.01%, 10.99%, 11.02%, 11.18%, 11.48%, and 12%, respectively, reflecting minimal movement in the absence of further monetary easing.

In the last auction of Ijara Sukuk held on September 29th, 2025, rental rates of fixed rate instruments with tenures of 3-year, and 5-year, declined to 10.75%, and 11.14%, respectively from 10.86%, and 11.39%, respectively in June 2025.

Despite the State Bank of Pakistan maintaining the policy rate at 11% during the quarter, real interest rates remained notably positive on both a current and forward-looking basis, supported by a significant decline in inflation. With inflationary pressures easing and continued macroeconomic stability, money market yields remained largely stable, reflecting the absence of any anticipated policy rate cuts.

## **FUTURE OUTLOOK**

We believe that achieving the government's GDP growth target of 4.2% in FY26 will remain challenging. Our expectation for the GDP growth remains modest between 2.5% to 3.0% as the growth for this year will be supported by recovery in industrial and services sectors alongside improved macroeconomic stability. Agriculture is projected to grow by 2.2% on the back of better crop yields, while industry and services are expected to expand by 4.5% and 3.6%, respectively.

On the fiscal side, the deficit is anticipated at 5.2% of GDP (~PKR 5.8trn), broadly in line with the government's target, compared to significantly higher slippages seen in recent years. This will be achieved through higher revenues, with FBR collections expected to reach PKR 13.7trn (slightly below the target of PKR 14.1trn), and controlled current expenditure. The primary balance is expected to post a surplus of PKR 2.5trn, aided by strong FBR collections, petroleum levy, and SBP profits.

On the external side, the current account deficit is projected at USD 1.6bn in FY26, as a resurgence in import-driven demand outweighs gains from higher remittances and exports. The trade deficit is expected at USD 33.2bn, with imports rising due to improving aggregate demand. Remittances are projected at USD 39.2bn, up 3% YoY, supported by exchange rate stability and continued formalization of flows. FDI is also expected to pick up modestly with greater investor confidence, IMF program continuity, and privatization-related activity.

Inflation is expected to average 5.4% in FY26, a significant improvement compared to the last few years, driven by stable food and energy prices, PKR stability, and a high base effect. With inflation anchored, the SBP has already reduced the policy rate to 11.0%, providing support to private sector credit and growth revival.

On external financing, the requirement for FY26 stands at USD 17.3bn, with USD 8.1bn expected from private creditors and USD 8.9bn from program/project loans. By Jun'26, SBP reserves are expected to reach USD 14.2bn, aided by IMF inflows, bilateral/multilateral support, and rollovers. PKR is projected to average around PKR 292.3/USD during FY26.

Our outlook on Pakistan equities remains constructive, underpinned by attractive valuations, improving macroeconomic indicators, declining interest rates, and IMF program continuity. The market is trading at a P/E multiple of ~6.8x compared to a regional average of ~14.5x, and offers a compelling dividend yield of ~8% versus the regional average of ~5.5%. Hence, Pakistan equities continue to present an attractive long-term investment opportunity, although risks from global commodity shocks, geopolitical tensions, etc. should be monitored.

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## FUND'S PERFORMANCE AND PAYOUTS

### HBL Islamic Money Market Fund

The total income and net income of the Fund was Rs. 2,352.49 million and Rs. 2,155.84 million respectively during the period ended September 30, 2025. The Net Asset Value (NAV) of the Fund was Rs. 104.0489 per unit as on September 30, 2025 as compared to Rs. 101.5544 per unit as on June 30, 2025, thereby giving an annualized return of 9.75%. During the period the benchmark return (90% 3 Month PKISRV & 10% 3 Month deposit rates) was 9.74%. The size of Fund was Rs. 100.83 billion as on September 30, 2025 as compared to Rs. 81.76 billion at the start of the period.

JCR-VIS Credit Rating Company Limited has reaffirmed the Fund stability rating of AA+(f) to the Fund.

### HBL Islamic Income Fund

The total income and net income of the Fund was Rs. 479.79 million and Rs. 444.86 million respectively during the period ended September 30, 2025. The Net Asset Value (NAV) of the Fund was Rs. 106.7098 per unit as on September 30, 2025 as compared to Rs. 104.0599 per unit as on June 30, 2025, thereby giving an annualized return of 10.10%. During the same period the benchmark return (75% 6 Month PKISRV & 25% 6 Month Deposit rates) was 9.51%. The size of Fund was Rs. 19.65 billion as on September 30, 2025 as compared to Rs. 17.57 billion at the start of the period.

JCR-VIS Credit Rating Company Limited has reaffirmed Fund Stability Rating of A+(f) to the Fund.

### HBL Islamic Stock Fund

The total and net income of the Fund was Rs. 268.93 million and Rs. 254.55 million respectively during the period ended September 30, 2025. The Net Asset Value (NAV) of the Fund was Rs. 256.8258 per unit as on September 30, 2025 as compared to Rs. 207.5929 per unit as on June 30, 2025, thereby giving a return of 23.72% during the period, against the benchmark return (KMI 30 Index) of 33.20%. The size of Fund was Rs. 1.42 billion as on September 30, 2025 as compared to Rs. 0.80 billion at the start of the period.

### HBL Islamic Equity Fund

The total income and net loss of the Fund was Rs. 284.70 million and Rs. 271.19 million respectively during the period ended September 30, 2025. The Net Asset Value (NAV) of the Fund was Rs. 202.5019 per unit as on September 30, 2025 as compared to Rs. 158.8867 per unit as on June 30, 2025, thereby giving a return of 27.45% during the period, against the benchmark return (KMI 30 Index) of 33.20%. The size of Fund was Rs. 1.25 billion as on September 30, 2025 as compared to Rs. 1.14 billion at the start of the period.

### HBL Islamic Asset Allocation Fund

Under HBL Islamic Asset Allocation Fund (HBL-IAAF), the HBL Islamic Asset Allocation Fund – Plan I (HBL IAAF-Plan-I) have been constituted on July 13, 2020 and HBL Islamic Asset Allocation Fund – Plan-II was launched on August 05, 2022.

The total and net income of the Fund including HBL IAAF Plans was Rs. 101.64 million and Rs. 94.86 million respectively during the period ended September 30, 2025. The Net Asset Value (NAV) of the HBL-IAAF increased from Rs. 253.2553 per unit as on June 30, 2025 to Rs. 305.7269 per unit as on September 30, 2025, thereby giving a return of 20.72% during the period against the benchmark return (Weighted average daily return of KMI 30 Index & 6 months deposit rate of A rated or above banks) of 28.59%.

The Net Assets of HBL IAAF were 0.55 billion as at September 30, 2025 as compared to 0.91 billion as at the start of the period.

### HBL Islamic Savings Fund

The total and net income of the Fund was Rs. 254.44 million and Rs. 218.24 million respectively during the period ended September 30, 2025. The Net Asset Value (NAV) of the Fund was Rs. 103.1088 per unit as on September 30, 2025 as compared to Rs. 100.6142 as on June 30, 2025, thereby giving a return of 9.84% during the period, against the benchmark (90% 3 Month PKISRV & 10% 3 Month Deposit rate) return of 9.74%. The size of Fund was Rs. 9.26 billion as on September 30, 2025 as compared to Rs. 5.36 billion as at start of the period.

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**HBL Islamic Fixed Term Fund**

The total and net income of the Fund was Rs. Nil during the period ended September 30, 2025. The plan was fully matured before the period start and all the proceeds have paid to respective investors. The size of Fund stands zero both as on September 30, 2025 and at start of the period.

**MANAGEMENT COMPANY RATING**

The VIS Credit Rating Company Limited (VIS) has reaffirmed the management quality rating of 'AM-I' (AM-One) to the Management Company and the outlook on the assigned rating has been assessed at 'Stable'.

**ACKNOWLEDGEMENT**

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

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

**On behalf of the Board of  
HBL Asset Management Limited**

**Chief Executive Officer**

## بینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

ایچ بی ایل ایسیٹ بینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 ستمبر 2025ء کو اختتام پزیر ہونے والی مدت کیلئے ایچ بی ایل اسلامک منی مارکیٹ فنڈ، ایچ بی ایل اسلامک آکم فنڈ، ایچ بی ایل اسلامک اسٹاک فنڈ، ایچ بی ایل اسلامک ایکویٹی فنڈ، ایچ بی ایل اسلامک ایسیٹ ایلوکیشن فنڈ، ایچ بی ایل اسلامک سیونگز فنڈ، ایچ بی ایل اسلامک فیکسڈ ٹرم فنڈ اور ایچ بی ایل لائیو اسٹاک فنڈ (فنڈز) کے مالیاتی گوشوارے پیش کرتے ہوئے پُرسرت ہیں۔

## اقتصادی جائزہ اور مستقبل کا نقطہ نظر:

گزشتہ سال کے تسلسل میں، موجودہ مالی سال کی پہلی سہ ماہی (مختتمہ سہ ماہی ستمبر 2025) کے دوران پاکستان کا مجموعی معاشی منظر نامہ مزید بہتری کی طرف گامزن رہا۔ خارجی کھاتوں کی پوزیشن میں مضبوطی آئی، کیونکہ زرمبادلہ کی ترسیلات میں خاطر خواہ اضافہ اور برآمدات کی کارکردگی میں بہتری کے باعث کرنٹ اکاؤنٹ کا توازن بہتر ہوا۔ زرمبادلہ کے ذخائر میں نمایاں اضافہ ہوا، جس کی بڑی وجہ آئی ایم ایف کے ایکسٹینڈڈ فنڈنسلیٹی کے تحت ملنے والی قسطیں اور دوست ممالک کی جانب سے مالی تعاون کی یقین دہانیاں تھیں۔ ملکی کرنسی میں بھی معمولی حد تک بہتری دیکھی گئی۔ عالمی درجہ بندی کی معروف ایجنسیوں جیسے Moody's، S&P اور Fitch نے دوران سال پاکستان کی خود مختار کریڈٹ ریٹنگ میں بہتری کی، جو ملک کے معاشی و مالی استحکام پر دوبارہ اعتماد کی عکاسی کرتی ہے۔ مہنگائی کی شرح ایک عددی سطح تک کم ہو گئی، تاہم، ابھرتے ہوئے افراط زر کے خطرات اور سپلائی سائیز کے دباؤ کے پیش نظر، اسٹیٹ بینک آف پاکستان نے اس سہ ماہی میں پالیسی شرح سود میں مزید کمی کے بجائے اسے برقرار رکھنے کا فیصلہ کیا۔

زیر جائزہ سہ ماہی (جولائی تا ستمبر 2026) کے دوران کرنٹ اکاؤنٹ کا توازن 594 بلین امریکی ڈالر کے خسارے کے ساتھ ریکارڈ کیا گیا، جو گزشتہ سال کی اسی مدت میں 502 بلین امریکی ڈالر کے خسارے کے مقابلے میں قدرے زیادہ ہے۔ بیرون ملک مقیم پاکستانیوں کی ترسیلات زر میں سال بہ سال 8.4 فیصد اضافہ ہوا، جو مالی سال کے ابتدائی تین مہینوں میں 9.5 بلین امریکی ڈالر تک پہنچ گئیں۔ سہ ماہی کے اختتام پر ملک کے زرمبادلہ کے ذخائر تقریباً 19 بلین امریکی ڈالر پر مستحکم رہے، جو مالی سال 2025 کے اختتام پر موجود سطح کے برابر ہیں۔ ملکی کرنسی نے بھی اپنی قدر میں بہتری دکھائی اور زیر جائزہ مدت کے دوران 0.9 فیصد تک مضبوط ہوئی۔

ہیڈ لائن افراط زر ستمبر 2024 کے 6.9 فیصد کے مقابلے میں ستمبر 2025 میں کم ہو کر 5.6 فیصد رہ گیا، جس کی وجوہات میں ہائی میڈیفیکٹ، خوراک کی قیمتوں میں سست رفتاری اور توانائی کے نرخوں میں استحکام شامل ہیں۔ نان فوڈ ٹران انرجی افراط زر 7.3 فیصد پر بلند سطح پر برقرار رہا، جو بنیادی قیمتوں کے مستقل دباؤ کی نشاندہی کرتا ہے۔ اس اضافے کے باوجود، جولائی تا ستمبر سہ ماہی کے دوران اوسط سالانہ افراط زر کی شرح 4.22% رہی، جو گزشتہ سال اسی مدت میں ریکارڈ کی گئی 9.19% کی شرح کے مقابلے میں نمایاں طور پر کم ہے۔

اسٹیٹ بینک آف پاکستان کی مونیٹری پالیسی کمیٹی (MPC) نے پالیسی ریٹ 11.0% پر برقرار رکھا، تاکہ سپلائی سائیز کے خطرات اور بیرونی غیر یقینی صورتحال کے پیش نظر محتاط رویہ اختیار کیا جاسکے۔ مجموعی طور پر، ہیڈ لائن افراط زر میں کمی قیمتوں کے استحکام کی سمت میں پیش رفت کو ظاہر کرتی ہے، اگرچہ کورونا اور ساختی عوامل اب بھی قریبی نگرانی کے متقاضی ہیں۔ پاکستان کی معیشت بتدریج بحالی کے مرحلے سے گزر رہی ہے، جہاں مالی سال 2025 کے لیے حقیقی جی ڈی پی میں 3.04% کی شرح نمو ریکارڈ کی گئی، جو گزشتہ تین مہینے 2.68% سے زیادہ ہے۔ آئی ایم ایف (IMF) نے اپنے ایکسٹینڈڈ فنڈنسلیٹی (EFF) پروگرام کے تحت پاکستان کی معاونت جاری رکھی ہے، اور مئی 2025 میں 1.023 ارب ڈالر کی دوسری قسط جاری کی گئی، جس سے زرمبادلہ کے ذخائر مضبوط ہوئے اور معاشی اصلاحات کو سہارا ملا۔ مزید برآں، پاکستان نے ماحولیاتی چیلنجز سے نمٹنے کے لیے آئی ایم ایف کے کلائمٹ ریزیلیئنس فنڈ کے تحت 1.4 بلین ڈالر کا قرض بھی حاصل کیا۔ ان مثبت پیش رفتوں کے باوجود، جغرافیائی سیاسی کشیدگی اور ساختی اصلاحات کی جاری ضرورت جیسے خطرات برقرار ہیں، جو پائیدار اور جامع معاشی ترقی کے لیے اہم ہیں۔

## اسٹاک مارکیٹ کا جائزہ:

پاکستان کی اسلامی ایکویٹیز مارکیٹ، جس کی نمائندگی KMI-30 انڈیکس کرتا ہے، نے شاندار کارکردگی کا مظاہرہ کیا۔ انڈیکس میں 61,380 پوائنٹس یا 33% کا اضافہ ہوا، جس کے نتیجے میں یہ 246,267 پوائنٹس پر بند ہوا۔ یہ مضبوط سہ ماہی کارکردگی سرمایہ کاروں کے اعتماد میں نمایاں بہتری کو ظاہر کرتی ہے، جس کی بنیادی وجوہات میں اہم معاشی اشاریوں میں استحکام اور اسٹیٹ بینک آف پاکستان کی جانب سے پالیسی ریٹ کو 11% پر برقرار رکھنے کا فیصلہ شامل ہیں، جس سے مہنگائی اور معاشی استحکام سے متعلق خدشات میں کمی واقع ہوئی۔ اگرچہ سہ ماہی کے دوران سیلاب سے متعلق رکاوٹوں اور جغرافیائی سیاسی غیر یقینی صورتحال جیسے چینلجز کا سامنا رہا، تاہم مارکیٹ نے قابل ذکر مضبوطی کا ثبوت دیا۔ مجموعی طور پر، یہ سہ ماہی پاکستان کی معاشی امکانات کے حوالے سے مضبوط امید اور شریعہ کے مطابق اسٹاکس میں سرمایہ کاروں کے اعتماد کی بحالی کی عکاسی کرتی ہے۔

جائزہ شدہ سہ ماہی کے دوران مارکیٹ کی مجموعی سرگرمیوں میں نمایاں بہتری دیکھی گئی، جو گذشتہ سہ ماہی کے مقابلے میں خاصی مضبوط کارکردگی کی عکاسی کرتی ہے۔ KMI آل شیئر انڈیکس کا اوسط یومیہ تجارتی حجم 499 ملین حصص رہا، جب کہ اوسط یومیہ تجارتی مالیت 30.8 بلین روپے رہی۔ یہ بالترتیب گذشتہ سہ ماہی کے 388 ملین حصص اور 23.61 بلین روپے کے مقابلے میں 29% اور 30% کا اضافہ ظاہر کرتا ہے۔ اگرچہ غیر ملکی سرمایہ کاروں نے 136 ملین امریکی ڈالر مالیت کے حصص فروخت کرتے ہوئے خالص فروخت کنندگان کا کردار ادا کیا، تاہم مقامی سرمایہ کار، جن میں میوچول فنڈز، انفرادی سرمایہ کار اور کمپنیاں شامل ہیں، سرگرم خریدار کے طور پر مارکیٹ میں شریک رہے۔ ان کی متحرک شرکت نے مارکیٹ کی لیکویڈیٹی میں اضافہ کیا اور مارکیٹ کی مضبوط کارکردگی میں اہم کردار ادا کیا۔

زیر جائزہ سہ ماہی کے دوران KMI-30 انڈیکس میں سب سے زیادہ مثبت کردار ادا کرنے والے شعبے سینٹ، آئل اینڈ گیس ایکسپلوریشن اینڈ پروڈکشن (E&P)، پاور، انویسٹمنٹ بینکس، بینکس، اور ٹیکنالوجی و کمیونیکیشن رہے۔ ان شعبوں نے بالترتیب 10,451، 10,342، 8,934، 7,282 اور 4,348 پوائنٹس کا اضافہ کیا۔ مجموعی طور پر، کسی بھی شعبے نے منفی کارکردگی ظاہر نہیں کی، جو مارکیٹ میں وسیع پیمانے پر بہتری اور مثبت رجحان کی عکاسی کرتی ہے۔

اگرچہ پاکستان کی ایکویٹی مارکیٹ نے حالیہ سہ ماہیوں میں شاندار کارکردگی دکھائی ہے اور اسے عالمی سطح پر بہتر کارکردگی دکھانے والی مارکیٹوں میں شمار کیا جا رہا ہے، تاہم توقع ہے کہ یہ مثبت رجحان درمیانی سے طویل المدتی مدت تک برقرار رہے گا، جیسے جیسے ملک بتدریج معاشی بحالی کے مرحلے سے گزر رہا ہے۔ بیرونی کھاتوں میں استحکام، قرضوں کی بروقت تجدید، اور دوست ممالک کے تعاون سے پاکستان کے کریڈٹ پروفائل کو مزید تقویت ملنے کا امکان ہے۔ افراط زر میں کمی، پالیسی ریٹ 11 فیصد پر برقرار رہنا، اور کارپوریٹ منافع میں بہتری سے مارکیٹ میں مزید لیکویڈیٹی آنے کی توقع ہے۔ اس کے علاوہ، 5 فیصد تک کے ڈیویڈنڈ ییلڈز اور 8.58x کے قریب پرائس ٹورانگ ریشو کے ساتھ پرکشش ویلیویشنز پاکستان کی ایکویٹی مارکیٹ کو درمیانی سے طویل مدت میں منافع بخش مواقع تلاش کرنے والے سرمایہ کاروں کے لیے ایک دلکش موقع بناتی ہیں۔

## منی مارکیٹ کا جائزہ:

اسٹیٹ بینک آف پاکستان نے اپنی مانیٹری پالیسی میں اسٹیٹس کو برقرار رکھتے ہوئے پالیسی ریٹ 11 فیصد پر غیر متبدل رکھا، جس کے نتیجے میں گزشتہ سہ ماہی کے مقابلے میں سرکاری سیکورٹیز کی ثانوی مارکیٹ میں ییلڈ ز زیادہ تر مستحکم رہیں، صرف مختلف مدتوں پر معمولی ردوبدل دیکھا گیا۔ 3 ماہ، 6 ماہ، 1 سال، 3 سال، 5 سال، اور 10 سال کی مدت والی سرکاری سیکورٹیز پر منافع کی شرحیں بالترتیب 11.01 فیصد، 10.99 فیصد، 11.02 فیصد، 11.18 فیصد، 11.48 فیصد، اور 12 فیصد رہیں، جو اس امر کی عکاسی کرتی ہیں کہ مزید مانیٹری نرمی نہ ہونے کے باعث مارکیٹ میں معمولی حرکت دیکھنے میں آئی۔

اسی طرح، 29 ستمبر 2025 کو منعقدہ اجارہ سلوک کی آخری نیلامی میں 3 سال اور 5 سال کی مدت والے فیکسڈ ریٹ انسٹرومنٹس پر کرایہ کی شرحیں بالترتیب 10.75 فیصد اور 11.14 فیصد تک گر گئیں، جو جون 2025 میں بالترتیب 10.86 فیصد اور 11.39 فیصد تھیں۔

اگرچہ دوران سہ ماہی اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ 11 فیصد پر برقرار رکھا، تاہم حقیقی شرح سود موجودہ اور مستقبل کے لحاظ سے نمایاں طور پر مثبت رہی، جس کی وجہ افراط زر میں نمایاں کمی تھی۔ افراط زر کے دباؤ میں نرمی اور مجموعی معاشی استحکام کے تسلسل کے ساتھ، منی مارکیٹ کے منافع کی شرحیں بڑی حد تک مستحکم رہیں، جو اس امر کی عکاسی کرتی ہیں کہ مستقبل قریب میں پالیسی ریٹ میں کمی کی توقع موجود نہیں۔

## مستقبل کی حکمت عملی:

ہمارا خیال ہے کہ مالی سال 2026ء میں حکومت کا جی ڈی پی کی شرح نمو کا ہدف 4.2 فیصد حاصل کرنا ایک چیلنج رہے گا۔ ہماری توقعات کے مطابق شرح نمو 2.5 فیصد سے 3.0 فیصد کے درمیان رہنے کا امکان ہے، کیونکہ رواں سال کی ترقی زیادہ تر صنعتی اور سروسز کے شعبوں کی بحالی اور مجموعی معاشی استحکام میں بہتری سے تقویت پائے گی۔ زراعت کے شعبے میں 2.2 فیصد نمو کی توقع ہے، جو فصلوں کی بہتر پیداوار کے باعث ممکن ہوگی، جبکہ صنعتی شعبے میں 4.5 فیصد اور سروسز سیکٹر میں 3.6 فیصد تک وسعت متوقع ہے۔

مالیاتی سطح پر بجٹ خسارہ جی ڈی پی کے 5.2 فیصد (تقریباً 5.8 ٹریلین روپے) رہنے کی توقع ہے، جو حکومت کے مقررہ ہدف کے قریب ہے اور گذشتہ چند برسوں میں دیکھے گئے زیادہ خساروں کے مقابلے میں بہتری ظاہر کرتا ہے۔ یہ بہتری آمدنی میں اضافے اور اخراجات پر قابو کے باعث ممکن ہوگی، جہاں ایف بی آر کی وصولیاں 13.7 ٹریلین روپے تک پہنچنے کی توقع ہے (جو ہدف 14.1 ٹریلین روپے سے قدرے کم ہے)۔ پرائمری بیلنس میں 2.5 ٹریلین روپے کا سرپلس متوقع ہے، جو مضبوط ایف بی آر وصولیوں، پیٹرولیم لیوی اور اسٹیٹ بینک آف پاکستان کے منافع سے ممکن ہوگا۔

بیرونی شعبے میں مالی سال 2026ء کے دوران کرنٹ اکاؤنٹ خسارہ 1.6 بلین امریکی ڈالر تک رہنے کی توقع ہے، کیونکہ درآمدی طلب میں اضافہ ترسیلات زراور برآمدات سے حاصل ہونے والے منافع کو جزوی طور پر زائل کر دے گا۔ تجارتی خسارہ کے 33.2 بلین امریکی ڈالر رہنے کا امکان ہے، جو مجموعی طلب میں بہتری کے نتیجے میں بڑھتی ہوئی درآمدات کی عکاسی کرتا ہے۔ ترسیلات زرا میں 3 فیصد سال بہ سال اضافہ متوقع ہے، جو زرمبادلہ کی شرح میں استحکام اور رقومات کی رسمی منتقلی کے تسلسل سے ممکن ہوگا، اور مجموعی طور پر 39.2 بلین امریکی ڈالر تک پہنچنے کا امکان ہے۔ غیر ملکی براہ راست سرمایہ کاری (FDI) میں بھی بتدریج اضافہ متوقع ہے، جو سرمایہ کاروں کے اعتماد میں بہتری، آئی ایم ایف پروگرام کے تسلسل، اور نجکاری سے متعلق سرگرمیوں کی بدولت ممکن ہوگا۔

مالی سال 2026ء میں افراطِ زر اوسطاً 5.4 فیصد رہنے کی توقع ہے، جو گزشتہ چند سالوں کے مقابلے میں نمایاں بہتری ظاہر کرتی ہے۔ اس بہتری کی وجوہات میں خوراک اور توانائی کی قیمتوں کا استحکام، روپے کی قدر میں استحکام، اور ہائی بیس افیکٹ شامل ہیں۔ افراطِ زر کے قابو میں آنے کے بعد، اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ 11.0 فیصد تک کم کر دیا ہے، جس سے نجی شعبے کے قرضوں اور معاشی ترقی کو مزید سہارا ملنے کی توقع ہے۔

مالی سال 2026ء کے لیے بیرونی مالی ضروریات کا تخمینہ 17.3 بلین امریکی ڈالر لگایا گیا ہے، جس میں سے 8.1 بلین امریکی ڈالر نجی قرض دہندگان سے اور 8.9 بلین امریکی ڈالر پروگرام/پروجیکٹ قرضوں کی صورت میں حاصل ہونے کی توقع ہے۔ جون 2026ء تک اسٹیٹ بینک آف پاکستان (SBP) کے زرمبادلہ کے ذخائر کے 14.2 بلین امریکی ڈالر تک پہنچنے کی پیش گوئی ہے، جس میں آئی ایم ایف کے فنڈز، دو طرفہ وکثیر الملکی مالی تعاون، اور قرضوں کی تجدید اہم کردار ادا کریں گے۔ مالی سال 2026ء کے دوران روپے کی اوسط قدر فی امریکی ڈالر 292.3 روپے رہنے کا امکان ہے۔

پاکستان کی ایکویٹی مارکیٹ کے حوالے سے ہمارا مجموعی نقطہ نظر مثبت ہے، جو پرکشش ویلیویشنز، بہتر ہوتے معاشی اشاریوں، گرتی ہوئی شرح سود، اور آئی ایم ایف پروگرام کے تسلسل پر مبنی ہے۔ مارکیٹ اس وقت پرائس ٹورانگ ملٹی پل تقریباً 6.8 گنا پر ٹریڈ کر رہی ہے جو علاقائی اوسط 14.5 گنا کے مقابلے میں نمایاں طور پر کم ہے۔ اسی طرح، پاکستانی ایکویٹی تقریباً 8% کی دلکش منافع کی شرح پیش کرتی ہیں، جو علاقائی اوسط 5.5% سے زیادہ ہے۔ لہذا، پاکستان کی ایکویٹی مارکیٹ طویل المدتی سرمایہ کاری کے لیے ایک پرکشش موقع فراہم کرتی ہے، البتہ عالمی اشیاء کی قیمتوں میں ممکنہ اتار چڑھاؤ، جغرافیائی و سیاسی تناؤ، اور دیگر بیرونی خطرات پر مسلسل نظر رکھنا ضروری ہے۔

**فنڈ کی کارکردگی اور ادائیگیاں:**

**ایچ بی ایل اسلامک منی مارکیٹ فنڈ:**

30 ستمبر 2025 کو ختم ہونے والی مدت کے دوران مجموعی آمدنی اور خالص آمدنی بالترتیب 2,352.49 بلین روپے اور 2,155.84 بلین روپے رہی۔ 30 ستمبر 2025 تک فنڈ کی فی یونٹ خالص اثاثہ مالیت (NAV) 104.0489 روپے فی یونٹ رہی جو 30 جون 2025 کو 101.5544 روپے فی یونٹ تھی، اس طرح فنڈ نے 9.75% کی سالانہ بنیاد پر منافع بخش کارکردگی ظاہر کی۔ اسی مدت کے دوران، بیچ مارک ریٹرن 9.74% (جس میں 90% تین ماہ کا PKISRV اور 10% تین ماہ کی ڈپازٹ شرح شامل ہیں)۔ مدت کے اختتام پر فنڈ کا حجم بڑھ کر 100.83 بلین روپے ہو گیا، جو مدت کے آغاز میں 81.76 بلین روپے تھا۔

