CONTENTS

Our Mission

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

Our Vision

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

FUND INFORMATION

Management Company
Pak Oman Asset Management Company Limited,
1st Floor Tower A.,
Finance and trade Centre (FTC),
Karachi
Phone : +92 - 21 - 38696275-79
Fax : +92 - 21 - 38696274
Web site : www.pakomanfunds.com

Board of Director of The Management Company

H.E. Yahya Bin Said Bin Abdullah Al-Jabri	Chairman
Mr. Bahauddin Khan	Director
Mr. Humayun Murad	Director
Mr. Sulaiman Hamad Al Harthy	Director
Mr. Saif Said Salim Al Yazidi	Director
Mr. Jehangir Shah	Director
Ms. Sadaf Kazmi	CEO

Audit Committee

Mr. Humayun Murad	Chairman
Mr. Bahauddin Khan	Director
Mr. Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr. Humayun Murad	Chairman
Mr. Bahauddin Khan	Director
Mr. Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr. Bahauddin Khan	Chairman
Mr. Saif Said Salim Al Yazidi	Member
Mr. Humayun Murad	Member
Ms. Sadaf Kazmi	Member

Chief Financial Officer / Company Secretary
Muhammad Farrukh

Asset Manager Rating
AM3 + (Stable outlook)

Trustee
Central Depository Comany of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S,
Main Shahrah-e-Faisal, Karachi

Auditors
Earnest & Young Ford Rhodes Sidat Hyder
Progressive Plaza, Beamont Road,
P.O. Box No. 15541, Karachi

Bankers to The Fund
Askari Bank Limited
Bank Al Habib Limited
Burj Bank Limited
Habib Metro Bank
Habib Bank Limited (Islamic Banking)
Silk Bank Limited (Islamic Banking)

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

Transfer Agent
ITMINDS Limited - A Subsidiary of CDC.
CDC House, 99-B, S.M.C.H.S
Main Shahra-e-Faisal, Karachi-74400, Pakistan.
Phone : +92 - 21 - 111 - 111 - 500
Fax : +92 - 21 - 34326040
Web site : www.itminds.biz

DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors of Pak Oman Asset Management Company Limited ("the Management Company" or "POAMCL" or "the Company") is pleased to present the quarter report of the Askari Asset Allocation Fund (AAAF) for the Quarter Ended 30 September 2019.

Economic Review 1QFY20
Recent developments in the onshore economic front in 1QFY20 have been positive. Figures released by Ministry of Finance showed that fiscal policy will come out to be considerably more expansionary going forward. Tax revenues (net of refunds) are expected to grow considerably and has shown signs of recovery in July and August of FY20 which suggested that the economic slowdown may not be as pronounced as may have been feared. Going forward, major challenge for the incumbent government will be effective management of current and fiscal deficits, stabilization of currency and domestic and external debt profiling.

In 1QFY20, headline inflation averaged at 10.08% as compared to 6.09% in FY19. Major reason behind higher inflation was higher core inflation, together with higher food prices especially non-perishable food items together with higher fuel prices. In 1QFY20, SPI averaged at 11.38% as compared to 2.49% in same period last year while WPI averaged at 14.41% in comparison to 15.89% in 1QFY20.

After an aggressive cycle of interest rate hike in FY19, MPC, in the Monetary Policy announced in the month of Sep-2019, decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged. Earlier, the decision to hike rates were driven by higher headline and core inflation, exchange rate depreciation, an elevated fiscal deficit and its increased monetization, and adjustments in utility tariffs.

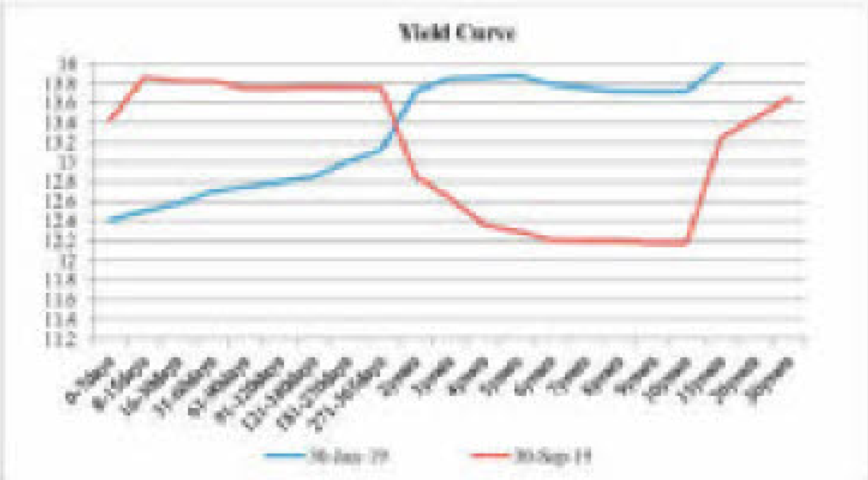
On the external front, CAD significantly contracted by 58.67% to $1,292 million in 2 months of 1QFY20 against $2,580 million in comparable period last year. CAD contracted due to 40.42% decline in trade deficit. Trade deficit contracted by 40.42% due to decline in imports by 22.44%. This was led by 38.20% decline in oil import bill due to materialization of deferred oil facility, 30.73% decline in imported motor vehicles and 19.95% decline in import of food items. On the other hands, exports during the period, have shown certain signs of recovery and during 2-Months of ongoing financial Year (FY20), exports increased by 1.42%. On the other hand, rupee devaluation and relief to exporters might help lifting up textile industry, resulting in higher exports.

In FY20 To date, broad money supply (M2) grew by 0.09%, NDA of the banking system shrank by 1.12% while NFA of the banking system improved by 18.30%. The deceleration in credit was more pronounced in real terms as the increase in private sector credit was largely driven by higher input prices, which in turn increased the working capital needs of the businesses. Credit to private sector declined by 0.74% in FY20 To date. The major challenge for the government will still be devaluation of currency, upcoming debt repayments and higher cost of doing business.

Fixed Income Review 1QFY20
In 1QFY20 secondary market yields across short term papers headed north. Yields on short term paper rose by 100bps, 100bps and 62bps and closed the quarter at 12.75%, 12.85% and 13.13% for 3m, 6m and 12m paper respectively. On the other hand, yield on longer tenor bonds headed southwards. Yields shed by 121bps, 158bps and 154bps and stood at 12.64%, 12.30% and 12.18% for 3yr, 5yr and 10yr bond respectively. During the quarter, greater activity was witnessed in longer tenor bonds since market is expecting that interest rates have now peaked out and considering overall macroeconomic dynamics, SBP might initiate an interest rate reversal cycle by end of CY19.