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے فنڈ کی مستحکم ریٹنگ AA+(f) پر برقرار رکھی ہے۔

**ایچ بی ایل اسلامک انکم فنڈ:**

30 ستمبر 2025 کو ختم ہونے والی مدت کے دوران فنڈ کی مجموعی آمدنی 479.79 بلین روپے اور خالص آمدنی 444.86 بلین روپے رہی۔ 30 ستمبر 2025 تک فنڈ کی فی یونٹ خالص اثاثہ مالیت (NAV) 106.7098 روپے فی یونٹ رہی، جو 30 جون 2025 کو 104.0599 روپے فی یونٹ تھی، اس طرح فنڈ نے 10.10% کی سالانہ بنیاد پر منافع بخش کارکردگی ظاہر کی۔ اسی مدت کے دوران، بیچ مارک ریٹرن 9.51% (جس میں 75% چھ ماہ کا PKISRV اور 25% چھ ماہ کی ڈپازٹ شرح شامل ہیں)۔ مدت کے اختتام پر فنڈ کا حجم بڑھ کر 19.65 بلین روپے ہو گیا، جو مدت کے آغاز میں 17.57 بلین روپے تھا۔

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے فنڈ کی مستحکم ریٹنگ (f) A+ پر برقرار رکھی ہے۔

### ایچ بی ایل اسلامک اسٹاک فنڈ

30 ستمبر 2025 کو ختم ہونے والی مدت کے دوران فنڈ کی مجموعی آمدنی 268.93 ملین روپے اور خالص آمدنی 254.55 ملین روپے رہی۔  
30 ستمبر 2025 تک فنڈ کی فی یونٹ خالص اثاثہ مالیت (NAV) 256.8258 روپے فی یونٹ رہی، جو 30 جون 2025 کو 207.5929 روپے فی یونٹ تھی۔ اس طرح فنڈ نے مدت کے دوران 23.72% منافع حاصل کیا، جب کہ بیچ مارک (KMI-30 انڈیکس) کی واپسی 33.20% رہی۔ مدت کے اختتام پر فنڈ کا حجم 1.42 بلین روپے رہا، جو مدت کے آغاز میں 0.80 بلین روپے تھا۔

### ایچ بی ایل اسلامک ایلیوٹی فنڈ

30 ستمبر 2025 کو ختم ہونے والی مدت کے دوران فنڈ کی مجموعی آمدنی 284.70 ملین روپے رہی جبکہ خالص خسارہ 271.19 ملین روپے ریکارڈ کیا گیا۔ 30 ستمبر 2025 تک فنڈ کی فی یونٹ خالص اثاثہ مالیت (NAV) 202.5019 روپے فی یونٹ رہی، جو 30 جون 2025 کو 158.8867 روپے فی یونٹ تھی۔ اس طرح فنڈ نے 27.45% منافع حاصل کیا، جب کہ بیچ مارک (KMI-30 انڈیکس) کی واپسی 33.20% رہی۔ فنڈ کا حجم 30 ستمبر 2025 تک 1.25 روپے رہا، جو مدت کے آغاز میں 1.14 بلین روپے تھا۔

### ایچ بی ایل اسلامک ایسیٹ ایلیویشن فنڈ:

ایچ بی ایل اسلامک ایسیٹ ایلیویشن فنڈ (HBL-IAAF) کے تحت ایچ بی ایل اسلامک ایسیٹ ایلیویشن فنڈ - پلان I (HBL-IAAF-Plan-I) کا قیام 13 جولائی 2020 کو عمل میں آیا اور ایچ بی ایل اسلامک ایسیٹ ایلیویشن فنڈ - پلان II کو 5 اگست 2022 کو لانچ کیا گیا۔

30 ستمبر 2025 کو ختم ہونے والی مدت کے دوران فنڈ بشمول HBL IAAF پلانز کی مجموعی آمدنی 101.64 ملین روپے اور خالص آمدنی 94.86 ملین روپے رہی۔ 30 جون 2025 کو فنڈ کی فی یونٹ خالص اثاثہ مالیت (NAV) 253.2553 روپے فی یونٹ سے بڑھ کر 30 ستمبر 2025 تک 305.7269 روپے فی یونٹ ہو گئی۔ اس طرح فنڈ نے اس مدت میں 20.72% منافع حاصل کیا، جب کہ بیچ مارک (KMI-30 انڈیکس) اور اے ریٹڈ یا اس سے اوپر بینکوں کی 6 ماہ کی ڈپازٹ ریٹ کا ویڈیو ریٹج) کی واپسی 28.59% رہی۔

30 ستمبر 2025 تک HBL IAAF کے خالص اثاثے 0.55 بلین روپے رہے، جو مدت کے آغاز میں 0.91 بلین روپے تھے۔

## ایچ بی ایل اسلامک سیونگز فنڈ

30 ستمبر 2025 کو ختم ہونے والی مدت کے دوران فنڈ کی کل آمدنی 254.44 ملین روپے اور خالص آمدنی 218.24 ملین روپے رہی۔ 30 جون 2025 کو فنڈ کی فی یونٹ خالص اثاثہ مالیت (NAV) 100.6142 روپے فی یونٹ سے بڑھ کر 30 ستمبر 2025 کو 103.1088 روپے فی یونٹ ہو گئی، جس کے نتیجے میں 9.84% منافع حاصل ہوا۔ اسی مدت کے دوران بیسٹ مارک (90% تین ماہ کا PKISRV اور 10% تین ماہ کا ڈپازٹ ریٹ) کی واپسی 9.74% رہی۔ فنڈ کا حجم 30 ستمبر 2025 تک 9.26 بلین روپے رہا جو مدت کے آغاز پر 5.36 بلین روپے تھا۔

## ایچ بی ایل اسلامک فکلسڈ ٹرم فنڈ

زیر جائزہ مدت کے دوران فنڈ کی کل اور خالص آمدنی صفر رہی۔ یہ پلان مدت شروع ہونے سے قبل مکمل طور پر میچور ہو چکا تھا اور تمام رقوم متعلقہ سرمایہ کاروں کو ادا کر دی گئی تھیں۔ لہذا 30 ستمبر 2025 اور مدت کے آغاز، دونوں پر فنڈ کا حجم صفر تھا۔

## مینجمنٹ کمپنی ریٹنگ

وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ (VIS) نے مینجمنٹ کمپنی کی مینجمنٹ کوالٹی ریٹنگ 'AM-I' (اے ایم۔ون) کو برقرار رکھا ہے، اور تفویض کردہ ریٹنگ کے حوالے سے آؤٹ لک کو مستحکم قرار دیا ہے۔

## اظہار تشکر:

بورڈ اپنے معزز یونٹ ہولڈرز کا تہہ دل سے شکریہ ادا کرتا ہے جنہوں نے ہم پر اپنے اعتماد اور تعاون کا اظہار کیا۔ ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، سینٹرل ڈپازٹری کمپنی آف پاکستان، ڈیجیٹل کسٹوڈین کمپنی لمیٹڈ بطور سٹیز، پاکستان اسٹاک ایکسچینج لمیٹڈ اور اسٹیٹ بینک آف پاکستان کے قیمتی تعاون اور رہنمائی کو قدر کی نگاہ سے دیکھتے ہیں۔

مزید برآں، بورڈ اپنی ٹیم کی انتھک محنت، لگن اور پیشہ ورانہ مہارت کو سراہتے ہوئے ان کے غیر معمولی کردار پر بھی ان کا شکریہ ادا کرتا ہے جو فنڈ کی کامیابی میں کلیدی حیثیت رکھتا ہے۔

از طرف بورڈ

ایچ بی ایل ایسیٹ مینجمنٹ لمیٹڈ

چیف ایگزیکٹو آفیسر

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# **HBL**

## **Islamic Money Market Fund**

## FUND INFORMATION

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Name of Fund	HBL Islamic Money Market Fund
Name of Auditor	AFF Ferguson & Co., Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Name of Shariah Advisor	Al Hilal Shariah Advisors (Pvt.) Limited
Bankers	Habib Bank Limited Askari Bank Limited Habib Metropolitan Bank Limited Bank Al Habib Limited Allied Bank Limited Faysal Bank Limited Bank Alfalah Limited Meezan Bank Limited National Bank Limited United Bank Limited MCB Bank limited Dubai Islamic Bank Soneri Bank limited
Fund Rating	AA+(f) (JCR-VIS)

**HBL Islamic Money Market Fund**  
**Condensed Interim Statement of Assets and Liabilities**  
*As at September 30, 2025*

	<i>Note</i>	<b>September 30, 2025 (Un-Audited)</b>	<b>June 30, 2025 (Audited)</b>
<b>(Rupees in '000)</b>			
<b>Assets</b>			
Bank balances	4	<b>40,486,525</b>	26,641,638
Investments	5	<b>60,086,077</b>	55,914,660
Profit receivable		<b>356,140</b>	369,327
Deposits, prepayments and other receivables		<b>37,413</b>	38,147
<b>Total assets</b>		<b>100,966,155</b>	82,963,772
<b>Liabilities</b>			
Payable to HBL Asset Management Limited - Management Company	6	<b>70,659</b>	62,654
Payable to Central Depository Company of Pakistan Limited - Trustee	7	<b>4,841</b>	3,997
Payable to Securities and Exchange Commission of Pakistan	8	<b>5,727</b>	4,758
Advance against Issuance of units		<b>7,034</b>	7,034
Payable against redemption of units		<b>18,673</b>	18,346
Accrued expenses and other liabilities	9	<b>28,547</b>	1,103,278
<b>Total liabilities</b>		<b>135,481</b>	1,200,067
<b>Net assets</b>		<b>100,830,674</b>	81,763,705
<b>Unit holders' fund (as per statement attached)</b>		<b>100,830,674</b>	81,763,705
<b>Contingencies and commitments</b>	10		
<b>(Number of units)</b>			
<b>Number of units in issue</b>		<b>969,070,281</b>	805,122,190
<b>(Rupees)</b>			
<b>Net assets value per unit</b>		<b>104.0489</b>	101.5544

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

**For HBL Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**HBL Islamic Money Market Fund**  
**Condensed Interim Income Statement and Statement of Comprehensive Income (Un-Audited)**  
*For the three months ended September 30, 2025*

	Note	Three months ended	
		September 30,	
		2025	2024
		----- (Rupees in '000) -----	
<b>Income</b>			
Profit on deposits with banks		502,713	777,349
Profit on investments		1,840,284	2,057,162
Net realised (loss) / gain on sale of investment		(2,163)	(5,072)
Net Unrealised appreciation on remeasurement of investments classified as 'financial asset at fair value through profit or loss'		11,655	115,515
		<b>2,352,489</b>	<b>2,944,954</b>
<b>Expenses</b>			
Remuneration of Management Company including sales tax		164,537	154,687
Remuneration of Trustee including sales tax		14,098	10,068
Annual fee to the Securities and Exchange Commission of Pakistan		16,716	11,939
Auditors' remuneration		275	86
Fee and Subscription		551	126
Settlement and bank charges		476	516
		<b>196,653</b>	<b>177,422</b>
<b>Net income from operating activities</b>		<b>2,155,836</b>	<b>2,767,532</b>
<b>Taxation</b>	12.	-	-
<b>Net income for the period after taxation</b>		<b>2,155,836</b>	<b>2,767,532</b>
<b>Allocation of net income for the period:</b>			
Income already paid on redemption of units		223,144	285,020
Accounting income available for distribution:			
-Relating to capital gains		9,492	110,443
-Excluding capital gains		1,923,200	2,372,069
		<b>1,932,692</b>	<b>2,482,512</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<b>2,155,836</b>	<b>2,767,532</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**HBL Islamic Money Market Fund**  
**Condensed Interim Statement Of Movement In Unit Holders' FUND (Un-Audited)**  
*For the three months ended September 30, 2025*

Note	2025			2024		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
	-----Rupees in '000'-----					
<b>Net assets at beginning of the Period</b>	<b>81,488,015</b>	<b>275,690</b>	<b>81,763,705</b>	64,966,613	135,440	65,102,053
Issuance of units 433,261,802 units (2024: 374,866,890 units)						
- Capital value (at net asset value per unit at the beginning)	<b>43,999,473</b>	-	<b>43,999,473</b>	37,926,933	-	37,926,933
- Element of income	<b>531,977</b>	-	<b>531,977</b>	938,168	-	938,168
Total proceeds on issuance of units	<b>44,531,450</b>	-	<b>44,531,450</b>	38,865,101	-	38,865,101
Redemption of 269,313,711 units (2024: 470,789,656 units)						
- Capital value (at net asset value per unit at the beginning)	<b>(27,349,992)</b>	-	<b>(27,349,992)</b>	(47,631,861)	-	(47,631,861)
- Amount paid out of element of income	<b>(47,181)</b>	-	<b>(47,181)</b>	(952,378)	-	(952,378)
Relating to net income for the Period after taxation	-	<b>(223,144)</b>	<b>(223,144)</b>	-	(285,020)	(285,020)
Total payments on redemption of units	<b>(27,397,173)</b>	<b>(223,144)</b>	<b>(27,620,317)</b>	(48,584,239)	(285,020)	(48,869,259)
Total comprehensive income for the Period	-	<b>2,155,836</b>	<b>2,155,836</b>	-	2,767,532	2,767,532
Refund of Capital	-	-	-	-	-	-
Distribution during the Period	-	-	-	-	(123,745)	(123,745)
Net income for the Period less distribution	-	<b>2,155,836</b>	<b>2,155,836</b>	-	2,643,787	2,643,787
<b>Net assets at end of the Period</b>	<b>98,622,292</b>	<b>2,208,382</b>	<b>100,830,674</b>	55,247,475	2,494,207	57,741,682
<b>Undistributed income brought forward</b>						
- Realised		<b>240,419</b>			135,440	
- Unrealised		<b>35,271</b>			-	
		<b>275,690</b>			135,440	
Accounting income available for distribution						
- Relating to capital gains		<b>9,492</b>			110,443	
- Excluding capital gains		<b>1,923,200</b>			2,372,069	
		<b>1,932,692</b>			2,482,512	
Distribution during the Period		-			(123,745)	
Undistributed income carried forward		<b>2,208,382</b>			2,494,207	
<b>Undistributed income carried forward</b>						
- Realised		<b>2,196,727</b>			2,378,692	
- Unrealised		<b>11,655</b>			115,515	
		<b>2,208,382</b>			2,494,207	
					-----Rupees-----	
<b>Net assets value per unit at beginning of the period</b>			<b>101.5544</b>			101.3535
<b>Net assets value per unit at end of the period</b>			<b>104.0489</b>			105.6758

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

**For HBL Asset Management Limited**  
**(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

**HBL Islamic Money Market Fund**  
**Condensed Interim Cash Flow Statement (Un-Audited)**  
*For the three months ended September 30, 2025*

	Three months ended September 30,	
	2025	2024
	(Rupees in '000)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net income for the period	2,155,836	2,767,532
	<b>2,155,836</b>	<b>2,767,532</b>
<b>(Increase) / decrease in assets</b>		
Investments	(4,171,417)	(14,269,747)
Accrued profit	13,187	(832,795)
Advances, deposits and prepayment	734	(52)
	<b>(4,157,496)</b>	<b>(15,102,594)</b>
<b>Increase / (decrease) in liabilities</b>		
Payable to Management Company	8,005	(8,789)
Payable to Trustee	844	(511)
Payable to Securities and Exchange Commission of Pakistan	969	(652)
Advance against Issuance of units	-	(1,901)
Payable against redemption of units	327	-
Accrued expenses and other liabilities	(1,057,879)	211,513
	<b>(1,047,734)</b>	<b>199,660</b>
<b>Net cash used in operating activities</b>	<b>(3,049,394)</b>	<b>(12,135,402)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Amount received on issue of units	44,531,450	38,865,101
Payment against redemption of units	(27,620,317)	(48,869,259)
Cash dividend paid	(16,852)	(123,745)
<b>Net cash generated from / (used in) financing activities</b>	<b>16,894,281</b>	<b>(10,127,903)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>13,844,887</b>	<b>(22,263,305)</b>
Cash and cash equivalents at beginning of the period	26,641,638	48,680,062
<b>Cash and cash equivalents at end of the period</b>	<b>40,486,525</b>	<b>26,416,757</b>

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

For HBL Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

# **HBL Islamic Money Market Fund**

## **Notes to the Condensed Interim Financial Information (Un-Audited)**

*For the three months ended September 30, 2025*

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### **1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** HBL Islamic Money Market Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed under the Trust Act, 1882 on November 23, 2010 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 10, 2010. During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trust Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Accordingly, on August 24, 2021, the above-mentioned Trust Deed had been registered under the Sindh Trust Act.
- 1.2** The Management Company of the Fund has been registered as Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake Asset Management Services. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block-5, Main Clifton Road, Clifton, Karachi, Pakistan.
- 1.3** The Fund is an open ended mutual fund categorised as 'Money Market Scheme' and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at par from May 9, 2011 to May 10, 2011.
- 1.4** The fund has been categorised as a Shariah Compliant Money Market fund as per the criteria laid down by SECP for categorisation of open-end Collective Investment Scheme (CISs).
- 1.5** The principal activity of the Fund is to seek high liquidity and comparative Shariah Compliant return for investors by investing in low risk securities of shorter duration and maturity.
- 1.6** VIS Credit Rating Company Limited (VIS) has assigned the Management Quality Rating to 'AM1' dated December 31, 2024 ('AM1' dated December 29, 2023) and the outlook on the rating has been assigned as 'Stable' and the Fund stability rating of AA+(f) dated March 3, 2025 (AA+(f) dated January 2, 2024). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.7** The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

### **2. STATEMENT OF COMPLIANCE**

- 2.1** This condensed interim financial information have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting (IAS - 34) and provision of and directives issued under the Companies Ordinance, 1984, 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 directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of the IFRS the requirements of NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.
- 2.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS - 34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2025.
- 2.3** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2025.

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## 2.4 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

## 2.5 Functional and presentation currency

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

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

3.1 The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year, ended June 30, 2025.

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

3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2025.

3.4 Certain amendments to approved accounting standards have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2025. None of these amendments are expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in this financial information for the year ended June 30, 2025.

4. BANK BALANCES	Note	(Un-Audited)	(Audited)
		September 30, 2025	June 30, 2025
(Rupees in '000)			
Balances with banks in:			
Savings accounts	4.1	<u>40,486,525</u>	26,641,638
		<u>40,486,525</u>	26,641,638

4.1 These include a balance of Rs. 10,551.86 million (June 30, 2025: 8,200.331 million) with Habib Bank Limited (a related party) and this account carries profit at the rate of 11.05% (June 30, 2025: 11.11%). Other savings accounts of the Fund carry profit at the rates ranging from 5.00% to 10.75% (June 30, 2025: 9.00% to 10.40%) per annum.



### 5.3 Certificate of Musharakah - at amortised cost

Name of Company	Issue Date	Maturity Date	As at July 1, 2025	Placements made during the period	Matured during the period	Carrying / Market Value as at September 30, 2025	Market value as a percentage of	
							Total investments of fund	Net Assets of fund
							----- (%) -----	
						----- (Rupees in '000) -----		
Meezan Bank Limited	3-Jul-25	7-Jul-25	-	2,000,000	2,000,000	-	-	-
Meezan Bank Limited	4-Jul-25	7-Jul-25	-	3,000,000	3,000,000	-	-	-
Faysal Bank Limited	4-Jul-25	11-Jul-25	-	11,500,000	11,500,000	-	-	-
Meezan Bank Limited	11-Jul-25	18-Jul-25	-	5,000,000	5,000,000	-	-	-
Meezan Bank Limited	11-Jul-25	25-Jul-25	-	6,500,000	6,500,000	-	-	-
Faysal Bank Limited	16-Jul-25	18-Jul-25	-	2,000,000	2,000,000	-	-	-
Faysal Bank Limited	17-Jul-25	25-Jul-25	-	2,000,000	2,000,000	-	-	-
Meezan Bank Limited	18-Jul-25	25-Jul-25	-	5,000,000	5,000,000	-	-	-
Meezan Bank Limited	18-Jul-25	21-Jul-25	-	1,000,000	1,000,000	-	-	-
Meezan Bank Limited	21-Jul-25	22-Jul-25	-	1,000,000	1,000,000	-	-	-
Dubai Islami Bank Pakistan Limited	22-Jul-25	29-Jul-25	-	3,000,000	3,000,000	-	-	-
Meezan Bank Limited	22-Jul-25	23-Jul-25	-	1,000,000	1,000,000	-	-	-
Meezan Bank Limited	23-Jul-25	24-Jul-25	-	1,000,000	1,000,000	-	-	-
Allied Bank Limited - Islamic Banking	24-Jul-25	31-Jul-25	-	6,000,000	6,000,000	-	-	-
Habib Bank Limited - Islamic Banking	25-Jul-25	31-Jul-25	-	12,000,000	12,000,000	-	-	-
Habib Bank Limited - Islamic Banking	25-Jul-25	28-Jul-25	-	4,000,000	4,000,000	-	-	-
Meezan Bank Limited	28-Jul-25	29-Jul-25	-	3,000,000	3,000,000	-	-	-
Meezan Bank Limited	31-Jul-25	4-Aug-25	-	4,000,000	4,000,000	-	-	-
Meezan Bank Limited	31-Jul-25	5-Aug-25	-	4,000,000	4,000,000	-	-	-
Meezan Bank Limited	31-Jul-25	6-Aug-25	-	4,000,000	4,000,000	-	-	-
Meezan Bank Limited	31-Jul-25	7-Aug-25	-	1,300,000	1,300,000	-	-	-
Faysal Bank Limited	1-Aug-25	8-Aug-25	-	4,000,000	4,000,000	-	-	-
Allied Bank Limited - Islamic Banking	4-Aug-25	5-Aug-25	-	4,000,000	4,000,000	-	-	-
Allied Bank Limited - Islamic Banking	5-Aug-25	6-Aug-25	-	1,500,000	1,500,000	-	-	-
Faysal Bank Limited	8-Aug-25	15-Aug-25	-	3,500,000	3,500,000	-	-	-
Faysal Bank Limited	12-Aug-25	15-Aug-25	-	2,000,000	2,000,000	-	-	-
Faysal Bank Limited	15-Aug-25	22-Aug-25	-	2,000,000	2,000,000	-	-	-
Faysal Bank Limited	21-Aug-25	29-Aug-25	-	1,500,000	1,500,000	-	-	-
Allied Bank Limited - Islamic Banking	22-Aug-25	29-Aug-25	-	5,000,000	5,000,000	-	-	-
Habib Bank Limited - Islamic Banking	22-Aug-25	29-Aug-25	-	2,000,000	2,000,000	-	-	-
Askari Bank Limited - Islamic Banking	27-Aug-25	10-Sep-25	-	1,900,000	1,900,000	-	-	-
Allied Bank Limited - Islamic Banking	1-Sep-25	12-Sep-25	-	5,000,000	5,000,000	-	-	-
Dubai Islami Bank Pakistan Limited	4-Sep-25	12-Sep-25	-	4,000,000	4,000,000	-	-	-
Askari Bank Limited - Islamic Banking	8-Sep-25	9-Sep-25	-	1,750,000	1,750,000	-	-	-
Meezan Bank Limited	8-Sep-25	9-Sep-25	-	2,000,000	2,000,000	-	-	-
Meezan Bank Limited	9-Sep-25	10-Sep-25	-	5,000,000	5,000,000	-	-	-
Askari Bank Limited - Islamic Banking	10-Sep-25	11-Sep-25	-	4,000,000	4,000,000	-	-	-
Dubai Islami Bank Pakistan Limited	10-Sep-25	12-Sep-25	-	3,000,000	3,000,000	-	-	-
Faysal Bank Limited	11-Sep-25	19-Sep-25	-	4,000,000	4,000,000	-	-	-
Meezan Bank Limited	12-Sep-25	15-Sep-25	-	2,000,000	2,000,000	-	-	-
Meezan Bank Limited	12-Sep-25	16-Sep-25	-	6,000,000	6,000,000	-	-	-
Faysal Bank Limited	12-Sep-25	19-Sep-25	-	6,000,000	6,000,000	-	-	-
Habib Bank Limited - Islamic Banking	15-Sep-25	16-Sep-25	-	4,000,000	4,000,000	-	-	-
Meezan Bank Limited	16-Sep-25	23-Sep-25	-	6,000,000	6,000,000	-	-	-
Dubai Islami Bank Pakistan Limited	16-Sep-25	17-Sep-25	-	2,000,000	2,000,000	-	-	-
Habib Bank Limited - Islamic Banking	16-Sep-25	17-Sep-25	-	2,000,000	2,000,000	-	-	-
Faysal Bank Limited	17-Sep-25	18-Sep-25	-	4,000,000	4,000,000	-	-	-
Habib Bank Limited - Islamic Banking	18-Sep-25	19-Sep-25	-	3,000,000	3,000,000	-	-	-
Meezan Bank Limited	19-Sep-25	29-Sep-25	-	5,000,000	5,000,000	-	-	-
Habib Bank Limited - Islamic Banking	19-Sep-25	22-Sep-25	-	5,000,000	5,000,000	-	-	-
Habib Bank Limited - Islamic Banking	22-Sep-25	23-Sep-25	-	4,000,000	4,000,000	-	-	-
Meezan Bank Limited	22-Sep-25	23-Sep-25	-	2,750,000	2,750,000	-	-	-
Allied Bank Limited - Islamic Banking	23-Sep-25	24-Sep-25	-	5,000,000	5,000,000	-	-	-
Meezan Bank Limited	23-Sep-25	24-Sep-25	-	8,000,000	8,000,000	-	-	-
Meezan Bank Limited	24-Sep-25	25-Sep-25	-	2,000,000	2,000,000	-	-	-
<b>Total Value as at September 30, 2025</b>			-	<b>205,200,000</b>	<b>205,200,000</b>	-	-	-
<b>Carrying / Market Value as at June 30, 2025</b>						-		

#### 5.4 GoP Ijarah Sukuks - Fair value through profit and loss

Maturity Date	As at July 1, 2025	Purchased during the period	Matured during the period	As at September 30, 2025	Carrying Value as at September 30, 2025	Market Value as at September 30, 2025	Market value as a percentage of		
							Total investments of fund	Net Assets of fund	
----- (Face Value in 000) -----				----- (Rupees in '000) -----		----- (%) -----			
GOPIS 12 M 26-07-2024	25-Jul-25	3,000,000	-	3,000,000	-	-	-	-	
GOPIS 12 M 18-09-2024	17-Sep-25	250,005	-	250,005	-	-	-	-	
GOPIS 12 M 21-10-2024	20-Oct-25	125,000	-	-	125,000	124,316	124,363	0.21	
GOPIS 12 M 07-11-2024	6-Nov-25	6,250,000	-	6,250,000	6,188,895	6,189,375	10.30	6.14	
GOPIS 12 M 04-12-2024	3-Dec-25	3,000,000	-	3,000,000	2,949,487	2,948,100	4.91	2.92	
GOPIS 12 M 09-01-2025	8-Jan-26	187,000	-	187,000	182,212	182,118	0.30	0.18	
GOPIS 12 M 02-05-2025	1-May-26	1,000,000	-	1,000,000	943,204	944,800	1.57	0.94	
GOPIS 12 M 30-05-2025	29-May-26	6,100,000	-	6,100,000	5,727,006	5,729,120	9.53	5.68	
GOPIS 12 M 21-08-2025	20-Aug-26	-	3,125,000	3,125,000	2,863,289	2,872,188	4.78	2.85	
GOPIS 5 Y 29-07-2020	29-Jul-25	500,000	-	500,000	-	-	-	-	
GOPIS 5 Y 29-07-2020	29-Jul-25	4,135,000	-	4,135,000	-	-	-	-	
<b>Total Value as at September 30, 2025</b>		<b>24,547,005</b>	<b>3,125,000</b>	<b>7,885,005</b>	<b>19,787,000</b>	<b>18,978,409</b>	<b>18,990,064</b>	<b>31.60</b>	<b>18.83</b>

Total Value as at June 30, 2025

23,548,317

23,583,588

(Un-Audited) (Audited)  
September 30, June 30,  
2025 2025  
(Rupees in '000)

#### 6. PAYABLE TO HBL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

Note

Management fee	6.1	55,229	38,129
Sindh Sales Tax	6.2	8,282	5,719
Sales load payable		7,148	18,806
		<b>70,659</b>	<b>62,654</b>

6.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate ranging from 0.60% to 0.75% (June 30, 2025: 0.40% to 0.845%) per annum of the of the average daily net assets of the Fund during the period. The remuneration is payable to the Management Company monthly in arrears.

6.2 The Sindh Government has levied Sindh Sales Tax at the rate of 15% (June 30, 2025: 15%) on the remuneration of the Management Company through Sindh Sales Tax on Services Act, 2011.

(Un-Audited) (Audited)  
September 30, June 30,  
2025 2025  
(Rupees in '000)

#### 7 PAYABLE TO THE TRUSTEE

Note

Trustee fee	7.1	4,210	3,476
Sindh Sales Tax	7.2	631	521
		<b>4,841</b>	<b>3,997</b>

7.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed at the rate of 0.055% (June 30, 2025: 0.055%) per annum on the daily net assets of the Fund. The fee is paid to the Trustee monthly in arrears.

7.2 The Sindh Government has levied Sindh Sales Tax on services at the rate of 15% (June 30, 2025: 15%) on the remuneration of Trustee through Sindh Sales Tax on Services Act, 2011.

	<i>Note</i>	(Un-Audited) September 30, 2025	(Audited) June 30, 2025
(Rupees in '000)			
<b>8 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>			
SECP Fee	8.1	<u>5,727</u>	<u>4,758</u>

8.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of fee to 0.075% per annum of the daily net assets of the Fund, applicable to a "Money Market Scheme". Accordingly, the Fund has charged SECP fee at the rate of 0.075% (June 30, 2025: 0.075%) per annum of the daily net assets during the period. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

	<i>Note</i>	(Un-Audited) September 30, 2025	(Audited) June 30, 2025
(Rupees in '000)			
<b>9. ACCRUED EXPENSES AND OTHER LIABILITES</b>			
Auditors' remuneration		119	596
Federal Excise Duty	9.1	2,185	2,185
Withholding tax payable		8,783	415,689
Other payables		946	892
Capital gain tax payable		12,516	663,066
Unclaimed dividend		3,998	20,850
		<u>28,547</u>	<u>1,103,278</u>

#### 9.1 PROVISION FOR FEDERAL EXCISE DUTY

The legal status of applicability of Federal Excise Duty on the Fund is same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2025, and the appeal filed by tax authorities against the order passed by Honourable Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of above, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 2.185 million (June 30, 2025 : 2.185 million). Had the provision not been made, the Net Asset Value per unit as at September 30, 2025 would have been higher by Rs. 0.0023 (June 30, 2024: Re. 0.0027) per unit.

#### 10. CONTINGENCIES AND COMMITMENTS

There were no contingencies or commitments outstanding as at September 30, 2025.

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**11. TOTAL EXPENSE RATIO**

The Total Expense Ratio (TER) annualized of the Fund as at September 30, 2025 is 0.88% (June 30, 2025: 1.03%) which includes 0.18% (June 30, 2025: 0.20%) representing government levies on the Fund such as sales taxes, annual fee to the SECP etc.

**12. TAXATION**

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company has intention to distribute the required minimum percentage of income earned by the Fund for the year ended June 30, 2026 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the period.

**13. EARNINGS PER UNIT (EPU)**

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

**14. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in these condensed interim financial information are as follows:

<b>14.1 Transactions during the period</b>	<b>( Un - Audited )</b>	
	<b>Three months ended</b>	
	<b>September 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Rupees in '000)</b>	
<b>HBL Asset Management Limited - Management Company</b>		
Management Fee including sales tax	<b>164,537</b>	154,687
Redemption of 264,068 units (2024: 1,910,051 units)	<b>26,817</b>	196,000
Dividend Reinvestment Nil units (2024: 4,114 units)	-	416
<b>Habib Bank Limited - Sponsor</b>		
Mark-up earned during the period	<b>194,572</b>	6,950
Bank charges paid	<b>421</b>	147
Purchase of GoP Ijarah Sukuk	<b>34,154,921</b>	-

	(Un-Audited) September 30, 2025	(Audited) June 30, 2025
	(Rupees in '000)	
<b>Directors, Executives and Key management personnel</b>		
Investment of 18,763 units (2024: 44,315 units)	1,907	4,529
Redemption of 84,877 units (2024: 28,396 units)	8,686	2,934
Dividend Reinvestment Nil units (2024: 286 units)	-	29
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration including sales tax	14,098	10,068
<b>Jubilee Life Insurance Company Limited - Associate</b>		
Investment of Nil units (2024: 8,804,005 units)	-	900,000
<b>Pakistan Petroleum Limited - Associate</b>		
Redemption of Nil units (2024: 75,155,205 units)	-	7,745,984
Dividend Reinvestment Nil units (2024: 144,125 units)	-	14,582
		-
<b>The Bank of Khyber - Associate</b>		
Investment of Nil units (2024: 3,929,088 units)	-	400,000
Redemption of Nil units (2024: 3,929,088 units)	-	400,791
<b>HBL Asset Management Limited Employees Gratuity Fund - Associate</b>		
Dividend Reinvestment Nil units (2024: 250 units)	-	25
<b>HBL Asset Management Limited Employees Provident Fund - Associate</b>		
Dividend Reinvestment Nil units (2024: 551 units)	-	56
<b>14.2 Amounts outstanding as at period end</b>		
<b>HBL Asset Management Limited - Management Company</b>		
Management fee	55,229	38,129
Sindh Sales Tax	8,282	5,719
Sales load payable	7,148	18,806
Units held in the Fund: Nil units (June 30, 2025: 264,068 units)	-	26,817
<b>Habib Bank Limited - Sponsor</b>		
Bank Balances	10,551,860	8,200,331
Profit accrued on bank deposits	61,344	37,860
<b>Directors, Executives and Key management personnel</b>		
Units held in the Fund: 237,943 units (June 30, 2025: 284,907 units)	24,758	28,934
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable including sales tax	4,841	3,997
<b>Jubilee Life Insurance Company Limited - Associate</b>		
Investment held in the Fund: 9,718,748 units (30 June, 2025: 9,718,748 units)	1,011,225	986,982

	(Un-Audited) September 30, 2025	(Audited) June 30, 2025
	(Rupees in '000)	
<b>The Bank of Khyber - Associate</b>		
Investment held in the Fund: 12 units (30 June, 2025: 12 units)	1	1
<b>HBL Asset Management Limited Employees Gratuity Fund - Associate</b>		
Investment held in the Fund: 147,834 units (30 June, 2025: 147,834 units)	15,382	15,013
<b>HBL Asset Management Limited Employees Provident Fund - Associate</b>		
Investment held in the Fund: 326,347 units (30 June, 2025: 326,347 units)	33,956	33,142
<b>Fauji Fertilizer Company Limited - Connected Person Due To holding 10% or more units *</b>		
Investment held in the Fund: 88,342,321 units (30 June, 2025: 86,657,284 units)	-	8,800,428

\* Investors who were reported as Connected Persons due to holding more than 10% units of Fund in the comparative period but does not hold at least 10% units of the Fund at the end of current period.

## 15. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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 Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities 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).

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

	September 30, 2025						
	Carrying amount			Fair Value			
	Fair value through profit or loss	At Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>On-balance sheet financial instruments</b>	----- (Rupees in '000) -----						
Bank balances	-	40,486,525	40,486,525	-	-	-	-
Bai Muajjal	-	34,704,013	34,704,013	-	-	-	-
Sukuk Certificate	-	6,392,000	6,392,000	-	-	-	-
GOP Ijarah Sukuks	18,990,064	-	18,990,064	18,990,064	-	-	18,990,064
Accrued mark-up	-	356,140	356,140	-	-	-	-
Prepayment and Other receivables	-	18,539	18,539	-	-	-	-
	<b>18,990,064</b>	<b>81,957,217</b>	<b>100,947,281</b>	<b>18,990,064</b>	-	-	<b>18,990,064</b>

Payable to HBL Asset Management Limited - Management Company	-	62,377	62,377	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	4,210	4,210	-	-	-	-
Advance against Issuance of units	-	7,034	7,034	-	-	-	-
Payable against redemption of units	-	18,673	18,673	-	-	-	-
Accrued expenses and other liabilities	-	7,248	7,248	-	-	-	-
	-	<b>99,542</b>	<b>99,542</b>	-	-	-	-

	June 30, 2025						
	Carrying amount			Fair Value			
	Fair value through profit or loss	At Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>On-balance sheet financial instruments</b>	----- (Rupees in '000) -----						
Bank balances	-	26,641,638	26,641,638	-	-	-	-
Sukuk Certificate	-	2,564,000	2,564,000	-	-	-	-
Bai Muajjal	-	29,767,072	29,767,072	-	-	-	-
GOP Ijarah Sukuks	23,583,588	-	23,583,588	23,583,588	-	-	23,583,588
Accrued mark-up	-	369,327	369,327	-	-	-	-
Advance . Prepayment and other receivable	-	19,273	19,273	-	-	-	-
	<b>23,583,588</b>	<b>59,361,310</b>	<b>82,944,898</b>	<b>23,583,588</b>	-	-	<b>23,583,588</b>

Payable to HBL Asset Management Limited - Management Company	-	56,935	56,935	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	3,476	3,476	-	-	-	-
Advance against Issuance of units	-	7,034	7,034	-	-	-	-
Payable against redemption of units	-	18,346	18,346	-	-	-	-
Accrued expenses and other liabilities	-	24,523	24,523	-	-	-	-
	-	<b>110,314</b>	<b>110,314</b>	-	-	-	-

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

## **16. DATE OF AUTHORISATION FOR ISSUE**

The condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on October 30, 2025.

## **17. GENERAL**

**17.1** Figures have been rounded off to the nearest thousand rupees.

**For HBL Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

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# **HBL**

## **Islamic Asset Allocation Fund**

## FUND INFORMATION

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Name of Fund	HBL Islamic Asset Allocation Fund
Name of Auditor	Central Depository Company of Pakistan Limited
Name of Trustee	Yousuf Adil & Co., Chartered Accountants
Name of Shariah Advisor	Al Hilal Shariah Advisors (Pvt.) Limited
Bankers	Habib Bank Limited Bank Al Habib Limited Dubai Islamic Bank Limited Askari Bank Limited Soneri Bank Limited Allied Bank Limited Bank Islami Pakistan Limited Al Baraka Bank Pakistan Limited MCB Islamic Bank Limited National Bank Limited The Bank of Khyber Faysal Bank Limited U Microfinance Bank Limited Meezan Bank Limited Bank Alfalah Limited

# HBL Islamic Asset Allocation Fund

## Condensed Interim Statement of Assets and Liabilities (Un-Audited)

As at September 30, 2025

Note	September 30, 2025 (Un-Audited)				June 30, 2025 (Audited)				
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	
------(Rupees in '000)-----									
<b>Assets</b>									
Bank balances	4	82,166	661	458	83,285	338,454	3,228	3,291	344,973
Investments	5	481,808	-	-	481,808	656,864	-	-	656,864
Dividend receivable and accrued mark-up		1,265	155	19	1,439	286	155	19	460
Preliminary expenses and flotation cost		-	-	-	-	-	-	-	-
Advances, deposits and other receivables		4,468	100	100	4,668	3,184	100	100	3,384
<b>Total assets</b>		<b>569,707</b>	<b>916</b>	<b>577</b>	<b>571,200</b>	<b>998,788</b>	<b>3,483</b>	<b>3,410</b>	<b>1,005,681</b>
<b>Liabilities</b>									
Payable to Management Company	6	1,435	245	155	1,835	1,843	273	2,918	5,034
Payable to Trustee	7	96	-	-	96	112	2	30	144
Payable to Securities and Exchange Commission of Pakistan	8	40	-	-	40	43	2	33	78
Dividend payable		62	-	-	62	62	-	-	62
Accrued expenses and other liabilities	9	5,482	671	422	6,575	8,969	671	429	10,069
Payable against redemption of units		12,060	-	-	12,060	12,060	2,535	-	14,595
Payable against purchase of Investment		-	-	-	-	69,180	-	-	69,180
<b>Total liabilities</b>		<b>19,175</b>	<b>916</b>	<b>577</b>	<b>20,668</b>	<b>92,269</b>	<b>3,483</b>	<b>3,410</b>	<b>99,162</b>
<b>Net assets</b>		<b>550,532</b>	<b>-</b>	<b>-</b>	<b>550,532</b>	<b>906,519</b>	<b>-</b>	<b>-</b>	<b>906,519</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>550,532</b>	<b>-</b>	<b>-</b>	<b>550,532</b>	<b>906,519</b>	<b>-</b>	<b>-</b>	<b>906,519</b>
<b>Contingencies and commitments</b>									
------(Number of units)-----									
<b>Number of units in issue</b>		<b>1,800,732</b>	<b>-</b>	<b>-</b>	<b>1,800,732</b>	<b>3,579,466</b>	<b>-</b>	<b>-</b>	<b>3,579,466</b>
------(Rupees)-----									
<b>Net assets value per unit</b>		<b>305.7269</b>	<b>-</b>	<b>-</b>	<b>305.7269</b>	<b>253.2553</b>	<b>-</b>	<b>-</b>	<b>253.2553</b>

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

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

# HBL Islamic Asset Allocation Fund

## Condensed Interim Income Statement And Other Comprehensive Income (Un-Audited)

### For the three months ended September 30, 2025

Note	Three months ended September 30, 2025				Three months ended September 30, 2024			
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
	------(Rupees in '000)-----							
<b>Income</b>								
Dividend Income	1,401	-	-	1,401	4,122	-	-	4,122
Return on Investment	-	-	-	-	-	26,406	23,194	49,600
Return on deposits with banks	2,533	-	-	2,533	886	9,016	5,865	15,767
Capital gain / (loss) on sale of investments - net	17,397	-	-	17,397	916	2,773	(88)	3,601
	<b>21,331</b>	-	-	<b>21,331</b>	<b>5,924</b>	<b>38,195</b>	<b>28,971</b>	<b>73,090</b>
Unrealised appreciation /(diminution) on re-measurement of investments at "fair value through profit or loss - net	80,310	-	-	80,310	2,288	884	7,172	10,344
<b>Total income</b>	<b>101,641</b>	-	-	<b>101,641</b>	<b>8,212</b>	<b>39,079</b>	<b>36,143</b>	<b>83,434</b>
<b>Expenses</b>								
Remuneration of Management Company including sales tax	4,058	-	-	4,058	1,871	322	1,156	3,349
Remuneration of Trustee including sales tax	296	-	-	296	143	161	133	437
Annual fee of Securities and Exchange Commission of Pakistan	122	-	-	122	52	177	147	376
Settlement and Bank Charges	195	-	-	195	94	63	-	157
Auditors' remuneration	195	-	-	195	13	49	24	86
Fee and Subscriptions	178	-	-	178	9	26	13	48
Printing Charges	10	-	-	10	16	15	11	42
Amortisation of preliminary expenses and floatation costs	-	-	-	-	-	4	-	4
Securities Transaction Costs	1,655	-	-	1,655	225	77	-	302
Provision of Debt Securities	-	-	-	-	-	2,244	-	2,244
Charity Expense	70	-	-	70	54	-	-	54
	<b>6,779</b>	-	-	<b>6,779</b>	<b>2,477</b>	<b>3,138</b>	<b>1,484</b>	<b>7,099</b>
<b>Net income / (loss) for the period before taxation</b>	<b>94,862</b>	-	-	<b>94,862</b>	<b>5,735</b>	<b>35,941</b>	<b>34,659</b>	<b>76,335</b>
<b>Taxation</b>	-	-	-	-	-	-	-	-
<b>Net income/ (loss) for the period after taxation</b>	<b>94,862</b>	-	-	<b>94,862</b>	<b>5,735</b>	<b>35,941</b>	<b>34,659</b>	<b>76,335</b>
<b>Allocation of net income for the period:</b>								
Income already paid on redemption of units	15,984	-	-	15,984	131	19,196	-	19,327
Accounting income available for distribution:								
-Relating to capital gains	78,878	-	-	78,878	3,204	3,657	7,084	13,945
-Excluding capital gains	-	-	-	-	2,400	13,088	27,575	43,063
	<b>78,878</b>	-	-	<b>78,878</b>	<b>5,604</b>	<b>16,745</b>	<b>34,659</b>	<b>57,008</b>
<b>Net income / (loss) for the period after taxation</b>	<b>94,862</b>	-	-	<b>94,862</b>	<b>5,735</b>	<b>35,941</b>	<b>34,659</b>	<b>76,335</b>
Other comprehensive income for the period	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>94,862</b>	-	-	<b>94,862</b>	<b>5,735</b>	<b>35,941</b>	<b>34,659</b>	<b>76,335</b>
<b>Earning Per Unit</b>								

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

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



**HBL Islamic Asset Allocation Fund**  
**Statement of Movement in Unit Holders' Fund (Un-Audited)**  
*For the three months ended September 30, 2025*

	Three months ended					
	September 30, 2025			September 30, 2024		
	Islamic Asset Allocation Fund Plan 1			Islamic Asset Allocation Fund Plan 1		
Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	
----- (Rupees in '000) -----						
<b>Net assets at the beginning of the period</b>	-	-	-	1,119,012	27,788	1,146,800
Issuance of Nil units (2024: Nil Units)						
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	-	-	-
- Element of loss	-	-	-	-	-	-
Redemption of Nil units (2024: 7,880,999 Units)						
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	(805,804)	-	(805,804)
- Income already paid on redemption of units	-	-	-	-	(19,196)	(19,196)
- Amount paid out of element of income Relating to net income for the period after taxation	-	-	-	-	-	-
	-	-	-	(805,804)	(19,196)	(825,000)
<b>Total comprehensive income for the year</b>						
Net profit / (Loss) for the period after tax	-	-	-	-	35,941	35,941
Distribution during the period	-	-	-	-	-	-
Total comprehensive/ income for the period	-	-	-	-	35,941	35,941
<b>Net assets at the end of the period</b>	-	-	-	<b>313,208</b>	<b>44,533</b>	<b>357,741</b>
Undistributed income brought forward						
- Realised					27,353	
- Unrealised					435	
					27,788	
-Relating to capital gains					3,657	
-Excluding capital gains					13,088	
					16,745	
<b>Undistributed income carried forward</b>					<b>44,533</b>	
Undistributed income carried forward						
- Realised					43,649	
- Unrealised					884	
					44,533	
----- (Rupees) -----						
<b>Net assets value per unit at beginning of the period</b>						102.2464
<b>Net assets value per unit at end of the period</b>						107.2673

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

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**HBL Islamic Asset Allocation Fund**  
**Statement of Movement in Unit Holders' Fund (Un-Audited)**  
*For the three months ended September 30, 2025*

	Three months ended					
	September 30, 2025			September 30, 2024		
	Islamic Asset Allocation Fund Plan 2			Islamic Asset Allocation Fund Plan 2		
Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	
----- (Rupees in '000) -----						
<b>Net assets at the beginning of the period</b>	-	-	-	593,450	1,994	595,444
Issuance of Nil units (2024: Nil units )						
- Capital value (at net asset value per unit at the beginning of the period)		-	-	-	-	-
- Element of loss	-	-	-	-	-	-
Redemption of Nil units (2024: Nil Units)						
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	-	-	-
- Income already paid on redemption of units	-	-	-	-	-	-
- Amount paid out of element of income Relating to net income for the period after taxation	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>						
Net profit / (Loss) for the period after tax	-	-	-	-	34,659	34,659
Distribution during the period	-	-	-	-	-	-
Total comprehensive/ income for the period	-	-	-	-	34,659	34,659
<b>Net assets at the end of the period</b>	-	-	-	593,450	36,653	630,103
Undistributed income brought forward						
- Realised		-			-	
- Unrealised		-			1,994	
		-			1,994	
Accounting (loss) / income available for distribution						
-Relating to capital gains		-			7,084	
-Excluding capital gains		-			27,575	
		-			34,659	
<b>Undistributed income carried forward</b>		-			36,653	
Undistributed income carried forward						
- Realised		-			29,481	
- Unrealised		-			7,172	
		-			36,653	
----- (Rupees) -----						
<b>Net assets value per unit at beginning of the period</b>			-			100.5438
<b>Net assets value per unit at end of the period</b>			-			106.3963

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

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

# HBL Islamic Asset Allocation Fund

## Condensed Interim Cash Flow Statement (Un-Audited)

### For the three months ended September 30, 2025

	Three months ended September 30, 2025				Three months ended September 30, 2024			
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
------(Rupees in '000)-----								
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>								
Net income / (loss) for the period	94,862	-	-	94,862	5,735	35,941	34,659	76,335
<b>Adjustments</b>								
Amortisation of preliminary expenses and floatation costs	-	-	-	-	-	4	-	4
	94,862	-	-	94,862	5,735	35,945	34,659	76,339
<b>(Increase) / decrease in assets</b>								
Investments - net	105,876	-	-	105,876	(64,008)	611,617	1,230	548,839
Accrued mark-up	(979)	-	-	(979)	(5,008)	12,368	(19,046)	(11,686)
Advances, deposits and other receivables	(1,284)	-	-	(1,284)	(1)	-	(227)	(228)
	103,613	-	-	103,613	(69,017)	623,985	(18,043)	536,925
<b>Increase / (decrease) in assets</b>								
Payable to HBL Asset Management Limited - Management Company	(408)	(28)	(2,763)	(3,199)	1,079	(100)	24	1,003
Payable to Central Depository Company of Pakistan Limited - Trustee	(16)	(2)	(30)	(48)	4	(51)	1	(46)
Payable to Securities and Exchange Commission of Pakistan	(3)	(2)	(33)	(38)	4	(57)	1	(52)
Accrued expenses and other liabilities	(3,487)	-	(7)	(3,494)	(2,138)	47	(293)	(2,384)
	(3,914)	(32)	(2,833)	(6,779)	(1,051)	(161)	(267)	(1,479)
<b>Net cash generated from / (used in) operating activities</b>	194,561	(32)	(2,833)	191,696	(64,333)	659,769	16,349	611,785
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>								
Amount received on issue of units	305,464	-	-	305,464	110,402	-	-	110,402
Payment against redemption of units	(756,313)	(2,535)	-	(758,848)	(30,758)	(825,000)	-	(855,758)
<b>Net cash generated from / (used in) financing activities</b>	(450,849)	(2,535)	-	(453,384)	79,644	(825,000)	-	(745,356)
<b>Net increase / (decrease) in cash and cash equivalents</b>	(256,288)	(2,567)	(2,833)	(261,688)	15,311	(165,231)	16,349	(133,571)
Cash and cash equivalents at beginning of the period	338,454	3,228	3,291	344,973	34,104	263,203	118,828	416,135
<b>Cash and cash equivalents at end of the period</b>	82,166	661	458	83,285	49,415	97,972	135,177	282,564

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

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

# **HBL Islamic Asset Allocation Fund**

## **Notes to the Condensed Interim Financial Information (Un-Audited)**

*For the three months ended September 30, 2025*

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### **1. LEGAL STATUS AND NATURE OF BUSINESS**

HBL Islamic Asset Allocation Fund (the Fund) was established under a Trust Deed, dated September 07, 2015, executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a unit trust scheme on October 28, 2015.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.

The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on September 08, 2021, the above-mentioned Trust Deed had been registered under the Sindh Trust Act.

The Fund is an open ended mutual fund and offers units for public subscription on a continuous basis. The fund comprises of the original fund and sub-funds, namely Plan 1 and Plan 2 which shall be perpetual. The initial public offer period for IAAF was from January 07, 2016 to January 08, 2016 (both days inclusive) and the initial public offer period for IAAF Plan 1 was from the start of banking hours from July 13, 2020 to the closure of banking hours on July 13, 2020 and the initial public offer period for IAAF Plan 2 was from the start of banking hours from August 04, 2022 to the closure of banking hours on August 04, 2022. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

The primary objective of the Fund is to provide superior returns through investments in Shari'ah Compliant Equity Securities and Shari'ah Compliant Income/ Money Market Instruments.

VIS Credit Rating Company has reaffirmed a management quality rating to 'AM1' (Stable outlook) of the Management Company on December 29, 2024.

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

### **2 BASIS OF PREPARATION**

#### **2.1 STATEMENT OF COMPLIANCE**

**2.1.1** "This condensed interim financial information has been prepared in accordance with the 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 as are notified under the Companies Act, 2017, the requirements of the Trust Deed, 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 the directives issued by the SECP differ with the requirements of the IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

**2.1.2** "The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS - 34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2025.

**2.1.3** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2025.

## 2.2 Basis of measurement

"This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

## 2.3 Functional and presentation currency

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

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

3.1 The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year, ended June 30, 2025.

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

3.3 "The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2025.

3.4 Certain amendments to approved accounting standards have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2025. None of these amendments are expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in this financial information for the year ended June 30, 2025.

## 4. Bank Balances

	Note	September 30, 2025				June 30, 2025			
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
(Rupees in '000)									
Savings accounts	4.1	82,166	661	458	83,285	338,454	3,228	3,291	344,973
		<b>82,166</b>	<b>661</b>	<b>458</b>	<b>83,285</b>	<b>338,454</b>	<b>3,228</b>	<b>3,291</b>	<b>344,973</b>

4.1 This represents bank accounts held with different banks. Mark-up rates on these accounts range between 6.00% - 10.75% per annum (June 30, 2025: 6.00% - 13.50% p.a).