In the Monetary Policy announced in the month of Sep-2019, (MPC) decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged.

In the T-Bill auctions held during the month, SBP raised a total of PKR 6,078 billion against the target of PKR 6,900 billion and maturing amount of PKR 5,183 billion. The cut-off yields settled at 13.7300%, 13.8390% and 13.8409% for 3m, 6m and 12m paper respectively. Major participation was witnessed seen in 6-Month and 12-Month papers during the quarter as market remained inclined towards longer instruments. In the PIB auction for fixed rated bonds, SBP raised PKR 911 billion. Cut-off yields settled at 12.9500%, 12.3760% and 12.2483% for 3yr, 5yr and 10yr bond respectively; while no bids for 20-year tenor were received. In the PIB auction for floating rate PIBs, SBP realized bids worth PKR 220 billion. The cut-off margin was 75bps in the auctions held in the month of July-19 and Aug-19 while SBP slashed margin to 65bps in the last auction held in the month of Sep-19.



Equity Review
KSE100 Index outperformed surging by 2487pts (8.11%MoM) and closed at 32,079pts. The revival of some macroeconomic indicators (recovery in current account deficit, foreign exchange reserves and PKR against USD) despite increasing tensions on LoC over Kashmir with India supported the recovery in KSE100 Index. Moving forward, Pakistan listed among the top 20 improvers in doing business by World Bank would be positive for FDI. However, on local front, business community concerns over FBR policies continue to hinder business activities.

Trading activities charged as market average volume uptick by 1.5%MoM to 114.5mn shares , whereas KEL, MLCF and WTL were the major volume leaders. The total market capitalization of All-Share Index increased by 5.3%MoM to USD41bn, mainly due to the rise in Banks (2.9%), E&P (18.5%) and Fertilizer (3.7%) market capitalization.

During the last month of the quarter, E&P sector remained the major contributor added 894pts in the Index followed by Banking and Fertilizer sectors, extended Index by 421pts and 314pts respectively.

Going forward, we anticipate capital market to remain in consolidation phase although attractive valuation encouraging long term investors to build their positions. The further soft recovery could witness given positive development on Kashmir issue and on FATF.

AAAF
During 1QFY20, AAAF yielded a return of -0.99% against the benchmark return of 1.59%, underperforming by 2.58%.

The net assets of the fund stood at PKR 124Mn at the end of 1QFY20. During 1QFY20, equities remained the major asset class and average allocation in equities stood at 20%.

During the period under review, 29% of the fund size were invested in TFCs/ Sukuks and 39% of the fund size were kept in Cash.

Acknowledgment
We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the management of the Pakistan Stock Exchange. We also wish to place on record our appreciation for the employees of the Management Company.

For and on behalf of the Board

24th October 2019
Karachi - Pakistan.

Sadaf kazmi
Chief Executive Officer

[illegible]

[illegible]

AAAF

[illegible]

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 SEPTEMBER 2019

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		---------Rupees in '000---------	
ASSETS			
Balances with Bank	4	49,506	31,326
Investments	5	63,200	82,525
Mark-up accrued and dividend receivable		2,059	1,859
Advances, deposits, prepayments and other receivables		14,481	15,376
Total assets		130,256	131,086
LIABILITIES			
Payable to Management Company	6	4,570	4,421
Payable to Trustee		23	65
Payable to the Securities and Exchange Commission of Pakistan		6	145
Dividend payable		4	4
Accrued expenses and other liabilities	7	1,396	1,427
Total liabilities		5,999	6,062
NET ASSETS		124,257	125,024
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		124,257	125,024
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		3,173,650	3,174,207
NET ASSET VALUE PER UNIT		39.1558	39.3906

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM INCOME STATEMENT

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		----------Rupees '000----------	
INCOME / (LOSS)			
Profit on bank balances		1,257	777
Dividend income		342	757
Income from debt securities		1,579	994
Income on MCCPL margin		15	-
Net capital gain / (loss) on sale of investments		(193)	214
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(2,401)	(3,088)
Total income / (loss)		599	(346)
EXPENSES			
Remuneration of Asset Management Company	6.1	618	541
Sindh Sales Tax on Remuneration of the Management Company	6.2	80	109
Reimbursement of operational expenses to the Management Company	6.4	31	42
Selling and Marketing expenses	6.5	124	168
Remuneration of Central Depository Company of Pakistan Limited - Trustee		79	169
Annual fee to the Securities and Exchange Commission of Pakistan		4	40
Auditors' remuneration		177	75
Securities transaction cost		184	253
Printing and Stationary charges		-	4
Fee and Subscription		38	36
Settlement and Bank charges		5	7
Total expenses		1,331	1,814
Net loss for the period before taxation		(732)	(2,160)
Taxation	10	-	-
Net loss for the period after taxation		(732)	(2,160)
Allocation of Net loss for the period:			
- Net loss for the period after taxation		(732)	(2,160)
- Income already paid on units redeemed		-	-
		(732)	(2,160)
Accounting income available for distribution:			
- Relating to capital gains		-	-
- Excluding capital gains		(732)	(2,160)
		(732)	(2,160)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019	30 September 2018
	----------Rupees in '000----------	
Net loss for the period after taxation	(732)	(2,160)
Other comprehensive (loss) / income	-	-
Total comprehensive loss for the period	(732)	(2,160)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019			30 September 2018		
	Capital Value	Undistributed Income	Net Assets	Capital Value	Undistributed Income	Net Assets
	----------------	----------------	Rupees in '000	----------------	----------------	
Net assets at the beginning of the period (Units outstanding: 3,574,287 (2018: 3,797,388))	401,445	(25,419)	125,024	425,327	(30,583)	395,484
Issue of Nil (2018: 528,865) units	-	-	-	23,000	-	23,000
Redemption of 646 (2018: 11,260) units	(25)	-	(25)	(570)	-	(570)
Total comprehensive loss for the period	-	(732)	(732)	-	(2,190)	(2,190)
Net assets at the end of the period (Units outstanding: 3,573,640 (2018: 4,286,654))	401,420	(27,151)	124,267	447,457	(85,703)	395,724
Undistributed loss brought forward comprising of:						
Realised		(38,702)			(38,910)	
Unrealised		(7,707)			(4,633)	
		(25,419)			(30,543)	
Accounting loss available for distribution:						
Relating to capital gains		-			-	
Excluding capital gains		(27,151)			(2,190)	
		(27,151)			(2,190)	
Undistributed loss carried forward - net		(65,570)			(85,703)	
			--------------------	Rupees	--------------------	
Net asset value at the beginning of the period			33.3384			42.0588
Net asset value at the end of the period			33.1558			42.0258