## 5 INVESTMENTS

	Note	September 30, 2025				June 30, 2025			
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
(Rupees in '000)									
Investment at fair value through profit and loss;									
- Listed equity Securities	5.1	481,808	-	-	481,808	656,864	-	-	656,864
		<b>481,808</b>	<b>-</b>	<b>-</b>	<b>481,808</b>	<b>656,864</b>	<b>-</b>	<b>-</b>	<b>656,864</b>
		<b>481,808</b>	<b>-</b>	<b>-</b>	<b>481,808</b>	<b>656,864</b>	<b>-</b>	<b>-</b>	<b>656,864</b>

## 5.1 Listed equity securities - At fair value through profit or loss

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

Name of the Investee Company	Number of shares				As at September 30, 2025	Carrying value as at September 30, 2025	Market value as at September 30, 2025	Market value as a percentage of		
	As at July 1, 2025	Purchases during the period	Bonus / Rights issue	Sales during the period				Total investments of fund	Net Assets of fund	Par value as a percentage of issued capital
							(Rupees in '000)	%		
<b>Cement</b>										
Attock Cement Pakistan Limited	93,800	40,000	-	125,000	8,800	2,555	2,594	0.54	0.47	0.006
Fauji Cement Company Limited	402,000	260,500	-	305,000	357,500	16,157	21,825	4.53	3.96	0.015
Pioneer Cement Limited	100,549	3,300	-	24,450	79,399	18,243	19,589	4.07	3.56	0.035
Cherat Cement Company Limited	-	44,300	-	-	44,300	15,910	16,329	3.29	2.97	0.023
Power Cement Company Limited (Note 5.1.2)	-	330,000	-	52,000	278,000	4,083	5,276	1.10	0.96	0.040
D.G. Khan Cement Company Limited	109,498	8,500	-	34,100	83,898	13,945	22,267	4.62	4.04	0.019
Dewan Cement Limited	-	346,500	-	-	346,500	5,289	5,274	1.09	0.96	0.072
Lucky Cement Limited (Face value Re. 2 per share)	-	58,600	-	-	58,600	22,475	27,887	5.79	5.07	0.004
Maple Leaf Cement Factory Limited (Note 5.1.2)	865,200	294,000	-	779,500	379,700	32,038	41,619	8.64	7.56	0.036
	1,571,047	1,385,700	-	1,320,050	1,636,697	130,695	162,660			
<b>Power Generation &amp; Distribution</b>										
The Hub Power Company Limited	34,000	40,500	-	28,000	46,500	6,779	11,128	2.31	2.02	0.004
K- Electric Limited (Face value Re. 3.5 per share)	2,491,415	-	-	1,205,000	1,286,415	6,754	8,941	1.86	1.62	0.005
	2,525,415	40,500	-	1,233,000	1,332,915	13,533	20,069			
<b>Engineering</b>										
International Steels Limited	-	10,700	-	-	10,700	1,125	1,358	0.28	0.25	0.002
International Industries Limited	-	11,000	-	-	11,000	2,211	2,532	0.53	0.46	0.008
Aisha Steels Limited	-	353,000	-	-	353,000	4,925	5,186	1.08	0.94	0.038
Mughal Iron and Steel Industries Limited	-	76,472	-	4,500	71,972	5,566	6,400	1.33	1.16	0.021
	-	451,172	-	4,500	446,672	13,827	15,476			
<b>Technology and Communication</b>										
Systems Limited (Face value Re. 2 per share)	64,000	23,000	-	-	87,000	10,073	13,159	2.73	2.39	0.006
TPL Tracker Limited	513,500	-	-	-	513,500	3,661	3,974	0.82	0.72	0.274
	577,500	23,000	-	-	600,500	13,734	17,133			
<b>Oil &amp; Gas Exploration Companies</b>										
Mari Energies Limited (Note 5.1.1)	3,040	7,500	-	7,500	3,040	1,895	2,253	0.47	0.41	0.002
Oil & Gas Development Company Limited (Note 5.1.2)	518,400	120,700	-	486,100	153,000	35,034	42,416	8.80	7.70	0.004
Pakistan Petroleum Limited (Note 5.1.2)	670,141	207,000	-	716,400	160,741	27,794	33,367	6.93	6.06	0.006
	1,191,581	335,200	-	1,210,000	316,781	64,723	78,036			
<b>Oil &amp; Gas Marketing Companies</b>										
Pakistan State Oil Company Limited (Note 5.1.1 & 5.1.2)	344,403	95,400	-	304,300	135,503	53,517	64,018	13.29	11.63	0.029
Sui Southern Gas Company Limited	-	100,000	-	100,000	-	-	-	-	-	-
Sui Northern Gas Pipeline Limited	155,500	24,700	-	121,000	59,200	7,440	8,180	1.70	1.49	0.009
	499,903	220,100	-	525,300	194,703	60,957	72,198			
<b>Refinery</b>										
Attock Refinery Limited	7,300	12,000	-	19,300	-	-	-	-	-	-
	7,300	12,000	-	19,300	-	-	-			
<b>Fertilizers</b>										
Engro Fertilizers Limited	-	32,000	-	15,000	17,000	3,643	3,769	0.78	0.68	0.001
	-	32,000	-	15,000	17,000	3,643	3,769			
<b>Pharmaceuticals</b>										
AGP Limited	59,570	5,700	-	6,600	58,670	11,197	11,732	2.43	2.13	0.021
Glaxosmithkline Pakistan Limited	28,400	3,000	-	3,000	28,400	11,137	12,680	2.63	2.30	0.009
Haleon Pakistan Limited	6,368	-	-	-	6,368	4,689	5,745	1.19	1.04	0.005
Abbott Laboratories Limited	13,100	-	-	3,500	9,600	9,332	12,123	2.52	2.20	0.010
The Searle Company Limited (Note 5.1.1)	1,333	92,500	-	15,000	78,833	8,681	9,225	1.91	1.68	0.015
Cit Pharma Limited	-	50,000	-	50,000	-	-	-	-	-	-
Hignoon Laboratories Limited	11,700	-	-	360	11,340	11,203	13,397	2.78	2.43	0.004
	120,471	151,200	-	78,460	193,211	56,239	64,902			
<b>Glass &amp; Ceramics</b>										
Tariq Glass Industries Ltd	49,000	-	-	30,800	18,200	4,571	4,676	0.97	0.85	0.011
	49,000	-	-	30,800	18,200	4,571	4,676			
<b>Automobile Assembler</b>										
Ghandhara Industries Limited	-	8,000	-	8,000	-	-	-	-	-	-
Ghandhara Automobiles Limited	-	34,500	-	34,500	-	-	-	-	-	-
	-	42,500	-	42,500	-	-	-			
<b>Chemicals</b>										
Biafo Industries Limited	52,876	-	-	-	52,876	9,286	9,706	2.01	1.76	0.114
Sitara Chemical Limited	6,000	-	-	6,000	-	-	-	-	-	-
Berger Paints Pakistan Limited	-	35,332	-	35,332	-	-	-	-	-	-
	58,876	35,332	-	41,332	52,876	9,286	9,706			
<b>Food &amp; Personal Care</b>										
At-Tahur Limited	-	60,000	-	-	60,000	2,865	2,870	0.60	0.52	0.027
National Foods Limited (Face value Re. 5 per share)	13,500	7,300	-	10,300	10,500	3,505	3,870	0.80	0.70	0.005
	13,500	67,300	-	10,300	70,500	6,370	6,740			
<b>Miscellaneous</b>										
Engro Holdings Limited	-	53,000	-	-	53,000	11,533	13,744	2.85	2.50	0.004
Nishat Mills Limited	-	48,000	-	-	48,000	8,322	7,960	1.65	1.45	0.014
Pak Elektron Limited	-	262,000	-	262,000	-	-	-	-	-	-
Pakistan International Bulk Terminal	-	103,500	-	-	103,500	1,170	1,425	0.30	0.26	0.006
Shifa International Hospital Limited	10,993	-	-	4,900	6,093	2,895	3,314	0.69	0.60	0.010
	10,993	466,500	-	266,900	210,593	23,920	26,443			
<b>Total Value as at September 30, 2025</b>	<b>6,625,586</b>	<b>3,262,504</b>	<b>-</b>	<b>4,797,442</b>	<b>5,090,648</b>	<b>401,498</b>	<b>481,808</b>	<b>100.00</b>	<b>87.50</b>	
<b>Total Value as at June 30, 2025</b>	<b>3,136,553</b>	<b>15,342,410</b>	<b>30,400</b>	<b>11,883,777</b>	<b>6,625,586</b>	<b>575,690</b>	<b>656,864</b>			

**5.1.1** These investments include gross bonus shares as per Fund's entitlement declared by the investee company. Previously due to amendments brought by the Finance Act, 2014 in the Income Tax Ordinance, 2001, the bonus shares received by the shareholders were to be treated as income and a tax at the rate of 5 percent was to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax was to be collected at source by the investee company which was considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan (MUFAP), filed a petition in Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Sindh High Court granted stay order till the final outcome of the case. However, the investee company(s) had already withheld the shares (from Tax Year 2014 to Tax Year 2018) equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 2.646 million at September 30, 2025 (June 30, 2025: Rs. 2.213 million) and not yet deposited on CDC account of department of Income tax while during the period no tax on bonus shares is being withheld by the investee company(s) due to the amendments brought by the Finance Act, 2018 in the Income Tax Ordinance, 2001 which excluded the requirement of tax on bonus shares. Management is of the view that the decision will be in favor of the asset management company and accordingly has recorded the bonus shares on gross basis at fair value in its investments at period end.

**5.1.2** Investments include shares having market value aggregating to Rs. 133.9415 million (June 30, 2025: 111.587 million) that have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular 11 dated October 23, 2007 issued by the SECP.

**6. PAYABLE TO HBL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY**

Note	September 30, 2025				June 30, 2025				
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	
----- (Rupees in '000) -----									
Management fee	6.1	1,127	-	-	1,127	1,359	24	229	1,612
Sindh Sales Tax	6.2	169	-	-	169	204	4	34	242
Sales load payable		139	-	-	139	280	-	-	280
Payable to Management Company		-	-	-	-	-	-	2,500	2,500
Formation Cost		-	245	155	400	-	245	155	400
		<b>1,435</b>	<b>245</b>	<b>155</b>	<b>1,835</b>	<b>1,843</b>	<b>273</b>	<b>2,918</b>	<b>5,034</b>

**6.1** "The Management Company may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the offering document. The management fee expense charged by the Management Company during the period is 2.75% (June 30, 2025: 0.15% to 3%) of the average annual net assets accordingly. The fee is payable monthly in arrears.

**6.2** The Sindh Government has levied Sindh Sales Tax at the rate of 15% (June 30, 2025: 15%) on the remuneration of the Mana

## 7. PAYABLE TO THE TRUSTEE

Note	September 30, 2025				June 30, 2025			
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
	------(Rupees in '000)-----							
Trustee's remuneration	83	-	-	83	97	2	26	125
Sindh Sales Tax	13	-	-	13	15	-	4	19
	<b>96</b>	<b>-</b>	<b>-</b>	<b>96</b>	<b>112</b>	<b>2</b>	<b>30</b>	<b>144</b>

7.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified there in, based on the daily Net Asset Value (NAV) of the Fund.

7.2 The Sindh Government has levied Sindh Sales Tax at the rate of 15% (June 30, 2025: 15%) on the remuneration of the trustee through Sindh Sales Tax on Services Act, 2011.

## 8. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Note	September 30, 2025				June 30, 2025			
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
	------(Rupees in '000)-----							
SECP Fee	40	-	-	40	43	2	33	78

8.1 The Fund has charged SECP Fee at the rate of 0.095% of the average daily net assets of the Fund which is payable on monthly basis in arrears.

## 9. ACCRUED EXPENSES AND OTHER LIABILITIES

Note	September 30, 2025				June 30, 2025			
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
	------(Rupees in '000)-----							
Auditors' remuneration	265	232	189	686	70	232	189	491
Charity payable	2,805	-	-	2,805	2,735	-	-	2,735
Withholding tax payable	719	-	-	719	3,979	-	7	3,986
Payable to NCCPL	30	163	29	222	30	163	29	222
Payable to Shariah Advisor	47	3	13	63	5	3	13	21
Federal Excise Duty	1,063	-	-	1,063	1,063	-	-	1,063
Payable to Broker	198	-	-	198	776	-	-	776
Zakat Payable	272	-	-	272	270	-	-	270
Other payable	83	273	191	547	41	273	191	505
	<b>5,482</b>	<b>671</b>	<b>422</b>	<b>6,575</b>	<b>8,969</b>	<b>671</b>	<b>429</b>	<b>10,069</b>

### 9.1 PROVISION FOR FEDERAL EXCISE DUTY

The legal status of applicability of Federal Excise Duty on the Fund is same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2025, and the appeal filed by tax authorities against the order passed by Honourable Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of above, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 1.06 million. Had the provision not been made, the Net Asset Value per unit as at September 30, 2025 would have been higher by Re. 0.5903 (June 30, 2025: Re. 0.2970) per unit.

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**10. CONTINGENCIES AND COMMITMENTS**

There were no contingencies or commitments outstanding as at September 30, 2025.

**11. TAXATION**

The income of the Fund is exempt from tax under clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed among its unit holders. The Fund has not recorded a tax liability in respect of income relating to the current period as the Management Company intends to distribute more than 90 percent of the Fund's accounting income for the period as reduced by capital gains (whether realised or unrealised) to its unit holders.

**12. EARNINGS PER UNIT (EPU)**

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

**13. TOTAL EXPENSE RATIO**

The Scheme has maintained Total Expense Ratio (TER) 5.15% (June 30, 2025: 4.81%) of which 0.71% representing government levies, and SECP Fee (June 30, 2025: 0.69%) in HBL Islamic Asset Allocation Fund.

**14. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company and directors of connected persons.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in these financial statements are as follows:

14.1	Transactions during the period	Three months ended September 30, 2025			Three months ended September 30, 2024		
		(Rupees in '000)					
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2
	<b>HBL Asset Management Limited - Management Company</b>						
	Management fee including sales tax	4,058	-	-	1,871	322	1,156
	Investment: 296,144 units (2024: Nil units)	75,000	-	-	-	-	-
	Redemption: 311,089 units (2024: Nil units)	80,610	-	-	-	-	-
	<b>Habib Bank Limited - Sponsor</b>						
	Bank charges paid	1	-	-	5	-	-
	Mark-up earned during the period	339	-	-	21	-	-
	<b>Central Depository Company of Pakistan Limited - Trustee</b>						
	Remuneration including sales tax	296	-	-	143	161	133
	CDC Charges	54	-	-	8	2	2
	<b>Executives and their Relatives</b>						
	Investment: 1,726 units (2024: 1,721 units)	485	-	-	300	-	-
	Redemption: 9,444 units (2024: 35,832 units)	2,601	-	-	6,257	-	-
	<b>Pak Qatar Investment Account - Connected Person due to holding more than 10% holding</b>						
	Redemption: Nil units (2024: 4,626,340 units)	-	-	-	-	687,500	-
	<b>Pak Qatar Individual Family Participant Investment Fund- Connected Person due to holding more than 10% holding</b>						
	Redemption: Nil units (2024: 3,254,660 Units)	-	-	-	-	137,500	-
14.2	Amounts outstanding as at period end						
		(Un-audited) September 30, 2025			(Audited) June 30, 2025		
		(Rupees in '000)					
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 1
	<b>HBL Asset Management Limited - Management Company</b>						
	Management Fee	1,127	-	-	1,359	24	229
	Sindh Sales Tax	169	-	-	204	4	34
	Payable to Management Company	-	-	-	-	-	2,500
	Sales load payable	139	-	-	280	-	-
	Formation Cost	-	245	155	-	245	155
	Investment held in the Fund : Nil units (June 30, 2025: 14,945 units)	-	-	-	8,716	-	-
	<b>Habib Bank Limited - Sponsor</b>						
	Bank balances	37,447	-	-	184,170	-	-
	Profit accrued on deposits	58	-	-	136	-	-
	<b>Central Depository Company of Pakistan Limited - Trustee</b>						
	Remuneration payable	83	-	-	97	2	26
	Sindh Sales Tax	13	-	-	15	-	4
	Security Deposit	100	100	100	100	100	100
	<b>HBL Asset Management Limited Employees Gratuity Fund</b>						
	Investment held in the Fund: 5,225 units (June 30, 2025: 5,225 units)	1,597	-	-	1,323	-	-
	<b>HBL Asset Management Limited Employees Provident Fund</b>						
	Investment held in the Fund: 15,084 units (June 30, 2025: 15,084 units)	4,612	-	-	3,820	-	-
	<b>Executives and their relatives</b>						
	Investment held in the Fund: 57,038 units (June 30, 2025: 64,756 units)	17,438	-	-	16,400	-	-
	<b>Sheikh Riaz Ahmed - Connected Person due to holding more than 10% holding *</b>						
	Unit held: 36,876 units (June 30, 2025: 638,319 units)	-	-	-	161,658	-	-
	<b>Tariq Mahmood Malik - Connected Person due to holding more than 10% holding **</b>						
	Unit held: 195,941 units (June 30, 2025: 195,941 units)	59,904	-	-	-	-	-

\* Investors who were reported as Connected Persons due to holding more than 10% units of Fund in the comparative period but does not hold at least 10% units of the Fund at the end of current period.

\*\* Investors who is reported as Connected Persons due to holding more than 10% units of Fund in the current period but does not hold at least 10% units of the Fund at the end of comparative period.

## 15. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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 Measurements: Disclosures' 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).

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

HBL Islamic Asset Allocation Fund	September 30, 2025				Fair Value			
	Fair value through profit or loss	At amortized Cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----								
<b>On-balance sheet financial instruments</b>								
<b>Financial assets measured at fair value</b>								
Investments								
- Listed Equities Securities	481,808	-	-	481,808	481,808	-	-	481,808
	<b>481,808</b>	-	-	<b>481,808</b>				
<b>Financial assets not measured at fair value</b>								
Bank balances	-	82,166	-	82,166				
Accrued mark-up	-	1,265	-	1,265				
Advances, deposits and other receivables	-	4,468	-	4,468				
	-	<b>87,899</b>	-	<b>87,899</b>				
<b>Financial liabilities not measured at fair value</b>								
Payable to Management Company	-	-	1,266	1,266				
Payable to Trustee	-	-	83	83				
Accrued expenses and other liabilities	-	-	3,700	3,700				
	-	-	<b>5,049</b>	<b>5,049</b>				

## HBL Islamic Asset Allocation Fund Plan 1

September 30, 2025

	Carrying amount			Total	Fair Value			Total
	Fair value through profit or loss	At amortized Cost	Other financial liabilities		Level 1	Level 2	Level 3	
----- (Rupees in '000) -----								
<b>On-balance sheet financial instruments</b>								
<b>Financial assets not measured at fair value</b>								
Bank balances	-	661	-	661				
Accrued mark-up	-	155	-	155				
Advances, deposits and other receivables	-	100	-	100				
	-	916	-	916				
<b>Financial liabilities not measured at fair value</b>								
Payable to Management Company	-	-	245	245				
Accrued expenses and other liabilities	-	-	671	671				
	-	-	916	916				

## HBL Islamic Asset Allocation Fund Plan 2

September 30, 2025

	Carrying amount			Total	Fair Value			Total
	Fair value through profit or loss	At amortized Cost	Other financial liabilities		Level 1	Level 2	Level 3	
----- (Rupees in '000) -----								
<b>On-balance sheet financial instruments</b>								
<b>Financial assets not measured at fair value</b>								
Bank balances	-	458	-	458				
Accrued mark-up	-	19	-	19				
Advances, deposits and other receivables	-	100	-	100				
	-	577	-	577				
<b>Financial liabilities not measured at fair value</b>								
Payable to Management Company	-	-	155	155				
Accrued expenses and other liabilities	-	-	422	422				
	-	-	577	577				

## HBL Islamic Asset Allocation Fund

June 30, 2025

	Carrying amount			Total	Fair Value			Total
	Fair value through profit or loss	At amortized Cost	Other financial liabilities		Level 1	Level 2	Level 3	
----- (Rupees in '000) -----								
<b>On-balance sheet financial instruments</b>								
<b>Financial assets measured at fair value</b>								
- Listed Equities Securities	656,864	-	-	656,864	656,864	-	-	656,864
	656,864	-	-	656,864				
<b>Financial assets not measured at fair value</b>								
Bank balances	-	344,973	-	344,973				
Dividend receivable and accrued mark-up	-	460	-	460				
Advances, deposits and other receivables	-	2,921	-	2,921				
	-	348,354	-	348,354				
<b>Financial liabilities not measured at fair value</b>								
Payable to Management Company	-	-	4,792	4,792				
Payable to Trustee	-	-	125	125				
Payable against purchase of investments	-	-	69,180	69,180				
Dividend Payable	-	-	62	62				
Payable against redemption of units	-	-	14,595	14,595				
Accrued expenses and other liabilities	-	-	4,612	4,612				
	-	-	93,366	93,366				

HBL Islamic Asset Allocation Fund Plan 1							
June 30, 2025							
Carrying amount				Fair Value			
Fair value through profit or loss	At amortized Cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<b>On-balance sheet financial instruments</b>							
<b>Financial assets not measured at fair value</b>							
Bank balances	-	3,228	-				3,228
Dividend receivable and accrued mark-up	-	155	-				155
Advances, deposits and other receivables	-	100	-				100
	-	3,483	-				3,483
<b>Financial liabilities not measured at fair value</b>							
Payable to Management Company	-	-	269				269
Payable to Trustee	-	-	2				2
Accrued expenses and other liabilities	-	-	671				671
	-	-	942				942

HBL Islamic Asset Allocation Fund Plan 2							
June 30, 2025							
Carrying amount				Fair Value			
Fair value through profit or loss	At amortized Cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<b>On-balance sheet financial instruments</b>							
<b>Financial assets not measured at fair value</b>							
Bank balances	-	3,291	-				3,291
Dividend receivable and accrued mark-up	-	19	-				19
Advances, deposits and other receivables	-	100	-				100
	-	3,410	-				3,410
<b>Financial liabilities not measured at fair value</b>							
Payable to Management Company	-	-	2,884				2,884
Payable to Trustee	-	-	26				26
Accrued expenses and other liabilities	-	-	422				422
	-	-	3,332				3,332

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

**16. DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on 30, October 2025.

**17. GENERAL**

Figures have been rounded off to the nearest thousand rupees.

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

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# **HBL**

## **Islamic Stock Fund**

## FUND INFORMATION

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Name of Fund	HBL Islamic Stock Fund
Name of Auditor	A.F.Ferguson & Co.
Name of Trustee	Central Depository Company of Pakistan Limited
Name of Shariah Advisors	Al - Hilal Shariah Advisors (Pvt.) Limited
Bankers	Habib Bank Limited Dubai Islamic Bank Limited Bank Islami Pakistan Limited Bank Al Baraka Limited

**HBL Islamic Stock Fund**  
**Condensed Interim Statement of Assets and Liabilities (Un-Audited)**  
*As at Sep 30, 2025*

		(Un-Audited) September 30 2025	(Audited) June 30, 2025
	Note	----- (Rupees in '000) -----	
<b>Assets</b>			
Bank balances	4	166,515	145,559
Investments	5	1,416,526	883,568
Dividend and profit receivable		3,629	524
Receivable from HBL Asset Management Limited - Management Company		-	3,000
Advances, deposits, prepayments and other receivables		2,785	1,488
<b>Total assets</b>		<u>1,589,454</u>	<u>1,034,139</u>
<b>Liabilities</b>			
Payable to the Management Company	6	5,591	4,634
Payable to the Trustee		204	187
Payable to Securities and Exchange Commission of Pakistan	7	59	79
Payable against purchase of investments		60,027	28,783
Payable against redemption of units		-	174,099
Accrued expenses and other liabilities	8	98,785	22,401
<b>Total liabilities</b>		<u>164,666</u>	<u>230,183</u>
<b>Net assets</b>		<u>1,424,789</u>	<u>803,956</u>
<b>Unit holders' fund (as per statement attached)</b>		<u>1,424,789</u>	<u>803,956</u>
		----- (Number of units) -----	
<b>Number of units in issue</b>		<u>5,547,684</u>	<u>3,872,754</u>
		----- (Rupees) -----	
<b>Net assets value per unit</b>		<u>256.8258</u>	<u>207.5929</u>

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

For HBL Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**HBL Islamic Stock Fund**  
**Condensed Interim Income Statement and Other Comprehensive Income (Un-Audited)**  
*For the three months ended September 30, 2025*

	For the Period Ended	
	September 30,	
	2025	2024
Note	----- (Rupees in '000) -----	
<b>Income</b>		
Dividend income	3,486	7,839
Profit on bank deposits	1,028	573
Capital gain / (loss) on sale of investments - net	32,406	(604)
	36,921	7,808
Net unrealised appreciation / (diminution) on re-measurement of investments classified at fair value through profit or loss - held-for-trading	232,012	(4,196)
<b>Total Income / (Loss)</b>	<b>268,933</b>	<b>3,612</b>
<b>Expenses</b>		
Remuneration of the Management Company	9,020	856
Remuneration of the Trustee	542	74
Annual fee to Securities and Exchange Commission of Pakistan	286	33
Securities transaction costs	2,171	230
Auditors' remuneration	153	135
Settlement and bank charges	150	490
Shariah advisory fee	90	21
Fees and subscription	1,820	123
Haram Income Expense	156	-
	14,388	1,964
<b>Net Income / (loss) from operating activities</b>	<b>254,545</b>	<b>1,648</b>
<b>Net income / (loss) for the period before taxation</b>	<b>254,545</b>	<b>1,648</b>
Taxation	-	-
<b>Net income/ (loss) for the period after taxation</b>	<b>254,545</b>	<b>1,648</b>
Income already paid on redemption of units	54,383	10
Accounting income available for distribution:		
- Relating to capital gains	200,162	-
- Excluding capital gains	-	1,638
	200,162	1,638
Other comprehensive income for the period	-	-
<b>Total comprehensive income/ (loss) for the period</b>	<b>254,545</b>	<b>1,648</b>

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

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**HBL Islamic Stock Fund**  
**Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)**  
*For the three months ended September 30, 2025*

	Three months ended						
	September 30,						
	2025			2024			
Capital value	Undistributed income / (Accumulated loss)	Total	Capital value	Undistributed income / (Accumulated loss)	Unrealised income / (loss) on investment	Total	
(Rupees in '000)							
<b>Net assets at beginning of the period</b>	1,241,383	(437,427)	803,956	579,380	(437,427)	-	141,953
Issue of units 6,595,558 (2024: 921,722 units)							
- Capital value (at net asset value per unit at the beginning of the period)	1,369,192	-	1,369,192	191,343	-	-	191,343
- Element of Income	111,480	-	111,480	(68,102)	-	-	(68,102)
Total proceeds on issuance of units	1,480,672	-	1,480,672	123,241	-	-	123,241
Redemption of 4,920,628 units (2024: 892,203 units)							
- Capital value (at net asset value per unit at the beginning of the period)	(1,021,487)	-	(1,021,487)	(185,215)	-	(185,215)	(185,215)
- Amount paid out of element of income relating to net income for the year after taxation	(38,513)	(54,383)	(92,896)	65,804	(10)	65,794	65,794
Total payments on redemption of units	(1,060,001)	(54,383)	(1,114,384)	(119,411)	(10)	-	(119,421)
Total comprehensive income for the period	-	254,545	254,545	-	1,648	1,648	1,648
<b>Net assets at end of the period</b>	<b>1,662,054</b>	<b>(237,265)</b>	<b>1,424,789</b>	<b>583,210</b>	<b>(435,789)</b>	<b>1,648</b>	<b>147,421</b>
<b>Undistributed income brought forward</b>							
- Realised		(447,962)			(447,962)		
- Unrealised		10,535			10,535		
		(437,427)			(437,427)		
Accounting income available for distribution							
- Relating to capital gains	200,162			-			
- Excluding capital gains	-			1,638			
	200,162			1,638			
<b>(Accumulated loss) / undistributed income carried forward</b>		<b>(237,265)</b>			<b>(435,789)</b>		
<b>(Accumulated loss) / undistributed income carried forward</b>							
- Realised		(469,277)			(431,593)		
- Unrealised		232,012			(4,196)		
		(237,265)			(435,789)		
			Rupees				Rupees
<b>Net assets value per unit at beginning of the period</b>			<b>207.5929</b>				<b>207.5929</b>
<b>Net assets value per unit at end of the period</b>			<b>256.8258</b>				<b>135.0561</b>

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

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**HBL Islamic Stock Fund**  
**Condensed Interim Cash Flow Statement (Unaudited)**  
*For the three months ended September 30, 2025*

	Three Months ended	
	September 30,	
Note	2025	2024
	----- (Rupees in '000) -----	
<b>Cash flows from operating activities</b>		
Net (loss) / income for the period before taxation	254,545	1,648
<b>Adjustments</b>		
Capital loss / (gain) during the period	(32,406)	604
Dividend Income	(3,486)	(7,839)
Profit on bank deposits	(1,028)	(573)
Unrealised diminution on re-measurement of investments classified at fair value through profit or loss - held-for-trading	(232,012)	4,196
	(14,388)	(1,964)
<b>(Increase) / decrease in assets</b>		
Investments - net	(237,296)	706,803
Dividend receivable and accrued mark-up	1,408	5,900
Receivable against sale of equity instruments	(1,297)	182
Receivable from HBL Asset Management Limited - Management Company	3,000	3,000
	(234,184)	715,885
<b>Increase / (decrease) in liabilities</b>		
Payable to the Management Company	957	(4,270)
Payable to the Trustee	17	(107)
Payable to Securities and Exchange Commission of Pakistan	(20)	(46)
Accrued expenses and other liabilities	76,384	(8,604)
	(96,761)	(187,127)
<b>Net cash (used in) / generated from operating activities</b>	(345,333)	526,794
<b>Cash flows from financing activities</b>		
Amount received on issue of units	1,480,672	123,241
Payment against redemption of units	(1,114,384)	(119,421)
<b>Net cash generated from financing activities</b>	366,288	3,820
<b>Net increase in cash and cash equivalents</b>	20,955	530,615
Cash and cash equivalents at beginning of the period	145,559	145,559
<b>Cash and cash equivalents at end of the period</b>	166,515	676,174

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

For HBL Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

# **HBL Islamic Stock Fund**

## **Notes to the Condensed Interim Financial Information (Unaudited)**

*For the three months ended September 30, 2025*

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### **1. LEGAL STATUS AND NATURE OF BUSINESS**

HBL Islamic Stock Fund (the Fund) was established under a Trust Deed, dated November 23, 2010, executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan as a unit trust scheme on December 10, 2010.

The Management Company of the Fund has been registered as Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake Asset Management Services. The registered office of the Management Company is situated at 7th Floor, Emereld Tower, G-19, Block-5, Main Clifton Road, Clifton, Karachi, Pakistan.

The Fund is an open-ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at par from May 09, 2011 to May 10, 2011.

The principal activity of the Fund is to provide long-term capital growth by investing mainly in Shariah Compliant equity securities and short-term government securities.

JCR-VIS Credit Rating Company has assigned a management quality rating of AM1 (Outlook: Stable) to the Management Company.

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

### **2. BASIS OF PREPARATION**

#### **2.1 Statement of Compliance**

**2.1.1** This condensed interim financial information has been prepared in accordance with the 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 as are notified under the Companies Act, 2017, the requirements of the Trust Deed, 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 the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

**2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS-34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2025.

**2.1.3** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2025.

#### **2.2 Basis of measurement**

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

### 2.3 Functional and presentation currency

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

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

3.1 The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2025.

3.2 The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires the 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 period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

3.3 The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited financial statements of the Fund for the year ended June 30, 2025.