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		----------- Rupees in '000	-----------
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period after taxation		(732)	(2,190)
Adjustments:			
Net capital (gain) / loss on sale of investments		102	(214)
Net unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss		2,481	3,088
		2,583	2,874
Decrease in assets			
Investments - net		18,652	(5,692)
Receivable from sale of investments		-	22,722
Mark-up accrued and dividend receivable		(798)	(1,381)
Advances, deposits, prepayments and other receivables		855	(1,035)
		18,647	14,425
(Decrease) / increase in liabilities			
Payable to Asset Management Company		148	(314)
Payable to the Central Depository Company of Pakistan Limited - Trustee		(42)	-
Payable to the Securities and Exchange Commission of Pakistan		(138)	(121)
Dividend payable		-	-
Accrued expenses and other liabilities		(41)	(7,286)
		(73)	(7,721)
Net cash generated from operating activities		18,635	7,418
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issue of units		-	23,000
Cash dividend		-	-
Net payments against redemption of units		(25)	(570)
Net cash generated from / (used in) financing activities		(25)	22,430
Net increase in cash and cash equivalents		18,610	29,848
Cash and cash equivalents at the beginning of the period		31,326	25,135
Cash and cash equivalents at the end of the period	4	49,936	54,983

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

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

The objective of the Fund is to provide the investors with a high level of liquidity along with extremely low credit and price volatility. The Fund primarily invests in government securities and other authorized investments enabling the investors to manage their liquidity efficiently.

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3+" to the Management and JCR-VIS has assigned a rating of "2-Star" to the Fund.

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

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of the condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2019.

4 CASH AND BANK BALANCES	Note	30 September 2019 Un-audited	30 June 2019 Audited
		----------Rupees in '000----------	
Balances with banks:			
- in saving accounts	4.1	49,336	31,320
		49,336	31,320

4.1 The rate of return on these accounts ranges between 10.25% and 12.00% (30 June 2019: 3.75% and 10.25%) per annum.

5 INVESTMENTS

At fair value through profit or loss - held for trading

	Note	30 September 2019	30 June 2019
Listed equity securities	5.1	26,092	27,491
Sukuk certificates	5.2	14,537	14,693
Term finance certificates	5.3	22,651	40,341
		37,188	55,034
		63,280	82,525

5.1 **Listed equity securities**

At fair value through profit or loss - equity securities

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

Name of Investee Company	Number of Shares: As at 01 July 2019	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 30 September 2019	Rupees in '000: Carrying value as at 30 September 2019	Market value as at 30 September 2019	Percentage: Market value as a percentage of total investments	Market value as a percentage of net assets	Paid up capital of investee company
COMMERCIAL BANKS										
Faysal Bank Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Habib Bank Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
United Bank Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
TEXTILE COMPOSITE										
Gul Ahmed Textile Mills Limited	[illegible]	-	-	-	[illegible]	73	73	[illegible]	[illegible]	[illegible]
Nishat (Chunian) Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nishat Mills Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
CEMENT										
Attock Cement Pakistan Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
D.G. Khan Cement Company Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Fauji Cement Company Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Lucky Cement Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Pioneer Cement Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	

Name of Investee Company	Number of Shares					Rupees in '000		Percentage		
	As at 01 July 2019	Purchases during the period	Bonus / Right shares issued during the period	Sales during the period	As at 30 September 2019	Carrying value as at 30 September 2019	Market value as at 30 September 2019	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid up capital of investee company
POWER GENERATION AND DISTRIBUTION										
[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]										
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]										
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
ENGINEERING										
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]										
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]										
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]										
[illegible]	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
CHEMICALS										
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]										
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]										
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
MISCELLANEOUS										
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]						[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]						[illegible]	[illegible]			

5.1.1 Investments include shares with market value of Rs. 4.5 million (30 June 2019: Rs. 4.7 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trade in accordance with circular no. 11 dated 23 October 2007 issued by the Securities and Exchange Commission of Pakistan.

5.2 Sukuk Certificates

[illegible]	[illegible]				[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]					[illegible]			
[illegible]					[illegible]			

5.2.1 Other particulars of Sukuk Certificates outstanding as at 30 September 2019 are as follows:

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

5.2.2 These sukuk certificates are secured by hypothecation charge over the assets of the issuer and pledge of shares of the issuers.

5.3 Term finance certificates - unlisted

[illegible]	[illegible]				[illegible]	[illegible]		
	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]
[illegible]								
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	[illegible]	-	-	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]					[illegible]			

5.3.1 Other particulars of term finance certificates outstanding as at 30 September 2019 are as follows:

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	AA	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	AA	[illegible]	[illegible]

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		----------Rupees '000----------	
6 PAYABLE TO MANAGEMENT COMPANY			
Remuneration of the Management Company	6.1	262	207
Sindh sales tax payable on remuneration of the Management Company	6.2	451	452
Federal Excise Duty payable on remuneration of the Management Company	6.3	2,830	2,830
Reimbursement of operational expenses to the Management Company	6.4	393	322
Marketing and advertising fee payable	6.5	734	610
		4,670	4,421

6.1 The Management Company has charged its remuneration at the rate of 2% (30 June 2019: 2%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2019: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

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

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

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

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 2.830 million (30 June 2019: Rs. 2.830 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs. 0.8916 (30 June 2019: Rs. 0.8914) per unit.

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

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

7 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	30 September 2019 Un-audited	30 June 2019 Audited
		-------Rupees in '000-------	
Brokerage and settlement charges payable		100	33
Payable against purchase of investment		-	281
Printing charges payable		72	78
Auditors remuneration payable		632	365
Withholding and capital gain tax payable		5	5
Provision for Sindh Workers' Welfare Fund		624	675
		1,386	1,427

7.1 There is no change in the status of the SWWF as reported in note 13 to the annual financial statements of the Fund for the year ended 30 June 2019.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2019 and 30 June 2019.