3.4 There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2025 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these condensed interim financial statements.

3.5 The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2025.

		(Un-Audited) September 30, 2025	(Audited) June 30, 2025
	Note	----- (Rupees in '000) -----	
<b>4. BANK BALANCES</b>			
Balances with banks in:			
savings accounts	4.1	166,515	145,559
current account		-	-
		166,515	145,559

4.1 The balance in savings accounts carry expected profit which ranges from 5.00% to 9.5% (June 30, 2025: 5% to 10.6%) per annum.

		(Un-Audited) September 30, 2025	(Audited) June 30, 2025
	Note	----- (Rupees in '000) -----	
<b>5. INVESTMENTS</b>			
- Listed equity securities	5.1	1,416,526	883,568
		1,416,526	883,568

## 5.1 Listed equity securities at fair Value through Profit or Loss - Held for trading

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

Name of the Investee Company	As at July 01, 2025	Purchases during the period	Bonus / Rights issue	Sales during the period	As at September 30, 2025	Market value as at September 30, 2025 Rupees in '000'	Market value as a percentage of Total Investments	Market value as a percentage of Net Assets	Par value as a percentage of issued capital of the investee company
	Number of shares					%			
<b>CEMENT</b>									
LUCKY CEMENT LTD	46,500	116,500	-	5,500	157,500	74,953	5%	5%	0.00%
Pioneer Cement Co Limited	145,917	-	-	13,600	132,317	32,644	2%	2%	0.00%
Maple Leaf Cement Ltd.	829,999	10,000	-	79,000	760,999	83,413	6%	6%	0.00%
Power Cement Ltd	-	1,440,000	-	114,000	1,326,000	25,167	2%	2%	0.00%
Attock Cement Pakistan Ltd	109,319	95,767	-	160,700	44,386	13,082	1%	1%	0.00%
DG Khan Cement Co Ltd	194,734	65,000	-	38,500	221,234	58,718	4%	4%	0.00%
Fauji Cement Company Ltd	784,000	-	-	50,000	734,000	44,811	3%	3%	0.00%
Cherat Cement Company Ltd	-	92,734	-	-	92,734	34,181	2%	2%	0.00%
DEWAN CEMENT LIMITED	-	1,169,500	-	-	1,169,500	17,800	1%	1%	0.00%
	2,110,469	2,989,501	-	461,300	4,638,670	384,768	27%	27%	
<b>POWER GENERATION &amp; DISTRIBUTION</b>									
THE HUB POWER COMPANY LIMITED	66,500	245,000	-	131,500	180,000	43,076	3%	3%	0.00%
K-ELECTRIC LIMITED	4,598,000	-	-	1,100,000	3,498,000	24,311	2%	2%	0.00%
	4,664,500	245,000	-	1,231,500	3,678,000	67,387	0	0	
<b>ENGINEERING</b>									
Mughal Iron	-	197,477	-	-	197,477	17,562	1%	1%	0.00%
International Industries Ltd	-	33,600	-	-	33,600	7,734	1%	1%	0.00%
Aisha Steel Mills Limited	-	765,000	-	-	765,000	11,238	1%	1%	0.00%
International Steels Limited	-	80,600	-	-	80,600	10,231	1%	1%	0.00%
	-	1,076,677	-	-	1,076,677	46,764	3%	3%	
<b>PHARMACEUTICALS</b>									
Abbott Laboratories (Pakistan) Ltd	25,044	-	-	-	25,044	31,626	2%	222%	0.00%
Highnoon Laboratories Ltd	17,303	3,500	-	-	20,803	24,576	2%	172%	0.00%
The Searle Comp	62,968	166,000	-	20,000	208,968	24,453	2%	172%	0.00%
GLAXOSMITHKLINE PAKISTAN LIMITED	52,421	26,000	-	-	78,421	35,014	2%	246%	0.00%
Haleon Pakistan Limited	20,441	9,000	-	-	29,441	26,560	2%	186%	0.00%
AGP LIMITED	104,458	40,091	-	14,500	130,049	26,006	2%	183%	0.00%
Citi Pharma Ltd.	-	140,000	-	140,000	-	-	0%	0%	0.00%
	282,635	384,591	-	174,500	492,726	168,235	12%	1181%	
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>									
Oil & Gas Development Co Ltd	480,700	287,500	-	308,500	459,700	127,443	9%	9%	0.00%
PAKISTAN PETROLEUM LIMITED	620,800	461,500	-	540,500	541,800	112,467	8%	8%	0.00%
Mari Energies Limited	3,145	35,500	-	35,500	3,145	2,331	0%	0%	0.00%
	1,104,645	784,500	-	884,500	1,004,645	242,240	17%	17%	
<b>OIL &amp; GAS MARKETING COMPANIES</b>									
Pakistan State Oil Company Ltd	339,450	176,500	-	92,200	423,750	200,201	14%	14%	0.00%
SUI NORTHERN GAS PIPELINES LIMITED	171,500	105,000	-	28,000	248,500	34,335	2%	2%	0.00%
SUI SOUTHERN GAS COMPANY LIMITED	-	280,000	-	280,000	-	-	0%	0%	0.00%
	510,950	561,500	-	400,200	672,250	234,536	17%	16%	
<b>REFINERY</b>									
Attock Refinery Ltd	56,725	45,000	-	101,725	-	-	0%	0%	0.00%
	56,725	45,000	-	101,725	-	-	0%	0%	
<b>COMMERCIAL BANKS</b>									
Meezan Bank Ltd	-	30,000	-	30,000	-	-	0.00%	0%	0.00%
	-	30,000	-	30,000	-	-	0%	0%	

Name of the Investee Company	As at July 01, 2025	Purchases during the period	Bonus / Rights issue	Sales during the period	As at September 30, 2025	Market value as at September 30, 2025 Rupees in '000'	Market value as a percentage of Total Investments	Market value as a percentage of Net Assets	Par value as a percentage of issued capital of the investee company
	Number of shares					%			
<b>FERTILIZER</b>									
Engro Fertilizer Limited	-	88,000	-	88,000	-	-	0%	0%	0.00%
Fauji Fertilizer Company Ltd	-	62,000	-	-	62,000	28,696	2%	2%	0.00%
	-	150,000	-	88,000	62,000	28,696	2%	2%	
<b>GLASS &amp; CERAMICS</b>									
Tariq Glass Industries Ltd	62,000	11,000	-	27,000	46,000	11,819	1%	1%	0.00%
	62,000	11,000	-	27,000	46,000	11,819	1%	1%	
<b>TECHNOLOGY &amp; COMMUNICATION</b>									
Systems Limited	309,000	154,102	-	30,544	432,558	65,424	5%	5%	0.00%
TPL TRAKKER LIMITED	656,000	-	-	-	656,000	5,077	0%	0%	0.00%
	965,000	154,102	-	30,544	1,088,558	70,502	5%	5%	
<b>AUTOMOBILE ASSEMBLER</b>									
GHANDHARA AUTOMOBILES LIMITED	36,000	15,000	-	51,000	-	-	0%	0%	0.00%
Al-Ghazi Tractors Limited	11,848	-	-	11,848	-	-	0%	0%	0.00%
Ghandhara Industries Limited	-	15,000	-	15,000	-	-	0%	0%	0.00%
	47,848	30,000	-	77,848	-	-	-	-	
<b>FOOD &amp; PERSONAL CARE PRODUCTS</b>									
NATIONAL FOODS	50,000	15,000	-	46,000	19,000	7,002	0%	0%	0.00%
AT-TAHUR LIMITED	-	147,000	-	-	147,000	7,032	1%	0%	0.00%
	50,000	162,000	-	46,000	166,000	14,035	0	0	
<b>CHEMICAL</b>									
Berger Paints Pakistan Ltd	-	99,252	-	99,252	-	-	0%	0%	0.00%
Sitara Chemical Industries Limited	27,000	-	-	17,000	10,000	9,061	1%	0%	0.00%
Biafo Industries Limited	119,404	-	-	-	119,404	21,918	2%	0%	0.00%
	146,404	99,252	-	116,252	129,404	30,979	0	-	
<b>CABLE &amp; ELECTRICAL GOODS</b>									
PAK ELEKTRON	-	138,500	-	-	138,500	7,850	1%	0%	0.00%
	-	138,500	-	-	138,500	7,850	0	-	
<b>MISCELLANEOUS</b>									
SHIFA INTERNATIONAL HOSPITAL LTD	22,559	10,000	-	14,647	17,912	9,742	1%	0%	0.00%
	22,559	10,000	-	14,647	17,912	9,742	0	-	
<b>INV. BANKS /INV.COS./SECURITIES COS</b>									
Engro Holding Limited	47,500	228,000	-	-	275,500	71,443	5%	0%	0.00%
	47,500	228,000	-	-	275,500	71,443	0	-	
<b>TRANSPORT</b>									
Pakistan Intl. Bulk Terminal Ltd.	-	235,647	-	235,647	-	-	0%	0%	0.00%
	-	235,647	-	235,647	-	-	-	-	
<b>TEXTILE COMPOSITE</b>									
NISHAT MILLS LIMITED	-	166,000	-	-	166,000	27,531	2%	0%	0.00%
	-	166,000	-	-	166,000	27,531	0	-	
<b>Grand total</b>	<b>10,023,735</b>	<b>6,871,623</b>	<b>-</b>	<b>3,684,016</b>	<b>13,652,842</b>	<b>1,416,526</b>			
<b>Cost of investments at September 30, 2025</b>						<b>147,378</b>			

**5.1.1** Investments include shares having market value aggregating to Rs.335.17 million that have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular 11 dated October 23, 2007 issued by the SECP.

**5.1.2** These includes gross bonus shares as per Fund's entitlement declared by the investee company. Finance Act, 2014 brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs.3.08 million at September 30, 2025 (June 30, 2025: Rs. 2.55 million ) and not yet deposited on CDC account of department of Income tax. Management is of the view that the decision will be in favor and accordingly has recorded the bonus shares on gross basis at fair value in its investments at period end.

		(Un-Audited)	(Audited)
		September 30, 2025	June 30, 2025
<b>6. PAYABLE TO THE MANAGEMENT COMPANY</b>	<b>Note</b>	----- (Rupees in '000) -----	-----
Management fee		3,145	2,503
Sindh Sales Tax on Management Company's remuneration		472	375
Sales load payable		1,974	1,755
Selling and marketing payable		-	-
Allocation of expenses related to registrar services, accounting, operation and valuation services		-	-
		5,591	4,634

		(Un-Audited)	(Audited)
		September 30, 2024	June 30, 2025
<b>7. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>	<b>Note</b>	----- (Rupees in '000) -----	-----
Fees	7.1	86	79

**7.1** Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 a collective investment scheme categorised as a money market scheme is required to pay as monthly fee to the Securities and Exchange Commission of Pakistan.

		(Un-Audited)	(Audited)
		September 30, 2024	June 30, 2025
<b>8. ACCRUED EXPENSES AND OTHER LIABILITIES</b>	<b>Note</b>	----- (Rupees in '000) -----	-----
Federal excise duty payable on Management Company's remuneration	8.1	6,785	6,785
Charity payable	8.2	-	4,534
Withholding tax payable		1,762	1,706
Auditors' remuneration		43	376
Securities transaction costs payable		3,013	57
Zakat Payable		114	113
Others		87,067	8,830
		98,784	22,401

- 8.1** The legal status of applicability of Federal Excise Duty on the Fund is same as that disclosed in note 13.2 to the annual audited financial statements of the Fund for the year ended June 30, 2025, and the appeal filed by tax authorities against the order passed by Honourable Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of above, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 6.785 million. Had the provision not been retained, NAV per unit of the Fund as at September 30, 2025 would have been higher by Rs. 1.2230 per unit (June 30, 2025: 1.7520 per unit).

- 8.2** This represents amount attributable to income earned from shariah non-compliant avenues, earmarked for onward distribution as charity in accordance with the instructions of the Shariah Advisor.

## 9. TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year June 30, 2024 to its unit holders.

## 10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at agreed / contracted rates and terms determined in accordance with market rates. and the Trust Deed respectively.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations

Details of significant transactions with connected persons during the period / year and balances with them at period / year end, if not disclosed elsewhere in this condensed interim financial information are as follows:

	For the three months ended	
	September 30,	
	2025	2024
	----- (Rupees in '000) -----	
<b>10.1 Transactions during the period</b>		
<b>HBL Asset Management Limited - Management Company</b>		
Management fee including sales tax thereon	9,020	856
Allocation of expenses related to registrar services, accounting, operation and valuation services	-	-
Selling and marketing expenses	-	-
Redemption 39,464 units	9,822	

	For the three months ended	
	September 30,	
	2025	2024
	----- (Rupees in '000) -----	
<b>Habib Bank Limited - Sponsor</b>		
Bank charges paid	43	-
Bank profit	509	93
<b>Executives and their relatives</b>		
Issue of 249,799 units (2024: 78,519 units)	54,925	10,513
Redemption 200,647 units (2024: 2,217 units)	45,267	300
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration	542	74
	(Un-Audited)	(Audited)
	September 30,	June 30,
	2025	2025
	----- (Rupees in '000) -----	

## 10.2 Balances outstanding as at period / year end

### HBL Asset Management Limited - Management Company

Management fee	3,145	2,503
Sindh Sales Tax on Management Company's remuneration	472	376
Sales load payable	1,974	1,755
Outstanding held in the Fund Nil units (June 30, 2025 : 39,464 units)	-	8,192

### Habib Bank Limited - Sponsor

Bank balances	99,683	7,088
Profit receivable	288	133
Outstanding: Nil units (2025: 2,193)	-	455

### Central Depository Company of Pakistan Limited - Trustee

Remuneration payable including sales tax thereon	204	187
Security deposit	100	100

### Executives and their relatives

Investment held in the Fund: 112,929 units (June 30, 2025: 64,838 units)	29,005	13,459
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## 11. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

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

		September 30, 2025								
		Carrying amount				Fair Value				
		Available-for-sale	Held-for-trading	Loans and receivables	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)								
<b>Financial assets measured at fair value</b>										
Investments										
- Listed equity securities	5	1,416,526	-	-	-	1,416,526	1,416,526	-	-	1,416,526
<b>Financial assets not measured at fair value</b>										
11.1										
Bank balances		-	-	166,515	-	166,515	-	-	-	-
Dividend and profit receivable		-	-	3,629	-	3,629	-	-	-	-
Receivable against sale of investment		-	-	-	-	-	-	-	-	-
Other receivables		-	-	-	-	-	-	-	-	-
		-	-	170,143	-	170,143	-	-	-	-
<b>Financial liabilities not measured at fair value</b>										
11.1										
Payable to the Management Company		-	-	-	5,591	5,591	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan		-	-	-	59	59	-	-	-	-
Payable to the Trustee		-	-	-	204	204	-	-	-	-
Accrued expenses and other liabilities		-	-	-	90,237	90,237	-	-	-	-
		-	-	-	96,091	96,091	-	-	-	-

		June 30, 2025				Fair Value			
		Carrying amount				Level 1	Level 2	Level 3	Total
Available-for-sale	Held-for-trading	Loans and receivables	Other financial assets / liabilities	Total					
----- (Rupees in '000) -----									
<b>Financial assets measured at fair value</b>	11.1								
Investments									
- Listed equity securities		883,568	-	-	883,568	1,389,046	-	-	1,389,046
		883,568	-	-	883,568	1,389,046	-	-	1,389,046
<b>Financial assets not measured at fair value</b>	11.1								
Bank balances		-	-	145,559	-	145,559			
Dividend and profit receivable		-	-	524	-	524			
Receivable against sale of investment		-	-	-	-	-			
Other receivables		-	-	3,000	-	3,000			
		-	-	149,083	-	149,083			
<b>Financial liabilities not measured at fair value</b>									
Payable to the Management Company		-	-	-	4,634	4,634			
Payable to Securities and Exchange Commission of Pakistan		-	-	-	79	79			
Payable to the Trustee		-	-	-	187	187			
Accrued expenses and other liabilities		-	-	-	22,401	22,401			
		-	-	-	27,301	27,301			

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

#### **11.2 Transfers during the period**

There were no transfers between various levels of fair value hierarchy during the period.

#### **12. TOTAL 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 the three months ended September 30, 2025 is 5.20% (Jun 30, 2025: 5.03%), which includes 0.71% (Jun 30, 2025: 0.71%) representing government levy, Workers' Welfare Fund and SECP fee.

#### **13 DATE OF AUTHORISATION FOR ISSUE**

The condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on October 30, 2025.

#### **14. GENERAL**

**14.1** Figures have been rounded off to the nearest thousand rupees.

**14.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

**14.3** This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures presented in condensed interim income statement and statement of comprehensive income for the quarter ended September 30, 2025 have not been reviewed.

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

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# **HBL**

## **Islamic Income Fund**

## FUND INFORMATION

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Name of Fund	HBL Islamic Income Fund
Name of Auditor	BDO Ebrahim & Co. Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited
Name of Shariah Advisors	AI - Hilal Shariah Advisors (Pvt.) Limited
Bankers	Bank Islami Pakistan Limited Bank Al Baraka Limited Faysal Bank Limited Habib Bank Limited Dubai Islamic Bank Limited Askari Bank Limited Bank Al Habib Limited Soneri Al Tijarah MCB Islamic Bank Limited U Microfinance Bank National Bank Limited

**HBL Islamic Income Fund**  
**Condensed Interim Statement Of Assets And Liabilities (Unaudited)**  
*AS AT September 30, 2025*

	Note	(Unaudited) September 30, 2025 (Rupees in 000's)	(Audited) June 30, 2025
<b>ASSETS</b>			
Bank balances	4	7,439,638	7,586,814
Investments	5	11,987,937	10,178,317
Profit receivable		284,091	243,611
Deposits and prepayments and Others		131	2,915
<b>Total assets</b>		<b>19,711,797</b>	<b>18,011,657</b>
<b>LIABILITIES</b>			
Payable to the Management Company	6	10,373	15,165
Payable to the Trustee		1,172	1,038
Annual fee payable to Securities and Exchange Commission of Pakistan	7	1,927	923
Dividend payable		-	176,461
Accrued expenses and other liabilities	8	46,164	247,224
<b>Total liabilities</b>		<b>59,636</b>	<b>440,811</b>
<b>NET ASSETS</b>		<b>19,652,161</b>	<b>17,570,846</b>
<b>UNIT HOLDERS' FUND</b>		<b>19,652,161</b>	<b>17,570,846</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	9	<b>(Number of units)</b>	
Number of units in issue		184,164,610	168,853,143
		<b>(Rupees)</b>	
Net assets value per unit		106.7098	104.0599

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

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**HBL Islamic Income Fund**  
**Condensed Interim Income Statement And Comprehensive Income (Unaudited)**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025**

		September 30,	
	Note	2025	2024
		(Rupees in '000')	
<b>INCOME</b>			
Capital (loss) / gain on sale of investments - net		-	(97,156)
Profit from bank deposits		123,908	400,604
Profit from investments		367,207	468,977
Net unrealised appreciation on remeasurement of investments classified as 'financial assets at fair value through profit or loss'		(11,330)	108,543
		<b>479,785</b>	<b>880,968</b>
<b>EXPENSES</b>			
Remuneration to the Management Company	6.1	24,139	70,661
Remuneration to the Trustee		3,335	4,139
Annual fee to Securities and Exchange Commission of Pakistan	7	3,335	3,397
Fund operations, accounting and related costs		-	27
Shahriah Advisory Charges		-	83
Auditors' remuneration		-	69
Fees and subscription		-	228
Securities transactionm, settlement and bank charges		-	2
Provision for debt securities		-	4,606
Federal Excise Duty		4,121	-
		34,930	83,212
<b>Net income from operating activities</b>		<b>444,855</b>	<b>797,756</b>
<b>Net income for the period before taxation</b>		<b>444,855</b>	<b>797,756</b>
Taxation	10	-	-
<b>Net income for the period after taxation</b>		<b>444,855</b>	<b>797,756</b>
<b>Allocation of net income for the period:</b>			
Income already paid on redemption of units		44,280	58,666
Accounting income available for distribution:			
-Relating to capital gains		-	11,387
-Excluding capital gains		400,575	727,703
		400,575	739,090
<b>Net income for the period after taxation</b>		<b>444,855</b>	<b>797,756</b>
Other comprehensive income for the period		-	-
<b>Total comprehensive income for the period</b>		<b>444,855</b>	<b>797,756</b>
<b>Earnings per unit</b>	11		

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**HBL Islamic Income Fund**  
**Condensed Interim Statement Of Movement In Unit Holders' Fund**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025**

	2025			2024		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
	-----Rupees in '000'-----					
<b>Net assets at beginning of the period</b>	15,576,482	1,994,362	17,570,844	14,698,018	201,317	14,899,335
Issuance of 177,785,344 units (2024: 177,785,344 units)						
- Capital value (at net asset value per unit at the beginning of the period)	8,376,104	-	8,376,104	7,132,468	-	7,132,468
- Element of loss	100,998	-	100,998	192,258	-	192,258
Total proceeds on issuance of units	8,477,102	-	8,477,102	7,324,726	-	7,324,726
Redemption of 34,623,854 units (2024: 34,623,854 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(6,782,794)	-	(6,782,794)	(3,591,304)	-	(3,591,304)
- Amount relating to element of loss		(44,280)	(44,280)		(58,666)	(58,666)
Relating to net loss for the period after taxation	(13,566)	-	(13,566)	(97,494)	-	(97,494)
Total payments on redemption of units	(6,796,360)	(44,280)	(6,840,640)	(3,688,798)	(58,666)	(3,747,464)
Total comprehensive income for the period	-	444,855	444,855	-	797,756	797,756
Refund of Capital	-	-	-	-	-	-
Distribution for the period	-	-	-	-	-	-
Total comprehensive income for the period less distribution	-	444,855	444,855	-	797,756	797,756
<b>Net assets at end of the period</b>	<b>17,257,224</b>	<b>2,394,937</b>	<b>19,652,161</b>	<b>18,333,946</b>	<b>940,407</b>	<b>19,274,353</b>
<b>Undistributed income brought forward</b>						
- Realised		401,438			249,408	
- Unrealised		50,313			(48,091)	
		<u>451,751</u>			<u>201,317</u>	
Accounting income available for distribution						
- Relating to capital gains		-			11,387	
- Excluding capital gains		400,575			727,703	
		<u>400,575</u>			<u>739,090</u>	
<b>Undistributed income carried forward</b>		<u>852,326</u>			<u>940,407</u>	
<b>Undistributed income carried forward</b>						
- Realised		863,656			831,864	
- Unrealised		(11,330)			108,543	
		<u>852,326</u>			<u>940,407</u>	
<b>Net assets value per unit at beginning of the period</b>			<u>104.0599</u>			<u>103.7234</u>
<b>Net assets value per unit at end of the period</b>			<u>106.7098</u>			<u>108.4136</u>

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

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**HBL Islamic Income Fund**  
**Condensed Interim Cash Flow Statement (Unaudited)**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025**

	<b>September 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Rupees in '000')</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period	444,855	797,756
<b>Adjustments for non cash charges and other items:</b>		
Capital loss on sale of investments - net	-	97,156
Unrealize diminution/ (appreciation) on re-measurement of as 'financial assets at fair value through profit of loss' - net	11,330	(108,543)
	11,330	(11,387)
<b>(Increase) / decrease in assets</b>		
Investments - net	(1,820,950)	(1,236,695)
Profit receivable	(40,480)	(1,516,638)
Deposits and prepayments	2,784	-
	(1,858,646)	(2,753,333)
<b>Increase / (Decrease) in liabilities</b>		
Payable to the Management Company	(4,792)	1,627
Payable to the Trustee	134	(322)
Annual fee payable to Securities and Exchange Commission of Pakistan	1,004	279
Dividend payable	(176,461)	(3,842)
Accrued expenses and other liabilities	(201,060)	84,109
	(381,175)	81,851
<b>Net cash used in operating activities</b>	<b>(1,783,636)</b>	<b>(1,885,113)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash received from issuance of units	8,477,102	7,324,726
Cash paid on redemption of units	(6,840,640)	(3,747,464)
Dividend paid	-	-
<b>Net cash used in financing activities</b>	<b>1,636,462</b>	<b>3,577,262</b>
<b>Net increase in cash and cash equivalents</b>	<b>(147,174)</b>	<b>1,692,149</b>
Cash and cash equivalents at the beginning of the period	7,586,814	6,339,205
<b>Cash and cash equivalents at the end of the period</b>	<b>7,439,638</b>	<b>8,031,354</b>

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

For HBL Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**HBL Islamic Income Fund**  
**Notes To The Condensed Interim Financial Statements (Unaudited)**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025**

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**1 LEGAL STATUS AND NATURE OF BUSINESS**

The HBL Islamic Income Fund (the Fund) was established under a trust deed executed between PICIC Asset Management Company Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter no. SCD/AMCW/PIIF/949/2014 dated April 4, 2014 and the trust deed was executed on February 20, 2014.

SECP approved merger of PICIC Asset Management Company Limited with and into HBL Asset Management Limited effective from August 31, 2016 through an order dated August 31, 2016. Effective from September 1, 2016 HBL Asset Management Limited became Management Company of the fund which is a wholly owned subsidiary of Habib Bank Limited. The Aga Khan Fund for Economic Development (AKFED), S.A. is the parent company of Habib Bank Limited. After the merger, trust deed was revised on February 17, 2017.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The office of the Management Company located at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.

The Fund has been categorised as a Shariah Compliant Income Scheme as per the criteria laid down by the SECP for categorization of open-end Collective Investment Schemes (CISs) 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.

The investment objective of the Fund is to provide competitive risk adjusted returns to its investors by investing in a diversified portfolio of long, medium and short term Shariah compliant debt instruments while taking into account liquidity considerations.

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

VIS Credit Rating Company has assigned an asset management rating of 'AM1' (Stable Outlook) to the Management Company and a stability rating 'A+(f)' to the Fund..

**2 BASIS OF PREPARATION**

**2.1 STATEMENT OF COMPLIANCE**

**2.1.1** This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board 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 directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP prevail.

**2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34, 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published financial statements of the Fund for the year ended June 30, 2025.

**2.1.3** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2025.

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## 2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

## 2.3 Functional and presentation currency

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

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

3.1 The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year, ended June 30, 2025.

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

3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2025.

3.4 Certain amendments to approved accounting standards have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2025. None of these amendments are expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in this financial information for the year ended June 30, 2025.

	Note	(Unaudited) September 30, 2025	(Audited) June 30, 2025
(Rupees in 000')			
<b>4 BANK BALANCES</b>			
In savings accounts	4.1	7,363,507	7,586,796
In current accounts		76,131	19
		<u>7,439,638</u>	<u>7,586,815</u>

4.1 Mark-up rates on these accounts range between 11.00% to 10.50% per annum (June 30, 2025: 6.00% to 21.35% per annum).

	Note	(Unaudited) September 30, 2025	(Audited) June 30, 2025
(Rupees in 000')			
<b>5 INVESTMENTS</b>			
<b>Financial Assets at fair value through profit &amp; loss:</b>			
Corporate Sukuk	5.1	4,845,224	3,437,396
Gop Ijara Sukuk	5.2	7,142,712	6,740,921

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## 5.1

## Corporate Sukuks:

Entity	Notes	Number of Units				Market value	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2025	Purchases during the period	Sales / matured during the period	As at September 30, 2025			
		-----No. of Certificates-----				---Rupees in '000'---	-----%-----	
<b>Corporate Sukuks</b>								
Agha Steel Industries Limited	5.1.2	4,964	-	-	4,964	-	0.25%	0.41%
BCEMSTS 10-07-2025		-	105	-	105	105,000	0.53%	0.88%
K-Electric Limited SUK 23-11-22		-	2,570	-	2,570	263,168	1.34%	2.20%
KESTS33 23-07-2025		-	393	-	393	393,000	2.00%	3.28%
LEPCLSTS22 18-08-2025		-	512	-	512	512,000	2.61%	4.27%
TPL Corporation Limited		150	-	-	150	9,999	0.05%	0.08%
PKMCLSC4 28-04-2025		695	-	-	695	695,000	3.54%	5.80%
PTCLSC16 29-09-2025		-	750	-	750	750,000	3.82%	6.26%
PTCLSTXIII 18-12-25		750	-	-	750	750,000	3.82%	6.26%
PTCLSTXIII 09-07-2025		-	388	-	388	388,000	1.97%	3.24%
PTCSCXIV 11-07-2025		-	619	-	619	619,000	3.15%	5.16%
PTCSTXVI 19-03-2025		750	-	750	-	-	0.00%	0.00%
SLSTS2 16-12-25		355	-	-	355	355,000	1.81%	2.96%
LEPCLSC21 14-02-2025		570	-	570	-	-	0.00%	0.00%
APPLSTS1 06-07-2025		300	-	300	-	-	0.00%	0.00%
TPL Trakker Limited		44	-	-	44	5,057	0.03%	0.04%
<b>Total - September 30, 2025</b>		<b>8,578</b>	<b>5,337</b>	<b>1,620</b>	<b>12,295</b>	<b>4,845,224</b>	<b>0</b>	<b>0</b>
Total as at June 30, 2025		<b>8,458</b>	<b>3,420</b>	<b>3,300</b>	<b>8,578</b>	<b>3,437,396</b>		

## 5.1.1 Significant terms and conditions of corporate sukuk as at September 30, 2025 are as follows:

Name of Investee Company	Payment term	Remaining Principal (per sukuk bond)	Profit Rate (per annum)	Issue Date	Maturity Date
Agha Steel Industries Limited	Quarterly	8,000	3 month KIBOR + 0.8%	October 9, 2018	October 9, 2025
Hub Power Company Limited	Semi Annually	75,000	6 month KIBOR + 2.5%	November 12, 2020	#####
TPL Corporation Limited	Quarterly	100,000	3 month KIBOR + 2.25%	June 23, 2022	June 23, 2027
TPL Trakker Limited	Quarterly	388,889	3 month KIBOR + 3%	March 30, 2021	March 30, 2026
Lucky Electric Power Co. Ltd	Semi Annually	1,000,000	3 month KIBOR + 0.05%	August 15, 2024	February 17, 2025
K Electric Limited	Semi Annually	1,000,000	3 month KIBOR + 0.10%	September 23, 2024	March 24, 2025
Pakistan Telecommunication Co. Ltd	Semi Annually	1,000,000	3 month KIBOR + 0.10%	September 18, 2024	March 18, 2025

## 5.1.2 This represents Provision made against non performing securities in accordance with the criteria specified in Circular No. 33 of 2012 dated October 24, 2012 issued by SECP.

Name of Non Compliant Investment	Value of Investment	Provision Held (if any)	Value of Investment (after Provision)
Agha Steel Industries Limited	49,640	14,892	34,748

## 5.2 GOP Ijara Sukuk

Issue details	Issue date	Face Value				Market Value as at September 30, 2025	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2025	Purchases during the period	Sales / Matured during the period	As at September 30, 2025			
		-----No. of Certificates-----				Rs. In '000		
GOPIV-VRR 04-12-24	04-Dec-23	2,500,000	-	-	2,500,000	245,675	1.25%	2.05%
GOPIV-VRR 04-12-24	04-Dec-23	50	-	-	50	5	0.00%	0.00%
GOPIV-FRR 26-06-26	26-Jun-25	4,000,000	-	-	4,000,000	424,160	2.16%	3.54%
GOPIV-FRR 18-09-2027	18-Sep-24	12,500	-	-	12,500	66,313	0.34%	0.55%
GOPIV FRR 21-10-2027	21-Oct-24	330,000	-	-	330,000	1,710,225	8.70%	14.27%
GOPIV VRR 18-09-2027	18-Sep-24	12,500	-	-	12,500	62,788	0.32%	0.52%
GOPIV VRR 21-10-2027	21-Oct-24	25,000	-	-	25,000	125,438	0.64%	1.05%
GOPIV FRR 21-10-2029	21-Oct-24	2,500,000	-	-	2,500,000	266,950	1.36%	2.23%
GOPIV VRR 21-10-2029	21-Oct-24	1,250,000	-	-	1,250,000	124,363	0.63%	1.04%
GOPIV VRR 30-05-2030	30-May-25	625,000	-	-	625,000	62,563	0.32%	0.52%
GOPIV VRR 21-10-2029	21-Oct-29	1,250,000	-	-	1,250,000	126,100	0.64%	1.05%
GOPIV 12M 04-12-2024	04-Dec-23	250,000	-	250,000	-	-	0.00%	0.00%
GOPIV 12M 04-12-2024	04-Dec-23	5	-	5	-	-	0.00%	0.00%
GOPIV 12M 07-11-2024	07-Nov-23	27,500,000	-	-	27,500,000	2,723,325	13.86%	22.72%
GOPIV 12M 07-11-2024	07-Nov-23	50	-	-	50	5	0.00%	0.00%
GOPIV 12M 07-11-2024	07-Nov-23	50	-	-	50	5	0.00%	0.00%
GOPIV 12M 07-11-2024	07-Nov-23	10,000	-	-	10,000	990	0.01%	0.01%
GOPIV 12M 07-11-2024	07-Nov-23	100	-	-	100	10	0.00%	0.00%
GOPIV 12M 07-11-2024	07-Nov-23	50	-	-	50	5	0.00%	0.00%
GOPIV 12M 09-01-2025	09-Jan-24	200	-	-	200	19	0.00%	0.00%
GOPIV 12M 21-08-2025	21-Aug-25	-	6,250,000	-	6,250,000	574,438	2.92%	4.79%
GOPIV 12M 30-05-2028	21-Aug-25	-	5,625,000	-	5,625,000	566,663	2.88%	4.73%
GOPIV 12M 30-05-2030	21-Aug-25	-	625,000	-	625,000	62,675	0.32%	0.52%
<b>Total as at September 30, 2025</b>		<b>40,265,505</b>	<b>12,500,000</b>	<b>250,005</b>	<b>52,515,500</b>	<b>7,142,712</b>	<b>36.35%</b>	<b>59.58%</b>
Total as at June 30, 2025		6,684,100	38,936,585	38,506,100	4,364,585	6,740,921		

5.2.1 These GOP Ijara sukuk certificates, during the period carry profit at the rates ranging from 10.75% to 18.49%.

6	PAYABLE TO MANAGEMENT COMPANY	Note	September 30,	June 30,
			2025 (Un-Audited)	2025 (Audited)
	Management fee	6.1	5,700	12,448
	Sindh Sales Tax	6.2	1,031	1,867
	Sales load payable		3,642	850
	Allocation of expenses related to registrar services, accounting, operation and valuation services		-	-
	Selling and Marketing expenses		-	-
			<b>10,373</b>	<b>15,165</b>

6.1 Under the revised Non-Banking Finance Companies & Notified Entities Regulations 2008, notified on November 25, 2015, the Management Company of the Fund is entitled to a remuneration of an amount not exceeding 1.50% of average annual net assets. During the period the fee is being charged at the rate ranging between 0.68% - 1.00% on the average annual net assets. The fee is payable monthly in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax (SST) at the rate of 15 percent on the remuneration of management company through Sindh Sales Tax on Services Act, 2011. (June 30, 2025: 13%)

## 7 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 a collective investment scheme categorised as a money market scheme is required to pay as SECP fee to the Securities and Exchange Commission of Pakistan at 0.02% of the daily average net assets of the Fund. The fee is payable monthly in arrears.

	Note	(Unaudited) September 30, 2025	(Audited) June 30, 2025
(Rupees in 000's)			
<b>8 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Provision for Federal Excise Duty	8.1	1,344	1,344
Payable to brokers		-	-
Withholding tax payable		2,407	243,627
Capital gain tax payable		6,860	-
Auditors' remuneration		282	282
Redemption Payable		25,507	-
Others		9,764	1,793
		<b>46,164</b>	<b>247,046</b>

#### 8.1 PROVISION FOR FEDERAL EXCISE DUTY

The legal status of applicability of Federal Excise Duty on the Fund is same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2024, and the appeal filed by tax authorities against the order by Honourable Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of above, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 1.344 million. Had the provision not been retained, NAV per unit of the Fund as at September 30, 2025 would have been higher by Re. 0.0076 (June 30, 2025: Re. 0.0094 ) per unit.

#### 9 CONTINGENCIES AND COMMITMENTS

There were no contingencies or commitments outstanding as at September 30, 2025 and June 30, 2025.

#### 10 TAXATION

The income of the Fund is exempt from tax under clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed among its unit holders. The Fund has not recorded a tax liability in respect of income relating to the current period as the Management Company intends to distribute more than 90 percent of the Fund's accounting income for the period as reduced by capital gains (whether realised or unrealised) to its unit holders.

#### 11 EARNINGS PER UNIT

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

#### 12 TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the Fund for the three months ended September 30, 2025 is 2.13% (June 30, 2025: 1.78%) which includes 0.29%(June 30, 2024: 0.21%) representing government levy and SECP fee.

#### 13 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include the HBL Asset Management Limited being the Management Company, Habib Bank Limited being the holding company of the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, other associated companies of the Management Company and directors and officers of the Management Company.

The transactions with connected persons are in the normal course of business, at contracted rates and term determined in accordance with the market rates.

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

Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

Details of transactions carried out by the Fund with connected persons and balances with them other than those disclosed elsewhere in these financial statements, as at year end, are as follows:

	(Unaudited) September 30, 2025	(Audited) June 30, 2025
	(Rupees in '000)	
<b>13.1 Balance as at September 30, 2024</b>		
<b>HBL Asset Management Company Limited</b>		
Management fee payable	5,700	12,448
Sindh Sales Tax	1,031	1,867
Sales load payable	3,642	850
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee Fee payable	1,172	1,038
CDS Charges payable	-	-
Security deposit	100	100
<b>Habib Bank Limited-Sponsor</b>		
Bank balances	1,776,281	6,516,285
	(Unaudited) September 30, 2025	(Audited) June 30, 2025
	(Rupees in '000)	
<b>HBL Asset Management Limited Employees Gratuity Fund</b>		
Units held : 33,398 units (June 30, 2025: 33,398 units)	3,564	3,475
<b>HBL Asset Management Limited Employees Provident Fund</b>		
Units held 98,980 units (June 30, 2025: 98,980 units)	10,562	10,300
<b>Directors and executives of the Management Company</b>		
Units held 40,012 units (June 30, 2025: 91,992 units)	4,270	9,573
<b>Jubilee Life Insurance Company Limited</b>		
Units held : 6,032,379 units (June 30, 2025: 6,032,379) units	643,714	627,729

	(Unaudited) Quarter ended September 30, 2025	(Unaudited) Quarter ended September 30, 2024
	(Rupees in '000)	
<b>Transactions during the period</b>		
<b>HBL Asset Management Company Limited</b>		
Remuneration of the Management Company for the period	20,990	61,444
Sindh Sales tax on remuneration of the Management Company	3,149	9,217
<b>Habib Bank Limited - Sponsors</b>		
Profit on bank deposits	6,195	20,030
Sale of GOP Ijara Sukuk	-	5,536,821
<b>HBL Financial Sector Income Fund Plan I</b>		
Purchase of K-Electric	231,300	-
<b>Central Depository Company of Pakistan Limited-Trustee</b>		
Trustee fee	3,335	4,139
<b>Directors and executives of the Management Company</b>		
Issue of 43,099 units (2024: 12,200 units)	4,545	1,300
Redemption of 92,100 units (2024: 19,003 units)	9,607	1,998

#### 14 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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 prices used for financial assets held by the company 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.

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

- Quoted prices (unadjusted) in active markets for identical assets or Liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

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

Note	September 30, 2025								
	Carrying amount				Fair Value				
	Fair value through profit and loss	At amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
<b>On-balance sheet financial instruments</b>									
----- (Rupees in '000) -----									
<b>Financial assets measured at fair value</b>									
Investments									
- Corporate Sukuk	6	4,845,224	-	-	4,845,224	-	4,845,224	-	4,845,224
- GoP Ijarah Sukuk		7,142,712	-	-	7,142,712	-	7,142,712	-	7,142,712
		<b>11,987,936</b>	-	-	<b>11,987,936</b>	-	<b>11,987,936</b>	-	<b>11,987,936</b>
<b>Financial assets not measured at fair value</b>									
Bank balances		-	7,439,638	-	7,439,638	-	-	-	-
Profit receivable		-	284,091	-	284,091	-	-	-	-
Deposits		-	131	-	131	-	-	-	-
		-	<b>7,723,860</b>	-	<b>7,723,860</b>	-	-	-	-
<b>Financial liabilities not measured at fair value</b>									
Payable to the Management Company		-	-	10,373	10,373	-	-	-	-
Payable to the Trustee		-	-	1,172	1,172	-	-	-	-
Accrued expenses and other liabilities		-	-	35,553	35,553	-	-	-	-
		-	-	<b>47,098</b>	<b>47,098</b>	-	-	-	-
<b>June 30, 2025</b>									
Note	June 30, 2025								
	Carrying amount				Fair Value				
	Fair value through profit and loss	At amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
<b>On-balance sheet financial instruments</b>									
----- (Rupees in '000) -----									
<b>Financial assets measured at fair value</b>									
Investments									
- Corporate Sukuk	6	376,182	-	-	376,182	-	376,182	-	376,182
- GoP Ijarah Sukuk		6,566,035	-	-	6,566,035	-	6,566,035	-	6,566,035
		<b>6,942,217</b>	-	-	<b>6,942,217</b>	-	<b>6,942,217</b>	-	<b>6,942,217</b>
<b>Financial assets not measured at fair value</b>									
Bank balances		-	7,586,814	-	7,586,814	-	-	-	-
Term Deposit Receipts		-	1,544,901	-	1,544,901	-	-	-	-
Profit receivable		-	394,696	-	394,696	-	-	-	-
Deposits and prepayments		-	100	-	100	-	-	-	-
		-	<b>9,526,511</b>	-	<b>9,526,511</b>	-	-	-	-
<b>Financial liabilities not measured at fair value</b>									
Payable to the Management Company		-	-	24,623	24,623	-	-	-	-
Payable to the Trustee		-	-	912	912	-	-	-	-
Accrued expenses and other liabilities		-	-	1,686	1,686	-	-	-	-
		-	-	<b>27,221</b>	<b>27,221</b>	-	-	-	-

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

**15 DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue on October 30, 2025 by the Board of Directors of the Management Company.

**16 GENERAL**

Figures have been rounded off to the nearest thousand Rupees.

For HBL Asset Management Limited  
(Management Company)

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Chief Financial Officer

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Chief Executive Officer

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Director

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# **HBL**

## **Islamic Equity Fund**

## FUND INFORMATION

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Name of Fund	HBL Islamic Equity Fund
Name of Auditor	Yousuf Adil & Co. Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited
Name of Shariah Advisor	Al - Hilal Shariah Advisors (Pvt.) Limited
Bankers	Bank Islami Pakistan Limited Bank Al Baraka Limited MCB Bank Limited Faisal Bank Limited Habib Bank Limited

**HBL Islamic Equity Fund**  
**Condensed Interim Statement of Assets and Liabilities (Un-Audited)**  
*AS AT SEPTEMBER 30, 2025*

		September 30, 2025 (Un-audited)	June 30, 2025 (Audited)
	Note	(Rupees in '000)	
<b>Assets</b>			
Bank balances	4	21,777	33,716
Investments	5	1,233,938	1,133,686
Dividend and profit receivable		809	1,473
Receivable against sale of investments		-	36,507
Deposits and prepayments		13,220	6,206
<b>Total assets</b>		<b>1,269,743</b>	<b>1,211,588</b>
<b>Liabilities</b>			
Payable to Management Company	6	4,122	4,502
Payable to the Trustee		207	325
Payable to the Securities and Exchange Commission of Pakistan	7	91	95
Payable against purchase of investments		-	53,708
Accrued expenses and other liabilities	9	20,010	11,541
<b>Total liabilities</b>		<b>24,430</b>	<b>70,171</b>
<b>Net assets</b>		<b>1,245,313</b>	<b>1,141,417</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>1,245,313</b>	<b>1,141,417</b>
<b>Contingencies and commitments</b>			
	10		
		(Number of units)	
<b>Number of units in issue</b>		<b>6,149,634</b>	<b>7,183,843</b>
		(Rupees)	
<b>Net assets value per unit</b>		<b>202.5019</b>	<b>158.8867</b>

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**HBL Islamic Equity Fund**  
**Condensed Interim Income Statement & Comprehensive Income (Un-Audited)**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025**

	Note	Quarter ended September 30,	
		2025	2024
		(Rupees in '000')	
<b>INCOME</b>			
Capital gain /(loss) on sale of investments - net		53,272	10,133
Dividend income		6,240	2,748
Profit from bank deposits		1,431	770
Unrealize appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		223,752	(14,223)
		<u>284,696</u>	<u>(570)</u>
<b>EXPENSES</b>			
Remuneration to the Management Company	6.1	7,086	1,050
Sindh Sales Tax on remuneration of management company	6.2	1,250	157
Remuneration to the Trustee	7.1	556	99
Annual fee to Securities and Exchange Commission of Pakistan	7.2	264	44
Auditors' remuneration		-	69
Fees and subscription		1,334	91
Securities transaction and bank charges		2,459	829
Expense to Shariah Advisory Services		-	13
Capital Value Tax		369	-
Haram Income Dist to Charitable	6.4	192	-
		<u>13,510</u>	<u>2,352</u>
<b>Net loss from operating activities</b>		<u>271,186</u>	<u>(2,922)</u>
<b>Net profit / (loss) for the period before taxation</b>		<u>271,186</u>	<u>(2,922)</u>
Taxation	11	-	-
<b>Net profit / (loss) for the period after taxation</b>		<u>271,186</u>	<u>(2,922)</u>
<b>Allocation of net profit / (loss) for the period:</b>			
Income already paid on redemption of units		60,824	52
Accounting income available for distribution:			
-Relating to capital gains		41,324	-
-Excluding capital gains		169,038	-
		<u>210,362</u>	<u>(2,974)</u>
<b>Net profit / (loss) for the period after taxation</b>		<u>271,186</u>	<u>(2,922)</u>
Other comprehensive income for the period		-	-
<b>Total comprehensive profit / (loss) for the period</b>		<u>271,186</u>	<u>(2,922)</u>

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**HBL Islamic Equity Fund**  
**Condensed Interim Statement of Movement in Unitholders' Fund**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025**

	2025			2024		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
-----Rupees in '000'-----						
<b>Net assets at beginning of the period</b>	1,450,842	(309,425)	1,141,417	428,323	(302,160)	126,163
Issuance of 4,754,667 units (2024: 1,661,657 units)						
- Capital value (at net asset value per unit at the beginning of the period)	755,453	-	755,453	185,149	-	185,149
- Element of loss	92,023	-	92,023	6,686	-	6,686
Total proceeds on issuance of units	847,476	-	847,476	191,835	-	191,835
Redemption of 5,788,876 units (2024: 943,213 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(919,775)	-	(919,775)	(105,097)	-	(105,097)
- Amount relating to element of loss	(34,167)	(60,824)	(94,991)	(5,696)	(52.12)	(5,748)
Relating to net loss for the year after taxation	-	-	-	-	-	-
Total payments on redemption of units	(953,942)	(60,824)	(1,014,766)	(110,793)	(52)	(110,845)
Total comprehensive income for the year	-	271,186	271,186	-	(2,922)	(2,922)
Distribution for the year	-	-	-	-	-	-
Total comprehensive income for the year less distribution	-	271,186	271,186	-	(2,922)	(2,922)
<b>Net assets at end of the year</b>	<b>1,344,376</b>	<b>(99,063)</b>	<b>1,245,313</b>	<b>509,365</b>	<b>(305,134)</b>	<b>204,233</b>
<b>Undistributed income brought forward</b>						
- Realised		(341,069)			(316,947)	
- Unrealised		31,644			(2,568)	
		(309,425)			(319,515)	
Accounting income / (loss) available for distribution:						
-Relating to capital gains	41,324			-		
-Excluding capital gains	169,038			-		
	210,362			-		
<b>Undistributed income carried forward</b>		<b>(99,063)</b>			<b>(319,515)</b>	
<b>Undistributed income carried forward</b>						
- Realised		(322,815)			(305,292)	
- Unrealised		223,752			(14,223)	
		(99,063)			(319,515)	
<b>Net assets value per unit at beginning of the year</b>			<b>158.8867</b>			<b>111.4243</b>
<b>Net assets value per unit at end of the year</b>			<b>202.5019</b>			<b>110.3530</b>

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**HBL Islamic Equity Fund**  
**Condensed Interim Cash Flow Statement (Unaudited)**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025**

	<b>Quarter ended September 30, 2025                  2024 (Rupees in 000's)</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period	271,186	(2,922)
<b>Adjustments for non cash charges and other items:</b>		
Amortisation of deferred formation cost	-	-
Capital gain on sale of investments - net	(53,272)	(10,133)
Unrealize diminution/ (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	223,752	(14,223)
	170,480	(24,356)
<b>Decrease / (increase) in assets</b>		
Investments - net	(270,732)	(56,552)
Dividend and profit receivable	664	(3,111)
Receivable from equity market settlement	36,507	-
Deposits and prepayments	(7,014)	2,506
Preliminary and floatation costs	-	-
	(240,575)	(57,157)
<b>(decrease) / Increase in liabilities</b>		
Payable to the Management Company	(380)	438
Payable to the Trustee	(118)	6
Annual fee payable to Securities and Exchange Commission of Pakistan	(4)	4
Payable against equity market settlement	(53,708)	(2,178)
Accrued expenses and other liabilities	8,472	1,455
	(45,738)	(275)
Net cash generated from / (used in) operating activities	155,353	(84,710)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash received from issuance of units	847,476	191,835
Cash paid on redemption of units	(1,014,766)	(110,845)
Net cash used in / generated from financing activities	(167,290)	80,990
Net (decrease)/ increase in cash and cash equivalents	(11,937)	(3,720)
Cash and cash equivalents at the beginning of the period	33,716	5,139
Cash and cash equivalents at the end of the period	21,777	1,420

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

# **HBL Islamic Equity Fund**

## **Notes to the Condensed Interim Financial Information (Unaudited)**

### **FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025**

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#### **1 LEGAL STATUS AND NATURE OF BUSINESS**

The HBL Islamic Equity Fund ("the Fund") was established under a Trust Deed executed between PICIC Asset Management Company Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter no. SCD/AMCW/PISF/965/2014 dated April 23, 2014 and the Trust Deed was executed on February 20, 2014.

SECP approved merger of PICIC Asset Management Company Limited with and into HBL Asset Management Limited effective from August 31, 2016 through an order dated August 31, 2016. Effective from September 1, 2016 HBL Asset Management Limited became Management Company of the fund which is a wholly owned subsidiary of Habib Bank Limited. The Aga Khan Fund for Economic Development (AKFED), S.A. is the parent company of Habib Bank Limited. After the merger, trust deed was revised on February 17, 2017.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is located at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.

The Fund has been categorised as a Shariah Compliant equity scheme as per the criteria laid down by the SECP for categorisation of Open-End Collective Investment Schemes (CISs) 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.

The objective of HBL Islamic Equity Fund is to provide the maximum total return to the unit holders from investment in "Shariah Compliant" equity investments for the given level of risk. Title to the assets of the Fund is held in the name of Central Depository Company Limited as trustee of the Fund.

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

VIS Credit Rating Company has assigned an asset management rating of 'AM1' (Stable Outlook) to the Management Company.

#### **2 BASIS OF PREPARATION**

##### **2.1 Statement of compliance**

**2.1.1** This condensed interim financial information have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting (IAS - 34) and provision of and directives issued under the Companies Ordinance, 1984, 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 directives issued by the Securities and Exchange Commission of Pakistan (SECP).Wherever the requirements of NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirments of the IFRS the requirments of NBFC Rules,the NBFC Regulations or the directives issued by the SECP shall prevail.

**2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS - 34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2025.

**2.1.3** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2025.

##### **2.2 Basis of measurement**

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

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### 2.3 Functional and presentation currency

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

### 3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING JUDGEMENT AND CHANGES THEREIN

- 3.1 The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year, ended June 30, 2025.
- 3.2 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2025.
- 3.4 Certain amendments to approved accounting standards have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2021. None of these amendments are expected to have a significant effect on this condensed interim financial information.
- 3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in this condensed interim financial information for the period ended September 30, 2025.

		September 30, 2025 (Un-Audited) (Rupees in '000)	June 30, 2025 Audited
	Note		
<b>4 BANK BALANCES</b>			
Current accounts		-	10
PLS deposit accounts under mark-up arrangements	4.1	21,777	5,129
		<u>21,777</u>	<u>5,139</u>

- 4.1 Mark-up rates on these accounts range between 18.50% to 19.30% p.a (June 30, 2024: 18.50% to 19.30% p.a).