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 4.38% which includes 0.44% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.50% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

10 TAXATION

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

11 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

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

	For the Quarter Ended 30 September 2019	2018
	Un-audited	
	-------Rupees in '000-------	
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration of the Management Company	618	841
Sindh Sales tax on Remuneration of Management Company	80	109
Reimbursement of operational expenses to the Management Company	31	42
Selling and Marketing expense	124	168
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	70	109

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

	30 September 2019 Un-audited	30 June 2019 Audited
	----------Rupees in '000----------	
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration payable to the management company	302	307
Sindh Sales tax payable on remuneration of the Management Company	451	452
Federal Excise Duty payable on remuneration of the Management Company	2,830	2,830
Reimbursement of operational expenses to the Management Company	353	323
Marketing and advertising fee payable	734	610
Central Depository Company of Pakistan Limited (Trustee)		
Trustee fee payable	23	65
Security deposit	100	100
Askari Bank Limited*		
Outstanding 2,500,000 (30 June 2019: 2,500,000) units	97,890	95,468
Balances with bank	575	17,385
Profit receivable on bank deposit	17	69
National Logistic Cell*		
Outstanding 499,751 (30 June 2019: 499,751) units	19,569	95,468

12 GENERAL

Figures have been rounded off to the nearest thousand rupee.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 24, 2019.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONTENTS

Our Mission

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

Our Vision

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

FUND INFORMATION

Management Company
Pak Oman Asset Management Company Limited,
1st Floor Tower A,
Finance and trade Centre (FTC),
Karachi
Phone : +92 - 21 - 38696275-79
Fax : +92 - 21 - 38696274
Web site : www.pakomanfunds.com

Board of Director of The Management Company

H.E. Yahya Bin Said Bin Abdullah Al-Jabri	Chairman
Mr Bahauddin Khan	Director
Mr Humayun Murad	Director
Mr Sulaiman Hamad Al Harthy	Director
Mr Saif Said Salim Al Yazidi	Director
Mr Jehangir Shah	Director
Ms. Sadaf Kazmi	CEO

Audit Committee

Mr Humayun Murad	Chairman
Mr Bahauddin Khan	Director
Mr Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr Humayun Murad	Chairman
Mr Bahauddin Khan	Director
Mr Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr Bahauddin Khan	Chairman
Mr Saif Said Salim Al Yazidi	Member
Mr Humayun Murad	Member
Ms. Sadaf Kazmi	Member

Chief Financial Officer / Company Secretary
Muhammad Farrukh

Asset Manager Rating
AM3 + (Stable outlook)

Trustee
Central Depository Comany of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S.
Main Shahrah-e-Faisal, Karachi.

Auditors
Earnst & Young Ford Rhodes Sidat Hyder
Progressive Plaza, Beumont Road,
P.O. Box No. 15541, Karachi

Bankers to The Fund
Askari Bank Limited
Bank Al Habib Limited
Burj Bank Limited
Habib Metro Bank
Habib Bank Limited (Islamic Banking)
Silk Bank Limited (Islamic Banking)

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

Transfer Agent
ITMINDS Limited - A Subsidiary of CDC
CDC House, 99-B, S.M.C.H.S
Main Shahra-e-Faisal, Karachi-74400, Pakistan.
Phone : +92 - 21 - 111 - 111 - 500
Fax : +92 - 21 - 34326040
Web site : www.itminds.biz

DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors of Pak Oman Asset Management Company Limited ("the Management Company" or "POAMCL" or "the Company") is pleased to present the quarter report of the Askari Cash Fund (ACF) for the Quarter Ended 30 September 2019.

Economic Review 1QFY20
Recent developments in the on the economic front in 1QFY20 have been positive. Figures released by Ministry of Finance showed that fiscal policy will come out to be considerably more expansionary going forward. Tax revenues (net of refunds) are expected to grow considerably and has shown signs of recovery in July and August of FY20 which suggested that the economic slowdown may not be as pronounced as may have been feared. Going forward, major challenge for the incumbent government will be effective management of current and fiscal deficits, stabilization of currency and domestic and external debt profiling.

In 1QFY20, headline inflation averaged at 10.08% as compared to 6.00% in FY19. Major reason behind higher inflation was higher core inflation, together with higher food prices especially non-perishable food items together with higher fuel prices. In 1QFY20, SPI averaged at 11.38% as compared to 2.49% in same period last year while WPI averaged at 14.41% in comparison to 13.89% in 1QFY20.

After an aggressive cycle of interest rate hike in FY19, MPC, in the Monetary Policy announced in the month of Sep-2019, decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged. Earlier, the decision to hit rates were driven by higher headline and core inflation, exchange rate depreciation, an elevated fiscal deficit and its increased monetization, and adjustments in utility tariffs.

On the external front, CAD significantly contracted by 34.87% to $1,292 million in 2-months of 1QFY20 against $2,580 million in comparable period last year. CAD contracted due to 40.42% decline in trade deficit. Trade deficit contracted by 40.42% due to decline in imports by 23.44%. This was led by 38.20% decline in oil import bill due to materialization of deferred oil facility, 30.73% decline in import of motor vehicles and 19.93% decline in import of food items. On the other hands, exports during the period, have shown certain signs of recovery and during 2 Months of ongoing financial Year (FY20), exports increased by 1.42%. On the other hand, rupee devaluation and relief to exporters might help lifting up textile industry, resulting in higher exports.