		September 30, 2025 (Un-Audited) (Rupees in '000)	June 30, 2025 Audited
	Note		
<b>5 INVESTMENTS</b>			
<b>Financial assets 'at fair value through profit or loss' held for trading</b>			
- Listed equity securities	5.1	1,233,938	1,133,686
		<u>1,233,938</u>	<u>1,133,686</u>

## 5.1 Financial assets 'at fair value through profit or loss' - held for trading - listed equity securities

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

Name of the Investee Company	Number of shares				Market value			
	As at July 1, 2025	Purchases during the period	Bonus / Rights issue	Sales during the period	As at September 30, 2025	As at September 30, 2025 (Rupees in '000)	As a percentage of total Investments	As a percentage of net Assets
<b>CEMENT</b>								
Attock Cement Pakistan Ltd	142,000	-	-	122,497	19,503	5,748		
Cherat Cement Company Ltd	-	40,000	-	-	40,000	14,744		
Dewan Cement	-	1,750,000	-	-	1,750,000	26,635		
DG Khan Cement Co Ltd	505,000	-	-	250,000	255,000	67,680	5.48%	5.43%
Fauji Cement Company Limited	618,000	-	-	260,000	358,000	21,856	1.77%	1.76%
Lucky Cement Ltd	-	311,500	-	52,000	259,500	123,493	10.01%	9.92%
Maple Leaf Cement Ltd.	1,033,524	50,000	-	496,000	587,524	64,399	5.22%	5.17%
	<u>2,298,524</u>	<u>2,151,500</u>	<u>-</u>	<u>1,180,497</u>	<u>3,269,527</u>	<u>324,554</u>	<u>0</u>	<u>0</u>
<b>PHARMACEUTICALS</b>								
Abbott Laboratories (Pakistan) Ltd	-	4,800	-	-	4,800	6,062		
AGP Limited	-	13,000	-	-	13,000	2,600		
The Searle Company Limited	1,985	178,000	-	-	179,985	21,062	1.71%	1.69%
GlaxoSmithKline (Pakistan) Limited	-	67,157	-	-	67,157	29,985	2.43%	2.41%
	<u>-</u>	<u>262,957</u>	<u>-</u>	<u>-</u>	<u>264,942</u>	<u>59,708</u>	<u>0</u>	<u>0</u>
<b>POWER GENERATION &amp; DISTRIBUTION</b>								
THE HUB POWER COMPANY LIMITED	-	440,000	-	183,600	256,400	61,359	4.97%	4.93%
	<u>-</u>	<u>440,000</u>	<u>-</u>	<u>183,600</u>	<u>256,400</u>	<u>61,359</u>	<u>4.97%</u>	<u>4.93%</u>
<b>ENGINEERING</b>								
Aisha Steel Mills Limited	-	179,000	-	-	179,000	2,630	0.21%	0.21%
Mughal Iron	-	152,456	-	-	152,456	13,558	1.10%	1.09%
	<u>-</u>	<u>331,456</u>	<u>-</u>	<u>-</u>	<u>331,456</u>	<u>16,187</u>	<u>0.00%</u>	<u>0.00%</u>
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>								
Mari Energies Limited	218,555	30,000	-	199,000	49,555	36,722	2.98%	2.95%
Oil and Gas Development Company Limited	594,500	188,500	-	312,000	471,000	130,575	10.58%	10.49%
Pakistan Petroleum Limited	882,000	50,000	-	330,500	601,500	124,859	10.12%	10.03%
	<u>1,695,055</u>	<u>268,500</u>	<u>-</u>	<u>841,500</u>	<u>1,122,055</u>	<u>292,157</u>	<u>23.68%</u>	<u>23.45%</u>
<b>OIL &amp; GAS MARKETING COMPANIES</b>								
Pakistan State Oil Company Ltd	345,749	155,000	-	191,500	309,249	146,105	11.84%	11.73%
SUI NORTHERN GAS PIPELINES LIMITED	745,910	80,000	-	745,910	80,000	11,054	0.90%	0.89%
SUI Southern Gas Company Limited	-	270,000	-	270,000	-	-	0.00%	0.00%
	<u>1,091,659</u>	<u>505,000</u>	<u>-</u>	<u>1,207,410</u>	<u>389,249</u>	<u>157,158</u>	<u>-</u>	<u>-</u>
<b>REFINERY</b>								
National Refinery Limited	-	-	-	-	-	-	0.00%	0.00%
Attock Refinery Ltd	88,335	-	-	88,335	-	-	0.00%	0.00%
Pakistan Refinery Limited	-	-	-	-	-	-	0.00%	0.00%
	<u>88,335</u>	<u>-</u>	<u>-</u>	<u>88,335</u>	<u>-</u>	<u>-</u>	<u>0.00%</u>	<u>-0.01%</u>
<b>COMMERCIAL BANKS</b>								
Faysal Bank Limited	-	390,000	-	320,000	70,000	6,390	0.52%	0.51%
Meezan Bank Ltd	237,000	153,000	-	120,000	270,000	117,715	9.54%	9.45%
	<u>237,000</u>	<u>543,000</u>	<u>-</u>	<u>440,000</u>	<u>340,000</u>	<u>124,105</u>	<u>10.06%</u>	<u>9.97%</u>
<b>FERTILIZER</b>								
Engro Fertilizer Limited	-	77,000	-	-	77,000	17,069	-	-
	<u>-</u>	<u>77,000</u>	<u>-</u>	<u>-</u>	<u>77,000</u>	<u>17,069</u>	<u>-</u>	<u>-</u>
<b>TECHNOLOGY &amp; COMMUNICATION</b>								
Systems Limited	447,490	63,000	-	150,000	360,490	54,524		
TPL TRAKKER LIMITED	898,000	-	-	-	898,000	6,951	0.56%	0.56%
	<u>1,345,490</u>	<u>63,000</u>	<u>-</u>	<u>150,000</u>	<u>1,258,490</u>	<u>61,475</u>	<u>0.56%</u>	<u>0.55%</u>
<b>AUTOMOBILE ASSEMBLER</b>								
Ghandhara Industries Limited	69,500	20,000	-	74,250	15,250	12,656	1.03%	1.02%
GHANDHARA AUTOMOBILES LIMITED	51,860	100,000	-	125,101	26,759	15,813	1.28%	1.27%
	<u>121,360</u>	<u>120,000</u>	<u>-</u>	<u>199,351</u>	<u>42,009</u>	<u>28,469</u>	<u>2.31%</u>	<u>2.29%</u>
<b>FOOD &amp; PERSONAL CARE PRODUCTS</b>								
At-Tahir Ltd.	-	136,000	-	1,071	134,929	6,455	0.00%	0.00%
	<u>-</u>	<u>136,000</u>	<u>-</u>	<u>1,071</u>	<u>134,929</u>	<u>6,455</u>	<u>0.00%</u>	<u>0.00%</u>
<b>Textile Composite</b>								
Nishat Mills Limited	-	140,000	-	-	140,000	23,219	0.00%	0.00%
	<u>-</u>	<u>140,000</u>	<u>-</u>	<u>-</u>	<u>140,000</u>	<u>23,219</u>	<u>-</u>	<u>-</u>
<b>INV. BANKS / INV. COS. / SECURITIES COS.</b>								
Engro Holdings	-	142,000	-	-	142,000	36,823		
	<u>-</u>	<u>142,000</u>	<u>-</u>	<u>-</u>	<u>142,000</u>	<u>36,823</u>	<u>-</u>	<u>-</u>
<b>TRANSPORT</b>								
Pak Int.Bulk	-	1,830,000	-	-	1,830,000	25,199		
	<u>-</u>	<u>1,830,000</u>	<u>-</u>	<u>-</u>	<u>1,830,000</u>	<u>25,199</u>	<u>-</u>	<u>-</u>
<b>Total September 30, 2025</b>	<b>6,877,423</b>	<b>7,010,413</b>	<b>-</b>	<b>4,291,764</b>	<b>9,598,057</b>	<b>1,233,938</b>	<b>1</b>	<b>1</b>
<b>Carrying value as at September 30, 2024</b>						<b>203,728</b>		

5.2 The above investments include shares with market value aggregating to Rs 297.64 million (2025: Rs 18.23 million) which have been pledged with the National Clearing Company of Pakistan Limited (NCCPL) as collateral for guaranteeing settlement of the Fund's trades in accordance with Circular no. 11 dated October 23, 2007 issued by the SECP, which are as follows:

These investments include gross bonus shares as per Fund's entitlement declared by the investee company. Finance Act, 2014 brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 19.32 million (June 30, 2025 Rs. 3.515 million) and not yet deposited on CDC account of department of Income tax. Management is of the view that the decision will be in the favor and accordingly has recorded the bonus shares on gross basis at fair value in its investments at year end. Moreover the requirement to deduct tax on bonus shares has been withdrawn through Finance Act, 2018.

	Note	September 30, 2025 (Un-Audited)	June 30, 2025 (Audited)	
<b>6</b>	<b>PAYABLE TO MANAGEMENT COMPANY</b>			
	Management fee	6.1	2,888	219
	Sindh Sales Tax	6.2	949	28
	Sales load payable		285	44
			<b>4,122</b>	<b>291</b>
<b>6.1</b>	Under the revised Non-Banking Finance Companies & Notified Entities Regulations 2008, notified on November 25, 2015, the Management Company of the Fund is entitled to a remuneration of an amount not exceeding two percent of average annual net assets. During the period the Management Company has charged aforementioned expense to the extent of 2% of the average daily net assets of the Fund.			
<b>6.2</b>	The Sindh Provincial Government has levied Sindh Sales Tax (SST) at the rate of 15 percent on the remuneration of management company through Sindh Sales Tax on Services Act, 2011.			
<b>6.3</b>	As per Regulation 60(3) of the amended 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 CIS. During the year, management has not charged selling and marketing fee.			
<b>6.4</b>	As per Regulation 60(3) of the NBFC Regulations, selling and marketing expense maybe charged for all categories of funds, except fund of funds. During the year, management has not charged selling and marketing fee.			
			September 30, 2025 (Un-Audited)	June 30, 2025 (Audited)
<b>7</b>	<b>PAYABLE TO THE TRUSTEE</b>			
	Trustee fee payable	7.1	27	22
	Sindh Sales Tax payable on Trustee Fee	7.2	4	3
			<b>31</b>	<b>25</b>

**7.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provision of the Trust Deed as per the tariff specified therein, based on the average net assets of the Fund. The fee is paid to the Trustee on monthly basis in arrears.

Based on the Trust deed, Trustee fee has been charged based on the following tariff structure applicable to the Fund:

<b>Average Net asset Value</b>	<b>Tariff per annum</b>
Upto Rs. 1 billion	0.20% per annum of net assets
Over Rs. 1 billion	Rs. 2.0 million plus 0.10% per annum of net assets value exceeding Rs. 1,000 million

**7.2** The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 15% (June 2024: 13%) on the remuneration of Trustee through Sindh Sales Tax on Services Act, 2011.

**8 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

	<b>September 30, 2025 (Un-Audited)</b>	<b>June 30, 2025 (Audited)</b>
SECP fee payable	<u>14</u>	<u>10</u>

**8.1** In accordance with the Regulation 62 of NBFC Regulations 2008, a Collective Investment Scheme (CIS) was required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) on annual basis at the rate of 0.02% of average Net Assets of Collective investment Scheme calculated on daily basis.

Effective as of July 01, 2023, the SECP, through SRO 592 dated May 17, 2023, has revised the annual fee rate from 0.02% to 0.095% and introduced a shift in payment frequency, from annual to monthly basis.

	<b>Note</b>	<b>September 30, 2025 (Un-Audited)</b>	<b>June 30, 2025 (Audited)</b>
<b>(Rupees in '000)</b>			
<b>9 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Provision for Federal Excise Duty	9.1	3,268	3,268
Donation payable		5,302	265
Payable to brokers		4,082	155
Withholding tax payable		5,524	486
Auditors' remuneration		79	229
Others		1,755	263
		<u>20,010</u>	<u>4,666</u>

**9.1 PROVISION FOR FEDERAL EXCISE DUTY**

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

On September 4, 2013, a Constitutional Petition was filed in the 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.

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On July 16, 2016, 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 July 01, 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.

However, since the appeal filed by the tax authorities is pending in the Supreme Court of Pakistan, the Management Company, being prudent has retained a provision for FED on remuneration of Management Company, aggregating to Rs. 3.268 million (2024: Rs. 3.268 million). Had the provision not been made, the net asset value per unit of the Fund as at June 30, 2024 would have been higher by Rs. 1.765 per unit (2024: Rs. 2.886 per unit).

## **10 CONTINGENCIES AND COMMITMENTS**

There were no contingencies outstanding as at September 30, 2025 and June 30, 2025.

## **11 TAXATION**

The income of the Fund is exempt from tax under clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed among its unit holders in cash. The Fund has not recorded a tax liability in respect of income relating to the current period as the Management Company intends to distribute more than 90 percent of the Fund's accounting income for the period as reduced by capital gains (whether realised or unrealised) to its unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90 percent of net accounting income other than capital gains/loss to unit holders. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## **12 EARNINGS PER UNIT**

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

## **13 TOTAL EXPENSE RATIO**

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the Fund for the three months ended September 30, 2025 is 4.96% which includes 0.65% representing government levy and SECP fee.

## **14 TRANSACTIONS WITH CONNECTED PERSONS**

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in the condensed interim financial information are as follows:

**14.1 Balance as at September 30, 2025**

	(Unaudited) September 30, 2025	(Audited) June 30, 2025
	(Rupees in '000)	
<b>HBL Asset Management Company Limited</b>		
Management fee payable	2,888	3,202
Sindh Sales tax on remuneration of the Management Company	949	480
Sales load payable	285	820
Units held: Nil units (2025: 355,902 units)	-	56,548
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee Fee payable	207	325
<b>Directors and executives of the Management Company</b>		
Units held 45,815 (2025: 29,340) units	9,278	4,662
<b>Fayaz Aziz- Related party due to holding more than 10%</b>		
Units held 826,814 (2025: 982,148) units	167,431	156,050

**14.2 Transactions during the year**

	(Unaudited) Quarter ended September 30, 2025	(Unaudited) Quarter ended September 30, 2024
	(Rupees in '000)	
<b>HBL Asset Management Company Limited</b>		
Remuneration of the Management Company for the period	7,086	1,050
Sindh Sales tax on remuneration of the Management Company	1,250	157
Redemption of 355,902 (2024: Nil) units	69,158	-
<b>Directors and executives of the Management Company</b>		
Redemption of 135,389 (2024: 14,373) units	24,937	1,611
Issue of 143,477 (2024: 8,672) units	25,195	999
<b>Central Depository Company of Pakistan Limited</b>		
Trustee fee	556	99
CDS charges	-	-

**15 FAIR VALUE OF FINANCIAL INSTRUMENTS**

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

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

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 Measurements: Disclosures' 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).

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

		September 30, 2025							
		Carrying amount			Fair Value				
Note		Fair value through profit or loss - held-for-trading	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----									
<b>On-balance sheet financial instruments</b>									
<b>Financial assets measured at fair value</b>									
	15.1								
		Investments							
		- Listed equity securities							
		1,233,938	-	-	1,233,938	1,233,938	-	-	1,233,938
		1,233,938	-	-	1,233,938	1,233,938	-	-	1,233,938
<b>Financial assets not measured at fair value</b>									
	15.1				-				
		Bank balances							
		-	21,777	-	21,777	-	-	-	-
		Investments							
		Dividend and profit receivable							
		-	809	-	809	-	-	-	-
		Deposits and prepayments							
		-	13,220	-	13,220	-	-	-	-
		-	35,806	-	35,806	-	-	-	-
<b>Financial liabilities not measured at fair value</b>									
	15.1								
		Payable to Management Company							
		-	-	4,122	4,122	-	-	-	-
		Payable to Central Depository Company of Pakistan Limited - Trustee							
		-	-	207	207	-	-	-	-
		Payable against purchase of investments							
		-	-	-	-	-	-	-	-
		Accrued expenses and other liabilities							
		-	-	20,010	20,010	-	-	-	-
		-	-	24,339	24,339	-	-	-	-

		June 30, 2025							
		Carrying amount			Fair Value				
		Fair value through profit or loss - held-for- trading	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----									
<b>On-balance sheet financial instruments</b>									
<b>Financial assets measured at fair value</b> 15.1									
Investments									
- Listed equity securities									
		1,133,686	-	-	1,133,686	1,133,686	-	-	1,133,686
		1,133,686	-	-	1,133,686	1,133,686	-	-	1,133,686
<b>Financial assets not measured at fair value</b> 15.1									
Bank balances									
		-	33,716	-	33,716	-	-	-	-
Investments									
-Unlisted Equity Securities									
		-	-	-	-	-	-	-	-
Dividend and profit receivable									
		-	1,473	-	1,473	-	-	-	-
		-	35,189	-	35,189	-	-	-	-
<b>Financial liabilities not measured at fair value</b> 15.1									
Payable to Management Company									
		-	-	4,502	4,502	-	-	-	-
Payable to Trustee									
		-	-	325	325	-	-	-	-
Accrued expenses and other liabilities									
		-	-	4,666	4,666	-	-	-	-
		-	-	9,493	9,493	-	-	-	-

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

## **16 DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on October 30, 2025.

## **17 CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

## **18 GENERAL**

Figures have been rounded off to the nearest thousand rupees.

For HBL Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

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# **HBL**

## **Islamic Fixed Term Fund**

## FUND INFORMATION

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Name of Fund	HBL Islamic Fixed Term Fund
Name of Auditor	BDO Ebrahim & Co. Chartered Accountants.
Name of Trustee	Central Depository Company of Pakistan Limited
Bankers	United Bank Limited

**HBL Islamic Fixed Term Fund**  
**Condensed Interim Statement of Assets and Liabilities**  
*As at September 30, 2025*

		HBL ISLAMIC FIXED TERM FUND PLAN I	
		(Un-Audited)	(Audited)
		September 30,	June 30,
		2025	2025
Note		(Rupees in '000)	
<b>Assets</b>			
	Bank balances	1,598	1,598
	Investments	-	-
	CDC security deposit	100	100
	<b>Total assets</b>	<b>1,698</b>	<b>1,698</b>
<b>Liabilities</b>			
	Payable to the Management Company	1,042	1,042
	Payable to the Trustee	-	-
	Payable to Securities and Exchange Commission of Pakistan	-	-
	Legal fee payable	150	150
	Accrued expenses and other liabilities	506	506
	<b>Total liabilities</b>	<b>1,698</b>	<b>1,698</b>
	<b>Net assets</b>	-	-
	<b>Unit holders' fund (as per statement attached)</b>	-	-
	<b>Contingencies and commitments</b>		
		----- (Number of units) -----	
	<b>Number of units in issue</b>	-	-
		----- (Rupees) -----	
	<b>Net assets value per unit</b>	-	-

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

**For HBL Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**HBL Islamic Fixed Term Fund**  
**Condensed Interim Income Statement and Other Comprehensive Income (Un-Audited)**  
*For the Three months period ended on September 30, 2025*

		HBL ISLAMIC FIXED TERM FUND PLAN I	
		Three months Ended	
		2025	2024
		(Rupees in '000)	
Income	Note		
Mark-up / return on investments		-	80,430
Mark-up on Bank Deposit		-	304
		-	80,734
Expenses			
Remuneration of the Management Company		-	2,226
Remuneration of the Trustee		-	272
Fee to Securities and Exchange Commission of Pakistan		-	323
Auditors' remuneration		-	263
Bank charges		-	19
Formation Cost		-	53
Other expense		-	291
		-	3,445
<b>Net loss from operating activities</b>		-	<b>77,289</b>
<b>Net loss for the period before taxation</b>		-	<b>77,289</b>
Taxation	12	-	-
<b>Net loss for the period after taxation</b>		-	<b>77,289</b>
<b>Allocation of net (loss) / income for the period:</b>			
Income already paid on redemption of units		-	-
Accounting (loss) / income available for distribution:			
- Relating to capital gains		-	-
- Excluding capital gains		-	-
		-	<b>77,289</b>
<b>Earnings per unit</b>	14		

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

**For HBL Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**HBL Islamic Fixed Term Fund**  
**Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)**  
*For the Three months period ended on September 30, 2025*

	HBL ISLAMIC FIXED TERM FUND PLAN I	
	Three months Ended	
	2025	2024
	(Rupees in '000)	
Net loss for the period after taxation	-	77,289
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	-	<b>77,289</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**HBL Islamic Fixed Term Fund**  
**Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)**  
*For the Three months period ended on September 30, 2025*

	For the Period Ended September 30, 2025				For the Period Ended September 30, 2024			
	Capital value	Undistributed income / (Accumulated loss)	Unrealised income / (loss) on investment	Total	Capital value	Undistributed income / (Accumulated loss)	Unrealised income / (loss) on investment	Total
	(Rupees in '000)							
<b>Net assets at beginning of the period</b>	-	-	-	-	1,661,483	7,506	-	1,668,989
Issuance of Nil units (2024: Nil Units)								
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	-	-	-	-	-
- Element of Loss	-	-	-	-	-	-	-	-
<b>Total proceeds on issuance of units</b>	-	-	-	-	-	-	-	-
Redemption of Nil units (2024: Nil Units)								
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	-	-	-	-	-
- Element of Loss	-	-	-	-	-	-	-	-
<b>Total proceeds on redemption of units</b>	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	77,289	-	77,289
Distributed during the period	-	-	-	-	-	-	-	-
	-	-	-	-	-	77,289	-	77,289
<b>Net assets at end of the period</b>	-	-	-	-	1,661,483	84,794	-	1,746,278
<b>Undistributed income brought forward</b>								
- Realised		-				7,505		
- Unrealised		-				-		
		-				7,505		
<b>Accounting income available for distribution</b>								
Relating to capital gains		-				-		
Excluding capital gains		-				77,289		
		-				77,289		
<b>Undistributed income carried forward</b>		-				84,794		
<b>Undistributed income carried forward</b>								
Realised income		-				84,794		
Unrealised income		-				-		
		-				84,794		
					<b>Rupees</b>			<b>Rupees</b>
					<b>---- (Rupees) ---</b>			<b>---- (Rupees) ---</b>
<b>Net assets value per unit at Beginning of the period</b>				<b>-</b>				<b>100.4517</b>
<b>Net assets value per unit at end of the period</b>				<b>-</b>				<b>105.1035</b>

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

**For HBL Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**



# **HBL Islamic Fixed Term Fund**

## **Notes to the Condensed Interim Financial Information (Unaudited)**

*For the Three months period ended on September 30, 2025*

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### **1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** HBL Islamic Fixed Term Fund Plan 1 (the Fund) was established under a Trust Deed, dated July 19, 2023, executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan as a unit trust scheme on December 04, 2023.
- 1.2** The Management Company of the Fund has been registered as Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake Asset Management Services. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block-5, Main Clifton Road, Clifton, Karachi, Pakistan.
- 1.3** The Fund is an open-ended mutual fund. The units are transferable and can also be redeemed by surrendering to the Fund.
- 1.4** The principal activity of the Fund is to provide capital appreciation to investors schemes by investing in Shariah Compliant equity securities.
- 1.5** VIS Credit Rating Company has assigned a management quality rating of 'AM1' (Stable Outlook) to the Management Company
- 1.6** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as 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; 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, 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, 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 measured at fair value.

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### 2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency. All amounts have been rounded to the nearest thousands of Rupees, unless otherwise indicated.

### 2.4 Use of judgments and estimates

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in the application of accounting policies are given below:

- (i) Classification and valuation of financial instruments (notes 4.2)
- (ii) Provision (notes 4.8)

## 3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO THE PUBLISHED APPROVED ACCOUNTING STANDARDS

### 3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025

The following standards, amendments and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	<b>Effective from accounting year beginning on or June 01, 2020</b>
Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions	
Amendments to the conceptual framework for financial reporting, including amendments to references to the conceptual framework in IFRS	January 01, 2020
Amendments to IFRS 3 'Business Combinations' - Definition of a business	January 01, 2020
Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of material	January 01, 2020
Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures' - Interest rate benchmark reform	January 01, 2020

Certain annual improvements have also been made to a number of IFRSs.

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### 3.2 New accounting standards / amendments and IFRS interpretations that are not yet effective

- b The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	<b>Effective from accounting years beginning on or</b>
Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	January 01, 2021
Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions extended beyond June 30, 2021	April 01, 2021
Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2022
Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — cost of fulfilling a contract	January 01, 2022
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2023
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates	January 01, 2023
Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction.	January 01, 2023

Certain annual improvements have also been made to a number of IFRSs.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 17 – Insurance Contracts

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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#### **4.1 Cash and cash equivalents**

Cash comprises savings 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.

#### **4.2 Financial assets and liabilities**

##### **4.2.1 Initial recognition**

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value or amortised cost as the case may be.

The Fund recognizes financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

Financial liabilities are not recognized unless one of the parties has performed its part of the contract or the contract is a derivative contract.

##### **4.2.2 Classification and measurement**

###### **4.2.2.1 Financial assets**

There are three principal classification categories for financial assets:

- Measured at amortized cost ("AC"),
- Fair value through other comprehensive income ("FVTOCI") and
- Fair value through profit or loss ("FVTPL").

###### **Financial asset at amortised cost**

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL;

- 1) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### **Financial asset at FVTOCI**

A financial asset is measured at FVTOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- 1) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI, only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

FVTOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.

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### **Financial asset at FVTPL**

All other financial assets are classified as measured at FVTPL (for example: equity held for trading and debt securities not classified either as AC or FVTOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

Financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the income statement.

### **Business model assessment**

The business model is determined under IFRS 9 at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. It is not an instrument-by-instrument analysis; rather it can be performed at a higher level aggregation. It is typically observable through the activities that the entity undertakes to achieve the objective of the business model; all relevant evidence that is available at the date of the assessment (including history of sales of the financial assets) are considered. Following three business models are defined under the IFRS 9:

- 1) Hold to collect business model
- 2) Hold to collect and sell business model
- 3) FVTPL business model

Considering above, the Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The evaluation of the performance of the Fund has been performed on fair value basis for the entire portfolio, as reporting to the key management personnel and to the investors in the form of net asset value (NAV). The investment portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Consequently, all the investments are measured at fair value through profit or loss. For other financial assets which are held for collection continue to be measured at amortised cost.

#### **4.2.2.2 Financial liabilities**

The Fund classifies its financial liabilities in the following categories:

- Measured at amortized cost ("AC"), or
- Fair value through profit or loss ("FVTPL").

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Fund has opted to measure them at FVTPL.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires as follows:

- The amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.

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- Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss.

#### **4.2.3 Impairment of financial assets**

The SECP/Commission has through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Therefore the Fund will not be subject to the impairment provisions of IFRS 9. Meanwhile, asset management companies shall continue to follow the requirements of Circular 33 of 2012.

For financial assets other than debt securities measured at amortised cost, IFRS 9 requires recognition of impairment based on expected credit loss (ECL) model rather than incurred credit loss model as previously required under IAS 39. The Fund is required to measure loss allowance of an amount equal to lifetime ECL or 12 months ECL based on credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

However, majority of the assets of the Fund exposed to credit risk pertain to counter parties which have high credit rating or where credit risk has not been increased since initial recognition. Therefore, management believes that the impact of ECL would be very minimal and hence, the same has not been accounted for in these financial statements.

#### **4.2.4 Fair value measurement principles and provision**

The fair value of financial instruments is determined as follows:

##### **Basis of valuation of debt securities**

The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan (SECP). In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The aforementioned 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.

##### **Basis of valuation of government securities**

The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKRV rates) which are based on the remaining tenor of the securities.

##### **Basis of valuation of equity securities**

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs.

Net gains and losses arising on changes in the fair value of financial assets carried at fair value through profit or loss are taken to the income statement.

##### **Basis of valuation of instruments at amortised cost**

Subsequent to initial recognition, financial assets classified as amortised cost are carried at amortised cost using the effective interest method.

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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.

#### **4.2.5 Regular way contracts**

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention are recognised at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

#### **4.2.6 Offsetting of financial instruments**

Financial assets and financial liabilities are set off and the net amount is reported in the statement of assets and liabilities if the Fund has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **4.3 Net asset value per unit**

The net asset value (NAV) per unit as disclosed in the statement of assets and liabilities is calculated by dividing the net asset of the Fund by the number of units in issue at the year end.

#### **4.4 Spread transactions (ready-future transactions)**

The Fund enters into transactions involving purchase of an equity security in the ready market and simultaneous sale of the same security in the futures market. The security purchased in ready market is classified as financial assets at fair value through profit or loss and carried on the statement of assets and liabilities at fair value till their eventual disposal, with the resulting gain / loss taken to the income statement. The forward sale of the security in the futures market is treated as a separate derivative transaction and is carried at fair value with the resulting gain / loss taken to the income statement.

#### **4.5 Securities under margin trading system**

Securities purchased under margin financing are included as 'receivable against Margin Trading System (MTS)' at the fair value of consideration given. All MTS transactions are accounted for on the settlement date. Income on MTS is calculated on outstanding balance at agreed rates and recorded in the income statement. Transaction costs are expensed in the income statement.

#### **4.6 Issue and redemption of units**

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for 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 distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any back-end load (if applicable), any duties, taxes, charges on redemption and any provision for transaction costs, if applicable. Redemption of units is recorded on acceptance of application for redemption.

#### **4.4 Revenue recognition**

- Gain / (loss) arising on sale of investments are included in the 'income statement' on the date at which the sale transaction takes place.
- Unrealised gain / (loss) arising on remeasurement of investments classified as 'financial assets at fair value through profit or loss' are included in the 'income statement' in the period in which they arise.

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- Dividend income is recognized when the right to receive the dividend is established.
  - Mar-up / return on bank deposits, investment in debt and government securities are recognised at effective profit rates based on a time proportion basis using the effective interest method.
  - Profit on debt securities classified as non performing assets are recognised on receipt basis.

#### **4.5 Expenses**

All expenses including NAV based expenses (namely management fee, trustee fee, annual fee to the SECP and selling and marketing expense) are recognised in the 'income statement' on an accrual basis.

#### **4.6 Taxation**

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed in cash to the unit holders (excluding distribution made by issuance of bonus shares).

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

The Fund does not account for deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders.

#### **4.10 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 amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

#### **4.11 Derivatives**

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is premeasured to its fair value and the resultant gain or loss is recognised in the income statement.

#### **4.12 Distribution to the unit holders**

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

#### **4.13 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed**

An equalisation account called the element of income / (loss) included in prices of units sold less those in units redeemed is created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption.

Element of income / (loss) 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.

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7.1 The maximum limit disclosed in the offering document is 1% per annum of average annual net assets. During the period, the fee is not being charged.

7.2 The Sindh Provincial Government has levied Sindh Sales Tax (SST) at the rate of 15% on the remuneration of the Management Company through Sindh Sales Tax on Services Act, 2011.

#### 8 PAYABLE TO THE TRUSTEE

Remuneration of the Trustee	-	-
Sindh Sales Tax on remuneration of the Trustee	-	-
	<u>-</u>	<u>-</u>

8.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified there in, based on the daily Net Asset Value (NAV) of the Fund.

CDC vide letter no CDC/CEO/L-112/06/2019 declared that the tariff structure for the fixed return schemes shall consists of actual custodial expense plus 0.055% per annum of Net Assets. Therefore trustee fee have been charged as 0.055% per annum of net assets calculated on daily basis.

The remuneration is paid to the trustee monthly in arrears.

8.2 The Sindh Provincial Government has levied Sindh Sales Tax (SST) at the rate of 15% on the remuneration of the trustee through Sindh Sales Tax on Services Act, 2011.

#### 9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Fee payable to SECP	-	-
	<u>-</u>	<u>-</u>

9.1 As per SRO 685(I)/2019 dated June 28, 2019, annual fee at the rate of 0.075% of the net assets of the fund has been charged during the year by Securities and Exchange Commission of Pakistan.

#### 10 ACCRUED EXPENSES AND OTHER LIABILITIES

Withholding tax payable	58	58
Auditors' remuneration	309	309
Printing charges	108	108
Others	31	31
	<u>506</u>	<u>506</u>

#### 11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2025.

#### 12 TAXATION

The Fund's income is exempt from income tax as per Clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year June 30, 2023 to its unit holders.

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**13 EARNINGS PER UNIT**

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

**14. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS**

Connected persons / related parties include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at agreed / contracted rates and terms determined in accordance with market rates. and the Trust Deed respectively.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations.

Details of significant transactions with connected persons during the period and balances with them at period end are as follows:

	2025	2024
	(Rupees in '000)	
<b>14.1 Transactions during the period</b>		
<b>HBL Asset Management Limited - Management Company</b>		
Remuneration of the Management Company	-	2,226
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee	-	272
	September 30,	June 30,
	2025	2025
	(Un-audited)	(Audited)
	(Rupees in '000)	
<b>14.2 Balances outstanding as at period / year end</b>		
<b>HBL Asset Management Limited - Management Company</b>		
Management fee payable	-	-
Sales tax payable	-	-
Formation Cost Payable	1,042	1,042
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	-	-
Sindh Sales Tax	-	-



		June 30, 2025 (Audited)						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
	<b>Financial assets measured at amorized cost</b>	<b>15</b>						
	GOP Ijara Sukuk	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
	<b>Financial assets measured at amorized cost</b>	<b>15</b>						
	Bank balances	-	1,598	1,598				
	Accrued mark-up	-	-	-				
	Deposits and other receivables	-	-	-				
		-	1,598	1,598				
	<b>Financial liabilities not measured at fair value</b>	<b>15</b>						
	Payable to the Management Company	-	1,042	1,042				
	Payable to the Trustee	-	-	-				
	Legal fee payable	-	150	150				
	Accrued expenses and other liabilities	-	448	448				
		-	1,640	1,640				

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

**15.1.2** The valuation of commercial papers has been done based on amortisation of commercial paper to its fair value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and they are placed with counterparties which have high credit rating.

## **16 TOTAL 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 the three month ended September 30, 2025 is 0% (YTD) which includes 0% representing government levy and SECP fee.

## **17 DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on October 30, 2025.

## **18 GENERAL**

**18.1** Figures have been rounded off to the nearest thousand rupees.

**For HBL Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

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# **HBL**

## **Islamic Savings Fund**

## FUND INFORMATION

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Name of Fund	HBL Islamic Savings Fund
Name of Auditor	Yousuf Adil, Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited
Name of Shariah Advisor	Al Hilal Shariah Advisors (Pvt.) Limited
Bankers	Faysal Bank Limited Habib Bank Limited United Bank Limited

**HBL Islamic Savings Fund**  
**Condensed Interim Statement of Assets and Liabilities**  
*As at September 30, 2025*

	Note	(Un-Audited) September 30, 2025 (Rupees in '000)	(Un-Audited) June 30, 2025
<b>Assets</b>			
Bank balances	5	3,209,692	2,763,480
Investments	6	5,920,700	5,325,357
Accrued mark-up		192,076	106,431
Advances, deposits, prepayments and other receivables	7	100	-
<b>Total assets</b>		<b>9,322,568</b>	<b>8,195,268</b>
<b>Liabilities</b>			
Payable to the Management Company	8	14,142	21,829
Payable to the Trustee	9	468	679
Payable to Securities and Exchange Commission of Pakistan	10	555	804
Dividend payable		-	9,732
Payable against redemption of units		26,587	2,725,768
Accrued expenses and other liabilities	11	21,154	73,503
<b>Total liabilities</b>		<b>62,906</b>	<b>2,832,315</b>
<b>Net assets</b>		<b>9,259,662</b>	<b>5,362,953</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>9,259,662</b>	<b>5,362,953</b>
<b>Contingencies and commitments</b>	12		
		----- (Number of units) -----	
<b>Number of units in issue</b>		<b>89,804,746</b>	<b>53,302,157</b>
		----- (Rupees) -----	
<b>Net assets value per unit</b>		<b>103.1088</b>	<b>100.6142</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**HBL Islamic Savings Fund**  
**Condensed Interim Income Statement and (Un-Audited)**  
*For the Three months period ended on September 30, 2025*

	For the Period September 30, 2025	For the Period September 30, 2024
	(Rupees in '000)	
<b>Income</b>		
Capital loss/(gain) on sale of investments - net	(250)	(301)
Mark-up / return on investments	179,255	157,184
Mark-up on Bank Deposit	75,111	87,740
Unrealized Gain on Re-measurment of Investments at fair value through profit or loss - net	321	15,760
	254,436	260,383
<b>Expenses</b>		
Remuneration of the Management Company	32,820	21,410
Remuneration of the Trustee	1,435	785
Fees to Securities and Exchange Commission of Pakistan	1,701	1,005
Selling and marketing expenses	-	866
Printing And Stationary	-	152
Auditors' remuneration	102	527
Bank charges	-	51
Amortization of Formation Cost	-	50
Shariah advisory fee	90	72
Other expense	45	2,443
	36,193	27,361
<b>Net loss from operating activities</b>	218,243	233,022
<b>Net loss for the period before taxation</b>	218,243	233,022
Taxation	-	-
<b>Net loss for the period after taxation</b>	218,243	233,022
<b>Allocation of net (loss) / income for the period:</b>		
Income already paid on redemption of units	57,682	16,826
Accounting (loss) / income available for distribution:		
- Relating to capital gains	71	15,459
- Excluding capital gains	160,490	200,737
	160,561	216,196
	160,561	216,196

**Earnings per unit**

14

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

**For HBL Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**HBL Islamic Savings Fund**  
**Condensed Other Comprehensive Income (Un-Audited)**  
*For the Three months period ended on September 30, 2025*

	For the Period September 30, 2025	For the Period September 30, 2024
	(Rupees in '000)	
Net loss for the period after taxation	218,243	233,022
Other comprehensive income for the period	-	
<b>Total comprehensive loss for the period</b>	<b>218,243</b>	<b>233,022</b>

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

**For HBL Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**HBL Islamic Savings Fund**  
**Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)**  
*For the Three months period ended on September 30, 2025*

	30, 2025			For the Period September 30, 2024		
	Capital value	Undistributed income / (Accumulated loss)	Total	Capital value	Undistributed income / (Accumulated loss)	Total
----- (Rupees in '000) -----						
<b>Net assets at beginning of the period</b>	5,308,134	54,819	5,362,953	5,241,653	6,966	5,248,619
Issue of 104,303,146 units						
- Capital value (at net asset value per unit at the beginning of the period)	10,494,375	-	10,494,375	2,946,526	-	2,946,526
- Element of income	95,800	-	95,800	41,068	-	41,068
Total proceeds on issue of units	10,590,174	-	10,590,174	2,987,594	-	2,987,594
Redemption of 67,800,557 units						
- Capital value (at net asset value per unit at the beginning of the period)	(6,821,698)	-	(6,821,698)	(3,039,461)	-	(3,039,461)
- Element of income	(32,329)	-	(32,329)	-	-	-
- Income already paid on redemption	-	(57,682)	(57,682)	(30,203)	(16,826)	(47,029)
Total payments on redemption of units	(6,854,027)	(57,682)	(6,911,708)	(3,069,664)	(16,826)	(3,086,490)
Total comprehensive income for the period	-	218,243	218,243	-	233,022	233,022
Distribution during the period	-	-	-	-	-	-
Refund of capital	-	-	-	-	-	-
	-	218,243	218,243	-	233,022	233,022
<b>Net assets at end of the period</b>	9,044,282	215,380	9,259,662	5,159,583	223,162	5,382,745
<b>Undistributed income brought forward</b>						
- Realised		51,945			2,674	
- Unrealised		2,874			4,292	
		54,819			6,966	
<b>Accounting income available for distribution</b>						
Relating to capital gains	71			15,459		
Excluding capital gains	160,490			200,737		
	160,561			216,196		
<b>Undistributed income carried forward</b>		215,380			223,162	
<b>Undistributed income carried forward</b>						
Realised income		215,059			207,402	
Unrealised income		321			15,760	
		215,380			223,162	
			Rupees			Rupees
<b>Net assets value per unit at beginning of the period</b>			100.6142			100.1648
<b>Net assets value per unit at end of the period</b>			103.1088			104.5761

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

**For HBL Asset Management Limited**  
**(Management Company)**

**Chief Financial Officer**

**Chief Executive Officer**

**Director**

**HBL Islamic Savings Fund**  
**Condensed Interim Cash Flow Statement (Unaudited)**  
*For the Three months period ended on September 30, 2025*

	For the Period September 30, 2025	For the Period September 30, 2024
	(Rupees in '000)	
<b>Cash flows from operating activities</b>		
Net income for the period before taxation	218,243	233,022
<b>Adjustments</b>		
Unrealised diminution / (appreciation) on remeasurement of investments at fair value through profit or loss - net		
Capital loss/(gain) on sale of investments - net	250	301
Mark-up / return on investments	(179,255)	(157,184)
Mark-up on Bank Deposit	(75,111)	(87,740)
Unrealised diminution on re-measurement of investments classified as financial asset at fair value through profit or loss - net	(321)	(15,760)
	(36,193)	(27,361)
<b>Decrease / (Increase) in assets</b>		
Investments - net	(595,272)	(233,194)
Advances, deposits, prepayments and other receivables	(100)	(100)
	(595,372)	(233,294)
<b>Increase in liabilities</b>		
Payable to the Management Company	(7,687)	(1,668)
Payable to the Trustee	(211)	(5)
Payable to the Securities and Exchange Commission of Pakistan	(249)	666
Accrued expenses and other liabilities	(2,761,262)	10,752
	(2,769,409)	9,746
<b>Net cash used in operating activities</b>	(3,400,975)	(250,909)
Profit received	168,721	97,371
	168,721	97,371
<b>Net cash generated from / (used in) operating activities</b>	(3,232,254)	(153,538)
<b>Cash flows from financing activities</b>		
Amount received on issue of units	10,590,174	2,987,594
Payment against redemption of units	(6,911,708)	(3,086,490)
<b>Net cash generated from financing activities</b>	3,678,466	(98,897)
<b>Net increase in cash and cash equivalents</b>	446,212	(252,435)
Cash and cash equivalents at beginning of the period	2,763,480	2,048,109
<b>Cash and cash equivalents at end of the period</b>	3,209,692	1,795,674

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

**For HBL Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

# **HBL Islamic Savings Fund**

## **Notes to the Condensed Interim Financial Information (Unaudited)**

*For the Three months period ended on September 30, 2025*

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### **1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** HBL Islamic Savings Fund Plan 1 (the Fund) was established under a Trust Deed, dated March 14, 2024, executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan as a unit trust scheme on December 15, 2023.
- 1.2** The Management Company of the Fund has been registered as Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake Asset Management Services. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block-5, Main Clifton Road, Clifton, Karachi, Pakistan.
- 1.3** The Fund is an open-ended mutual fund. The units are transferable and can also be redeemed by surrendering to the Fund.
- 1.4** The principal activity of the Fund is to provide capital appreciation to investors schemes by investing in Shariah Compliant equity securities.
- 1.5** JCR-VIS Credit Rating Company has assigned a management quality rating of AM1 (Stable Outlook) to the Management Company.
- 1.6** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as 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; 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, 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, 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 measured at fair value.

#### **2.3 Functional and presentation currency**

These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency. All amounts have been rounded to the nearest thousands of Rupees, unless otherwise indicated.

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## 2.4 Use of judgments and estimates

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in the application of accounting policies are given below:

- (i) Classification and valuation of financial instruments (notes 4.2)
- (ii) Provision (notes 4.8)

## 3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO THE PUBLISHED APPROVED ACCOUNTING STANDARDS

### 3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2023

The following standards, amendments and interpretations are effective for the year ended June 30, 2023. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	<b>Effective from accounting year beginning on or June 01, 2020</b>
Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions	June 01, 2020
Amendments to the conceptual framework for financial reporting, including amendments to references to the conceptual framework in IFRS	January 01, 2020
Amendments to IFRS 3 'Business Combinations' - Definition of a business	January 01, 2020
Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of material	January 01, 2020
Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures' - Interest rate benchmark reform	January 01, 2020

Certain annual improvements have also been made to a number of IFRSs.

### 3.2 New accounting standards / amendments and IFRS interpretations that are not yet effective

- 3.2.1** The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	<b>Effective from accounting years beginning on or</b>
Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	January 01, 2021
Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions extended beyond June 30, 2021	April 01, 2021
Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2022
Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — cost of fulfilling a contract	January 01, 2022
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2023
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates	January 01, 2023
Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction.	January 01, 2023

Certain annual improvements have also been made to a number of IFRSs.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 17 – Insurance Contracts

#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Accounting policies set out below have been applied consistently to all periods presented in these financial statements.

##### **4.1 Cash and cash equivalents**

Cash comprises savings 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.

##### **4.2 Financial assets and liabilities**

###### **4.2.1 Initial recognition**

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value or amortised cost as the case may be.

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The Fund recognizes financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

Financial liabilities are not recognized unless one of the parties has performed its part of the contract or the contract is a derivative contract.

#### **4.2.2 Classification and measurement**

##### **4.2.2.1 Financial assets**

There are three principal classification categories for financial assets:

- Measured at amortized cost (“AC”),
- Fair value through other comprehensive income (“FVTOCI”) and
- Fair value through profit or loss (“FVTPL”).

##### **Financial asset at amortised cost**

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL;

- 1) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **Financial asset at FVTOCI**

A financial asset is measured at FVTOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- 1) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI, only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

FVTOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.

##### **Financial asset at FVTPL**

All other financial assets are classified as measured at FVTPL (for example: equity held for trading and debt securities not classified either as AC or FVTOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

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Financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the income statement.

#### **Business model assessment**

The business model is determined under IFRS 9 at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. It is not an instrument-by-instrument analysis; rather it can be performed at a higher level aggregation. It is typically observable through the activities that the entity undertakes to achieve the objective of the business model; all relevant evidence that is available at the date of the assessment (including history of sales of the financial assets) are considered. Following three business models are defined under the IFRS 9:

- 1) Hold to collect business model
- 2) Hold to collect and sell business model
- 3) FVTPL business model

Considering above, the Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The evaluation of the performance of the Fund has been performed on fair value basis for the entire portfolio, as reporting to the key management personnel and to the investors in the form of net asset value (NAV). The investment portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Consequently, all the investments are measured at fair value through profit or loss. For other financial assets which are held for collection continue to be measured at amortised cost.

#### **4.2.2.2 Financial liabilities**

The Fund classifies its financial liabilities in the following categories:

- Measured at amortized cost ("AC"), or
- Fair value through profit or loss ("FVTPL").

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Fund has opted to measure them at FVTPL.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires as follows:

- The amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.
- Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss.

#### **4.2.3 Impairment of financial assets**

The SECP/Commission has through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Therefore the Fund will not be subject to the impairment provisions of IFRS 9. Meanwhile, asset management companies shall continue to follow the requirements of Circular 33 of 2012.

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For financial assets other than debt securities measured at amortised cost, IFRS 9 requires recognition of impairment based on expected credit loss (ECL) model rather than incurred credit loss model as previously required under IAS 39. The Fund is required to measure loss allowance of an amount equal to lifetime ECL or 12 months ECL based on credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

However, majority of the assets of the Fund exposed to credit risk pertain to counter parties which have high credit rating or where credit risk has not been increased since initial recognition. Therefore, management believes that the impact of ECL would be very minimal and hence, the same has not been accounted for in these financial statements.

#### **4.2.4 Fair value measurement principles and provision**

The fair value of financial instruments is determined as follows:

##### **Basis of valuation of debt securities**

The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan (SECP). In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The aforementioned 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.

##### **Basis of valuation of government securities**

The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKRV rates) which are based on the remaining tenor of the securities.

##### **Basis of valuation of equity securities**

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs.

Net gains and losses arising on changes in the fair value of financial assets carried at fair value through profit or loss are taken to the income statement.

##### **Basis of valuation of instruments at amortised cost**

Subsequent to initial recognition, financial assets classified as amortised cost 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.

#### **4.2.5 Regular way contracts**

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention are recognised at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

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#### **4.2.6 Offsetting of financial instruments**

Financial assets and financial liabilities are set off and the net amount is reported in the statement of assets and liabilities if the Fund has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **4.3 Net asset value per unit**

The net asset value (NAV) per unit as disclosed in the statement of assets and liabilities is calculated by dividing the net asset of the Fund by the number of units in issue at the year end.

#### **4.4 Spread transactions (ready-future transactions)**

The Fund enters into transactions involving purchase of an equity security in the ready market and simultaneous sale of the same security in the futures market. The security purchased in ready market is classified as financial assets at fair value through profit or loss and carried on the statement of assets and liabilities at fair value till their eventual disposal, with the resulting gain / loss taken to the income statement. The forward sale of the security in the futures market is treated as a separate derivative transaction and is carried at fair value with the resulting gain / loss taken to the income statement.

#### **4.5 Securities under margin trading system**

Securities purchased under margin financing are included as 'receivable against Margin Trading System (MTS)' at the fair value of consideration given. All MTS transactions are accounted for on the settlement date. Income on MTS is calculated on outstanding balance at agreed rates and recorded in the income statement. Transaction costs are expensed in the income statement.

#### **4.6 Issue and redemption of units**

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for 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 distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any back-end load (if applicable), any duties, taxes, charges on redemption and any provision for transaction costs, if applicable. Redemption of units is recorded on acceptance of application for redemption.

#### **4.4 Revenue recognition**

- Gain / (loss) arising on sale of investments are included in the 'income statement' on the date at which the sale transaction takes place.
- Unrealised gain / (loss) arising on remeasurement of investments classified as 'financial assets at fair value through profit or loss' are included in the 'income statement' in the period in which they arise.
- Dividend income is recognized when the right to receive the dividend is established.
- Mar-up / return on bank deposits, investment in debt and government securities are recognised at effective profit rates based on a time proportion basis using the effective interest method.
- Profit on debt securities classified as non performing assets are recognised on receipt basis.

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#### **4.5 Expenses**

All expenses including NAV based expenses (namely management fee, trustee fee, annual fee to the SECP and selling and marketing expense) are recognised in the 'income statement' on an accrual basis.

#### **4.6 Taxation**

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed in cash to the unit holders (excluding distribution made by issuance of bonus shares).

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

The Fund does not account for deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders.

#### **4.10 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 amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

#### **4.11 Derivatives**

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is premeasured to its fair value and the resultant gain or loss is recognised in the income statement.

#### **4.12 Distribution to the unit holders**

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

#### **4.13 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed**

An equalisation account called the element of income / (loss) included in prices of units sold less those in units redeemed is created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption.

Element of income / (loss) 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.

Further, the 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 net assets value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution.

On redemption of units, element of income is paid on units redeemed from element of income contributed by unit holders on issue of units (i.e. return of capital) or the element of income is paid from the income earned by the fund or the element of income is partly paid out of element of income contributed by unit holders (i.e. return of capital) and partly from the income earned by the fund.

**(Un-Audited)**  
**September 30,**  
**2025**

**(Audited)**  
**June 30,**  
**2025**

**(Rupees in '000)**

## 5. BANK BALANCES

Balances with banks in:

Savings accounts	5.1	3,209,692	2,763,480
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5.1 This represents bank accounts held with different banks. The balance in savings accounts carry expected profit which ranges from 8% to 11.11% per annum.

**(Un-Audited)**  
**September 30,**  
**2025**

**(Audited)**  
**June 30,**  
**2025**

**(Rupees in '000)**

## 6 INVESTMENTS

### Financial assets

Government of Pakistan (GOP)	6.1	1,581,795	1,031,659
Corporate sukuk bonds	6.2	1,790,000	1,279,000
Bai Muajjal	6.3	2,548,906	3,014,698
Musharika Certificates	6.4	-	-
		5,920,700	5,325,357

### 6.1 Government of Pakistan Ijarah Sukuks - (Fixed)

Name of security	Issue date	Face Value				As at Sep 30, 2025			Market value as a percentage of Net Asset	Market value as a percentage of Total Investments
		As at July 01, 2025	Purchases made during the period	Sales / matured during the period	As at September 30, 2025	Carrying value	Market value	Unrealised gain / (loss)		
------(Rupees in '000)-----%										

#### Listed Ijara Sukuk

GOP Ijarah -1 Year - (Fixed)*	July 26, 2024	500,000	-	500,000	-	-	-	-	-	-
GOP Ijarah -1 Year - (Fixed)*	May 30, 2025	100,000	-	-	100,000	93,885	93,920	35	1.01	1.59
GOP Ijarah -1 Year - (Fixed)*	October 21, 2024	125,000	-	-	125,000	124,316	124,363	47	1.34	2.10
GOP Ijarah -1 Year - (Fixed)*	December 4, 2024	1,500,000	-	-	1,500,000	147,434	147,405	(29)	1.59	2.49
GOP Ijarah -1 Year - (Fixed)*	January 9, 2025	1,870,000	-	-	1,870,000	182,212	182,119	(93)	1.97	3.08
GOP Ijarah -1 Year - (Fixed)*	August 21, 2025	-	1,250,000	-	1,250,000	114,532	114,888	356	1.24	1.94
GOP Ijarah -1 Year - (Fixed)*	August 21, 2025	-	5,000,000	-	5,000,000	458,126	459,550	1,424	4.96	7.76
GOP Ijarah -1 Year - (Fixed)*	August 21, 2025	-	5,000,000	-	5,000,000	458,126	459,550	1,424	4.96	7.76

Total - as at Sep 30, 2025

14,845,000    1,578,631    1,581,795    3,164

### 6.2 Corporate sukuk bonds

Name of the investee company	Issue date	Face Value				As at Sep 30, 2025			Market value as a percentage of Net Asset	Market value as a percentage of Total Investments
		As at July 01, 2025	Purchases made during the period	Sales / matured during the period	As at September 30, 2025	Carrying value	Market value	Unrealised gain		
------(Rupees in '000)-----%										

EFLSC6	May 14, 2025	55,000	-	-	55,000	55,000	55,000	-	0.59	0.93
ISILSC5	August 12, 2025	-	595,000	-	-	595,000	595,000	-	6.43	10.05
LEPCLSTS22	August 18, 2025	-	300,000	-	-	300,000	300,000	-	3.24	5.07
PKMCLSC4	April 28, 2025	265,000	-	-	-	265,000	265,000	-	2.86	4.48
PTCLSC16	September 29, 2025	-	150,000	-	-	150,000	150,000	-	1.62	2.53
PTCSCIV	July 11, 2025	-	100,000	-	-	100,000	100,000	-	1.08	1.69
STPLSTS2	December 16, 2025	-	325,000	-	-	325,000	325,000	-	3.51	5.49

Total - as at Sep 30, 2025

1,790,000    1,790,000    -



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**9 PAYABLE TO THE TRUSTEE**

Remuneration of the Trustee	407	590
Sindh Sales Tax on remuneration of the Trustee	61	89
	<u>468</u>	<u>679</u>

- 9.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified there in, based on the daily Net Asset Value (NAV) of the Fund.

CDC vide letter no CDC/CEO/L-112/06/2019 declared that the tariff structure for the Shariah money market schemes shall consists of actual custodial expense plus 0.055% per annum of Net Assets. Therefore trustee fee have been charged as 0.055% per annum of net assets calculated on daily basis. The remuneration is paid to the trustee monthly in arrears.

- 9.2** The Sindh Provincial Government has levied Sindh Sales Tax (SST) at the rate of 15% on the remuneration of the trustee through Sindh Sales Tax on Services Act, 2011.

**10 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

Secp fee payable	555	804
	<u>555</u>	<u>804</u>

- 10.1** As per SRO 685(I)/2019 dated June 28, 2019, monthly fee at the rate of 0.075% of the net assets of the fund has been charged during the year by Securities and Exchange Commission of Pakistan.

**11 ACCRUED EXPENSES AND OTHER LIABILITIES**

Withholding tax payable	2,672	<b>72,639</b>
Auditors' remuneration	205	<b>444</b>
Brokerage payable	5	-
Shariah advisory fee payable	130	<b>99</b>
Printing payable	203	<b>173</b>
Other payables	17,938	<b>148</b>
	<u>21,154</u>	<u><b>73,503</b></u>

**12. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at September 30, 2025.

**13. TAXATION**

The Fund's income is exempt from income tax as per Clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year June 30, 2025 to its unit holders.

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**14. EARNINGS PER UNIT**

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

**15. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS**

Connected persons / related parties include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at agreed / contracted rates and terms determined in accordance with market rates. and the Trust Deed respectively.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations

Details of significant transactions with connected persons during the period and balances with them at period end are as follows:

	(Un-Audited) September 30, 2025 (Rupees in '000)	(Un-Audited) September 30, 2024 (Rupees in '000)
<b>15.1 Transactions during the period</b>		
<b>HBL Asset Management Limited - Management Company</b>		
Remuneration of the Management Company	32,820	32,820
Issuance of 6,764,642 units	693,715	-
Redemption of 4,192,298 units	430,000	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration	1,435	1,435
<b>Habib Bank Limited</b>		
Bank Profit	51,315	-
Sale of GOP Ijara Sukuk	2,549,155	-
<b>HBL IPF - Debt Sub Fund</b>		
Sale of STS	47,121	-
<b>Executives and their relatives</b>		
Issuance of 166,511 units	16,912	14,418
Redemption of 106,931 units	10,889	-

15.2 Amounts outstanding as at period / year end	September 30, 2025 (Un-audited) (Rupees in '000)	June 30, 2025 (Audited) (Rupees in '000)
<b>HBL Asset Management Limited - Management Company</b>		
Remuneration payable to the Management Company	9,433	17,159
Sindh Sales Tax payable on Management Company's remuneration	1,415	2,574
Sales load payable		1,828
Allocated expenses	-	268
Selling and marketing expense payable	-	-
Formation cost payable	268	-
Investment held in the Fund: 2,572,345 units	265,231	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	407	590
Sindh Sales Tax	61	89
<b>Habib Bank Limited - Sponsor</b>		
Bank balances	484,181	2,670,752
Profit Receivable	1,752	43,238
<b>Executives and their relatives</b>		
Investment held in the Fund: 292,651 units (June 30, 2025: 233,074 units)	30,175	23,451

## 16. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

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

		September 30, 2025 (Un-Audited)						
		Carrying amount			Fair value			
	Note	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000)						
<b>Financial assets measured at fair value</b>								
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		1,790,000	-	1,790,000	-	-	1,790,000	1,790,000
		<b>1,790,000</b>	-	<b>1,790,000</b>	-	-	<b>1,790,000</b>	<b>1,790,000</b>
<b>Financial assets not measured at fair value</b>								
	15	-	3,209,692	3,209,692	-	-	-	-
		-	-	-	-	-	-	-
		-	192,076	-	-	-	-	-
		-	100	100	-	-	-	-
		-	<b>3,401,868</b>	<b>3,209,792</b>	-	-	-	-
<b>Financial liabilities not measured at fair value</b>								
	15	-	14,142	14,142	-	-	-	-
		-	468	468	-	-	-	-
		-	408	408	-	-	-	-
		-	<b>15,018</b>	<b>15,018</b>	-	-	-	-
		June 30, 2025 (Un-Audited)						
		Carrying amount			Fair value			
	Note	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000)						
<b>Financial assets measured at fair value</b>								
		<b>1,031,659</b>	-	<b>1,031,659</b>	<b>1,031,659</b>	-	-	<b>1,031,659</b>
		<b>1,279,000</b>	-	<b>1,279,000</b>	-	<b>1,279,000</b>	-	<b>1,279,000</b>
		<b>3,014,698</b>	-	<b>3,014,698</b>	-	-	<b>3,014,698</b>	<b>3,014,698</b>
		<b>5,325,357</b>	-	<b>5,325,357</b>	<b>1,031,659</b>	<b>1,279,000</b>	<b>3,014,698</b>	<b>5,325,357</b>
<b>Financial assets not measured at fair value</b>								
		-	2,763,480	2,763,480	-	-	-	-
		-	106,431	106,431	-	-	-	-
		-	<b>2,869,911</b>	<b>2,869,911</b>	-	-	-	-
<b>Financial liabilities not measured at fair value</b>								
		-	19,255	19,255	-	-	-	-
		-	590	590	-	-	-	-
		-	831	831	-	-	-	-
		-	2,725,768	2,725,768	-	-	-	-
		-	9,732	9,732	-	-	-	-
		-	<b>2,756,176</b>	<b>2,756,176</b>	-	-	-	-

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

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**16.1.2** The valuation of commercial papers has been done based on amortisation of commercial paper to its fair value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and they are placed with counterparties which have high credit rating.

**17. TOTAL 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 the Period ended September 30, 2025 is 1.36%, which includes 0.28% representing government levy, Workers' Welfare Fund and SECP fee.

**18 DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on October 30, 2025.

**19. GENERAL**

**19.1** Figures have been rounded off to the nearest thousand rupees.

**For HBL Asset Management Limited  
(Management Company)**

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**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**



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# HBL

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