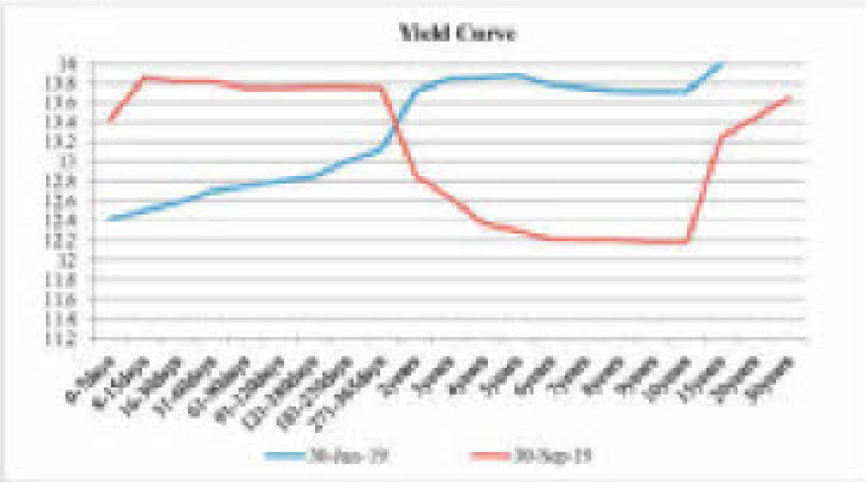
In FY20-To date, broad money supply (M2) grew by 0.09%. NDA of the banking system shrunk by 1.12% while NFA of the banking system improved by 18.30%. The deceleration in credit was more pronounced in real terms as the increase in private sector credit was largely driven by higher input prices, which in turn increased the working capital needs of the businesses. Credit to private sector declined by 0.74% in FY20-To date. The major challenge for the government will still be devaluation of currency, upcoming debt repayments and higher cost of doing business.

Fixed Income Review 1QFY20
In 1QFY20 secondary market yields across short term papers headed north. Yields on short term paper rose by 100bps, 100bps and 82bps and closed the quarter at 12.75%, 12.85% and 13.13% for 3m, 6m and 12m paper respectively. On the other hand, yield on longer tenor bonds headed southwards. Yields shed by 121bps, 158bps and 154bps and stood at 12.64%, 12.30% and 12.38% for 3yr, 5yr and 10yr bond respectively. During the quarter, greater activity was witnessed in longer tenor bonds since market is expecting that interest rates have now peaked out and considering overall macroeconomic dynamics, SBP might initiate an interest rate reversal cycle by end of CY19.

In the Monetary Policy announced in the month of Sep-2019, (MPC) decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged.

In the T-Bill auctions held during the month, SBP raised a total of PKR 6,078 billion against the target of PKR 6,900 billion and maturing amount of PKR 5,183 billion. The cut-off yields settled at 13.7300%, 13.8599% and 13.8499% for 3m, 6m and 12m paper respectively. Major participation was witnessed seen in 6-Month and 12-Month papers during the quarter as market remained inclined towards longer instruments. In the PIB auction

for fixed rated bonds, SBP raised PKR 911 billion. Cut-off yields settled at 12.9500%, 12.3760% and 12.2483% for 3yr, 5yr and 10yr bond respectively; while no bids for 20-year tenor were received. In the PIB auction for floating rate PIBs, SBP realized bids worth PKR 220 billion. The cut-off margin was 75bps in the auctions held in the month of July-19 and Aug-19 while SBP slashed margin to 65bps in the last auction held in the month of Sep-19.



ASCF

In 1QFY20, unit prices of ASCF appreciated by 12.66% as compared to benchmark return of 12.61%. The Assets under management showed significant improvement and stood at PKR 1,508 Million by the end of Sep-19 as compared to PKR 786 million at the start of the financial year. Treasury Bills remained major asset class throughout the period and exposure was kept against shorter tenor treasury instruments to avoid volatility. However, approaching to the end of quarter, funds were invested as cash with banks as commercial banks tend to offer attractive deposit rates due to their quarter end. By end of Sep-19, cash exposure stood at 65.19% while 34.90% of the funds were invested against T-Bills. During the quarter, exposure in T-Bill averaged at 73% as compared to 72.07% in 1QFY19 while exposure against cash and cash equivalents stood at 25.07% as compared to 27.93% in reportable period last year.

Acknowledgment

We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the management of the Pakistan Stock Exchange. We also wish to place on record our appreciation for the employees of the Management Company.

For and on behalf of the Board
Sadaf kazmi
Chief Executive Officer

24th October 2019
Karachi - Pakistan.

ASCF

[illegible]

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 SEPTEMBER 2019

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		----------Rupees in ('000)----------	
Assets			
Balances with bank	4	983,220	518,143
Investments	5	537,156	293,938
Profit receivable on bank balances		3,277	4,850
Advances, prepayment and other receivables		15,584	8,271
Total assets		**1,539,236**	825,202
Liabilities			
Payable to Asset Management Company	6	24,306	24,547
Payable to Central Depository Company of Pakistan Limited - Trustee		97	121
Payable to the Securities & Exchange Commission of Pakistan		65	1,078
Accrued expenses and other liabilities	7	8,864	8,291
Total liabilities		**35,941**	34,037
NET ASSETS		**1,584,195**	795,965
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**1,584,195**	795,965
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		**14,455,398**	7,794,115
NET ASSET VALUE PER UNIT		**104.8577**	102.5408

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM INCOME STATEMENT

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		---------Rupees in ('000)---------	
Income			
Return / mark-up on:			
-government securities		35,843	9,859
-bank balances		8,072	4,103
Net gain on sale of investments		398	72
Net unrealised loss on remeasurement of investments at fair value through profit or loss		(55)	11
Total income		**44,258**	14,045
Expenses			
Remuneration of Asset Management Company	6.1	1,177	880
Sindh Sales Tax on Remuneration of the Management Company	6.2	153	114
Reimbursement of operational expenses to the Management Company	6.4	327	176
Remuneration of Central Depository Company of Pakistan Limited - Trustee		240	298
Annual fees to the Securities & Exchange Commission of Pakistan		65	132
Auditors' remuneration		150	112
Fees and subscription		74	93
Securities transaction cost		43	18
Bank charges		29	7
Provision for Sindh Workers' Welfare Fund		840	244
Total Expenses		**3,098**	2,074
Net income for the period before taxation		**41,161**	11,971
Taxation	10	-	-
Net income for the period after taxation		**41,161**	11,971
Allocation of Net Income for the year			
- Net income for the period after taxation		41,161	11,971
- Income already paid on units redeemed		(7,729)	(2,374)
		33,432	9,597
Accounting income available for distribution			
-Relating to capital gains		345	83
-Excluding capital gains		33,087	9,514
		33,432	9,597

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019	30 September 2018
	---------Rupees in ('000)---------	
Net income for the period after taxation	41,161	9,597
Other comprehensive income	-	-
Total comprehensive income for the period	41,161	9,597

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019			30 September 2018		
	Capital Value	Undistributed Income	Net Assets	Capital Value	Undistributed Income	Net Assets
	Rupees in ('000)					
Net assets at the beginning of the period [Units outstanding: [illegible]]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Issue of [illegible] units	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]
Redemption of [illegible] units	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total comprehensive income for the period	-	[illegible]	[illegible]	-	[illegible]	[illegible]
Net assets at the end of the period [Units outstanding: [illegible]]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Undistributed income brought forward comprising of						
Realised		[illegible]			[illegible]	
Unrealised		[illegible]			-	
		[illegible]			[illegible]	
Accounting income available for distribution						
Relating to capital gains		[illegible]			[illegible]	
Excluding capital gains		[illegible]			[illegible]	
		[illegible]			[illegible]	
Undistributed income carried forward - net		[illegible]			[illegible]	
	Rupees in ('000)					
Net asset value at the beginning of the period			[illegible]			[illegible]
Net asset value at the end of the period			[illegible]			[illegible]

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		Rupees in ('000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period after taxation		45,185	11,071
Adjustments for:			
Net gain on sale of investments		(356)	(72)
Net unrealised gain on remeasurement of investments at fair value through profit or loss		53	(11)
Provision for Sindh Workers Welfare Fund		840	294
		485	151
(Increase) / Decrease in assets			
Investments - Net		(245,672)	(296,276)
Profit receivable on bank balances		1,373	(2,548)
Advances, prepayment and other receivables		(9,313)	3,403
		(253,612)	(295,421)
(Decrease) / Increase in liabilities			
Payable to Asset Management Company		448	371
Payable to Central Depository Company of Pakistan Limited - Trustee		(24)	58
Payable to the Securities & Exchange Commission of Pakistan		(1,013)	(576)
Dividend Payable		-	(3,558)
Accrued expenses and other liabilities		753	(44,498)
		164	(48,574)
Net cash (used in) / generated from operating activities		(211,882)	(334,863)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		1,116,625	1,069,295
Cash distribution		-	-
Net payments against redemption of units		(439,556)	(190,501)
Net cash generated from financing activities		677,069	878,794
Net increase in cash and cash equivalents		465,377	543,931
Cash and cash equivalents at the beginning of the period		518,143	510,229
Cash and cash equivalents at the end of the period	4	983,220	1,054,160

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

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

The Management Company has obtained approval of SECP pursuant to which the name of the Fund has been changed from Askari Sovereign Cash Fund to Askari Cash Fund with effect from 20 July 2017.

The objective of the Fund is to provide the investors with a high level of liquidity along with extremely low credit and price volatility. The Fund primarily invests in government securities and other authorized investments enabling the investors to manage their liquidity efficiently.

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

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

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2019.

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		-----(Rupees in '000)-----	
4. BALANCE WITH BANKS			
-Saving accounts	4.1	983,220	518,143
-Current accounts		-	-
		983,220	518,143

4.1 These savings accounts carry mark-up at the rates ranging from 10.20% to 14.20% (30 June 2019: 4.50% to 13.10%) per annum.

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		-----(Rupees in '000)-----	
5. INVESTMENTS			
At fair value through profit or loss - held for trading			
Government securities	5.1	537,155	210,938
Term deposit receipt / Placement		-	80,000
		537,155	290,938

5.1 Government securities

Issue Date	Tenor	Face value: As at 01 July 2019	Face value: Purchased during the period	Face value: Sold / matured during the period	Face value: As at 30 September 2019	Market value as at 30 September 2019	Market Value as a percentage of: Net assets	Market Value as a percentage of: Market value of total investments
		------------------ (Rupees in '000) ------------------				Rs in '000	------ %age ------	
Market treasury bills								
23-May-2019	3 months	55,000	275,000	330,000	-	-	0.00%	0.00%
16-Jun-2019	3 months	160,000	25,000	185,000	-	-	0.00%	0.00%
18-Jul-2019	3 months	-	1,265,000	825,000	440,000	438,537	20.15%	81.64%
01-Aug-2019	3 months	-	250,000	250,000	-	-	0.00%	0.00%
15-Aug-2019	3 months	-	400,000	300,000	100,000	98,618	4.50%	18.36%
29-Aug-2019	3 months	-	500,000	500,000	-	-	0.00%	0.00%
		215,000	2,715,000	2,390,000	540,000	537,155	24.65%	100.00%
Carrying value before marked to market as at 30 September 2019						537,288		

5.2 The effective yield on market treasury bills is 13.70 % (30 June 2019: 12.70%) per annum.

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		----(Rupees in '000)----	
6. PAYABLE TO THE MANAGEMENT COMPANY			
Remuneration of the Management Company	6.1	462	356
Sindh Sales Tax on remuneration of the Management Company	6.2	2,801	2,787
Federal Excise Duty on remuneration of the Management Company	6.3	17,757	17,757
Reimbursement of operational expenses to the Management Company	6.4	3,971	3,644
Sales Load Payable		4	3
		24,995	24,547

6.1 The Management Company has charged its remuneration at the rate of 0.35% (30 June 2019: 0.50%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2019: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

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

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

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

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 01 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 17.757 million (30 June 2017: 17.757 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs. 1.2284 million (30 June 2019: Rs. 2.2783 million) per unit.

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

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		--------Rupees in ('000)--------	
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		465	358
Printing charges payable		123	-
Withholding tax payable		6	8
Capital Gain Tax payable		1,369	710
Provision for Sindh Workers' Welfare Fund	7.1	5,368	4,528
Legal and professional charges payable		161	161
Others		2,392	2,506
		9,884	8,291

7.1 There is no change in the status of the SWWF as reported in note 12 to the annual financial statements of the Fund for the year ended 30 June 2019.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2019 and 30 June 2019.

9. EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 0.70% which includes 0.09% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

10 TAXATION

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

11 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

	For the Quarter Ended 30 September	
	2019	2018
	Un-audited	
	-----Rupees in ('000)-----	
11.1 Transactions for the period:		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration of the Management Company	1,177	880
Sindh Sales tax on Remuneration of Management Company	153	114
Reimbursement of operational expenses to the Management Company	327	176
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	240	298
Fauji Fertilizer Bin Qasim Limited		
Issue of Nil (2018: 6,175,591) units	-	600,642
Key Management Personnel		
Issue of 25,828 (2018: Nil) units	2,654	-
Redemption of 13,823 (2018: 29,872) units	(1,399)	3,023
Holding 10% or Above		
Issue of 7,075,491 (2018: Nil) units	720,271	-
Redemption of 1,581,389 (2018: Nil) units	(160,300)	-

	30 September 2019	30 June 2019
	Unaudited	Audited
	-----Rupees in ('000)-----	
11.2 Investments / outstanding balances as at period / year end		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration of the Management Company	452	366
Sindh Sales Tax on remuneration of the Management Company	2,581	2,157
Federal Excise Duty on remuneration of the Management Company	17,757	17,757
Reimbursement of operational expenses to the Management Company	3,971	3,944
Sales Load Payable	4	3
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	85	107
Sindh Sales Tax on Remuneration of the Trustee	11	14
Pak Oman Asset Management Company Limited (Employees Provident Fund)		
Outstanding 3,084 (30 June 2019: 3,084) units - at net asset value	321	311
Key Management Personnel		
Outstanding 33,480 (30 June 2019: 22,275) units - at net asset value	3,484	2,346
Holding 10% or Above		
Outstanding 7,112,346 (30 June 2019: 1,598,253) units - at net asset value	748,095	101,169

12 GENERAL

Figures have been rounded off to the nearest thousand rupees.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 24, 2019.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONTENTS

Our Mission

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

Our Vision

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

FUND INFORMATION

Management Company
Pak Oman Asset Management Company Limited.
1st Floor Tower A.,
Finance and trade Centre (FTC),
Karachi
Phone : +92 - 21 - 38696275-79
Fax : +92 - 21 - 38696274
Web site : www.pakomanfunds.com

Board of Director of The Management Company

H.E. Yahya Bin Said Bin Abdullah Al Jabri	Chairman
Mr. Bahauddin Khan	Director
Mr. Humayun Murad	Director
Mr. Sulaiman Hamad Al Harthy	Director
Mr. Saif Said Salim Al Yazidi	Director
Mr. Jehangir Shah	Director
Ms. Sadaf Kazmi	CEO

Audit Committee

Mr. Humayun Murad	Chairman
Mr. Bahauddin Khan	Director
Mr. Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr. Humayun Murad	Chairman
Mr. Bahauddin Khan	Director
Mr. Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr. Bahauddin Khan	Chairman
Mr. Saif Said Salim Al Yazidi	Member
Mr. Humayun Murad	Member
Ms. Sadaf Kazmi	Member

Chief Financial Officer / Company Secretary
Muhammad Farrukh

Asset Manager Rating
AM3 + (Stable outlook)

Trustee
Central Depository Comany of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S.
Main Shahrah-e-Faisal, Karachi.

Auditors
Earnst & Young Ford Rhodes Sidat Hyder
Progressive Plaza, Beaumont Road,
P.O. Box No. 15541, Karachi.

Bankers to The Fund
Askari Bank Limited
Bank Alfalah Limited
Burj Bank Limited
Habib Metro Bank
Habib Bank Limited (Islamic Banking)
Silk Bank Limited (Islamic Banking)

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

Transfer Agent
ITMINDS Limited - A Subsidiary of CDC
CDC House, 99-B, S.M.C.H.S.
Main Shahra-e-Faisal, Karachi-74400, Pakistan.
Phone : +92 - 21 - 111 - 111 - 500
Fax : +92 - 21 - 34326040
Web site : www.itminds.biz

DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors of Pak Oman Asset Management Company Limited ("the Management Company" or "POAMCL" or "the Company") is pleased to present the quarter report of the Askari Equity Fund (AEF) for the Quarter Ended 30 September 2019.

Economic Review 1QFY20
Recent developments in the on the economic front in 1QFY20 have been positive. Figures released by Ministry of Finance showed that fiscal policy will come out to be considerably more expansionary going forward. Tax revenues (net of refunds) are expected to grow considerably and has shown signs of recovery in July and August of FY20 which suggested that the economic slowdown may not be as pronounced as may have been feared. Going forward, major challenge for the incumbent government will be effective management of current and fiscal deficits, stabilization of currency and domestic and external debt profiling.

In 1QFY20, headline inflation averaged at 10.08% as compared to 6.09% in FY19. Major reason behind higher inflation was higher core inflation, together with higher food prices especially non-perishable food items together with higher fuel prices. In 1QFY20, SPI averaged at 11.88% as compared to 2.49% in same period last year while WPI averaged at 14.41% in comparison to 15.89% in 1QFY20.

After an aggressive cycle of interest rate hike in FY19, MPC, in the Monetary Policy announced in the month of Sep-2019, decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged. Earlier, the decision to hit rates were driven by higher headline and core inflation, exchange rate depreciation, an elevated fiscal deficit and its increased monetization, and adjustments in utility tariffs.

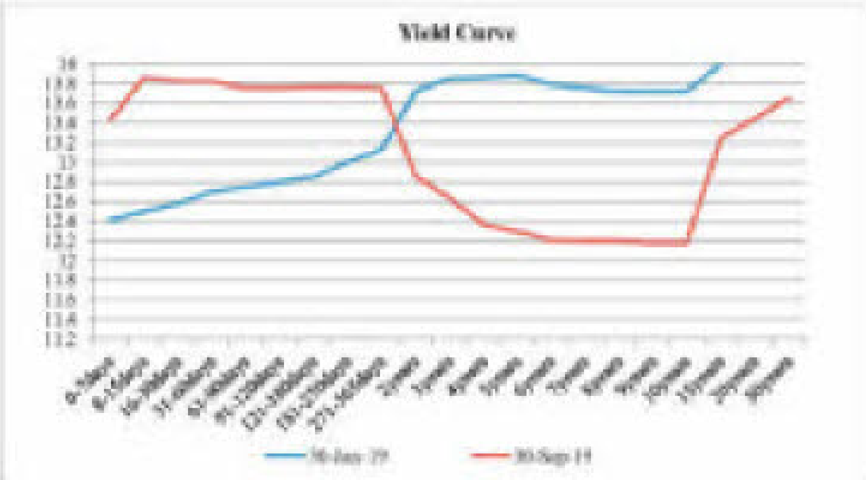
On the external front, CAD significantly contracted by 56.67% to $1,292 million in 2 months of 1QFY20 against $2,580 million in comparable period last year. CAD contracted due to 40.42% decline in trade deficit. Trade deficit contracted by 40.42% due to decline in imports by 23.44%. This was led by 38.20% decline in oil import bill due to materialization of deferred oil facility, 30.73% decline in imported motor vehicles and 19.95% decline in import of food items. On the other hands, exports during the period, have shown certain signs of recovery and during 2 Months of ongoing financial Year (FY20), exports increased by 1.42%. On the other hand, rupee devaluation and relief to exporters might help lifting up textile industry, resulting in higher exports.

In FY20-To date, broad money supply (M2) grew by 0.09%. NDA of the banking system shrank by 1.12% while NFA of the banking system improved by 18.10%. The deceleration in credit was more pronounced in real terms as the increase in private sector credit was largely driven by higher input prices, which in turn increased the working capital needs of the businesses. Credit to private sector declined by 0.74% in FY20-To date. The major challenge for the government will still be devaluation of currency, upcoming debt repayments and higher cost of doing business.

Fixed Income Review 1QFY20
In 1QFY20 secondary market yields across short term papers headed north. Yields on short term paper rose by 100bps, 100bps and 62bps and closed the quarter at 12.75%, 12.85% and 13.13% for 3m, 6m and 12m paper respectively. On the other hand, yield on longer tenor bonds headed southwards. Yields shed by 121bps, 150bps and 154bps and stood at 12.64%, 12.30% and 12.18% for 3yr, 5yr and 10yr bond respectively. During the quarter, greater activity was witnessed in longer tenor bonds since market is expecting that interest rates have now peaked out and considering overall macroeconomic dynamics, SBP might initiate an interest rate reversal cycle by end of CY19.

In the Monetary Policy announced in the month of Sep 2019, (MPC) decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged.

In the T-Bill auctions held during the month, SBP raised a total of PKR 6,078 billion against the target of PKR 6,900 billion and maturing amount of PKR 3,183 billion. The cut-off yields settled at 13.7300%, 13.8390% and 13.8499% for 3m, 6m and 12m paper respectively. Major participation was witnessed seen in 6-Month and 12-Month papers during the quarter as market remained inclined towards longer instruments. In the PIB auction for fixed rated bonds, SBP raised PKR 911 billion. Cut-off yields settled at 12.9500%, 12.3760% and 12.2483% for 3yr, 5yr and 10yr bond respectively; while no bids for 20 year tenor were received. In the PIB auction for floating rate PIBs, SBP realized bids worth PKR 220 billion. The cut-off margin was 75bps in the auctions held in the month of July-19 and Aug-19 while SBP slashed margin to 65bps in the last auction held in the month of Sep-19.



Equity Review
KSE100 Index outperformed surging by 2487pts (8.11% MoM) and closed at 32,079pts. The revival of some macroeconomic indicators (recovery in current account deficit, foreign exchange reserves and PKR against USD) despite increasing tensions on LoC over Kashmir with India supported the recovery in KSE100 Index. Moving forward, Pakistan listed among the top 20 improvers in doing business by World Bank would be positive for FDI. However, on local front, business community concerns over FBR policies continue to hinder business activities.

Trading activities charged as market average volume uplift by 1.3% MoM to 114.5mn shares, whereas KEL, MLCF and WTL were the major volume leaders. The total market capitalization of All Shares Index increased by 5.3% MoM to USD41bn, mainly due to the rise in Banks (2.9%), E&P (18.5%) and Fertilizer (3.7%) market capitalization.

During the last month of the quarter, E&P sector remained the major contributor added 804pts in the Index followed by Banking and Fertilizer sectors, extended Index by 421pts and 314pts respectively.

Going forward, we anticipate capital market to remain in consolidation phase although attractive valuation encouraging long term investors to build their positions. The further soft recovery could witness given positive development on Kashmir issue and on FATF.

AEF
In the 1QFY20, AEF delivered return of -7.07% against the benchmark return of -5.51%, underperforming by 1.56%.

The assets under management of the fund stood at PKR [illegible]mn at the end of 1QFY20. Equities remained the major asset class with average exposure standing at [illegible]% of the net assets of the fund.

During the period under review, apart from equities, [illegible]% of the funds remained in cash.

Acknowledgment
We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the management of the Pakistan Stock Exchange. We also wish to place on record our appreciation for the employees of the Management Company.

For and on behalf of the Board

24th October 2019
Karachi - Pakistan.

Sadaf kazmi
Chief Executive Officer

AEF

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 SEPTEMBER 2019

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		----------Rupees----------	
Assets			
Balances with bank	4	2,755,240	14,044,107
Investments	5	3,962,166	57,744,834
Advances, dividends and other receivables		1,379,435	1,790,177
Security deposits		2,140,000	2,600,000
Total assets		10,236,841	76,179,118
Liabilities			
Payable to Asset Management Company	6	3,245,529	3,341,138
Payable to Central Depository Company of Pakistan Limited - Trustee		987	65,013
Payable to the Securities & Exchange Commission of Pakistan		924	98,492
Accrued expenses and other liabilities	7	3,744,900	3,685,866
Total liabilities		6,991,920	7,190,509
NET ASSETS		3,244,921	68,988,609
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		3,244,921	68,988,609
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		46,473	918,229
NET ASSET VALUE PER UNIT		69.8170	75.1322

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

ASKARI EQUITY FUND

CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		----------Rupees----------	
INCOME / (LOSS)			
Profit on bank balances		250,547	419,601
Dividend income		49,815	1,326,725
Net capital loss on sale of investments		(4,244,394)	(298,422)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(423,003)	(4,013,705)
Total revenues		(4,367,035)	(2,566,801)
EXPENSES			
Remuneration of Asset Management Company	6.1	97,389	620,907
Sindh Sales Tax on Remuneration of the Management Company	6.2	12,662	80,718
Reimbursement of operational expenses to the Management Company	6.4	4,871	31,045
Selling and Marketing expense	6.5	19,480	121,449
Remuneration of Central Depository Company of Pakistan Limited - Trustee		11,006	212,386
Annual fee to the Securities and Exchange Commission of Pakistan		974	29,493
Auditors' remuneration		76,449	55,821
Securities transaction cost		82,283	133,785
Printing and stationary charges		30,247	30,247
Legal and professional charges		39,420	39,786
Fee and Subscription		33,256	39,625
Settlement and Bank charges		100,986	87,130
Total expenses		519,023	1,522,562
Net loss for the period before taxation		(4,886,058)	(4,089,363)
Taxation	10	-	-
Net loss for the period after taxation		(4,886,058)	(4,089,363)
Allocation of Net loss for the period:			
- Net loss for the period after taxation		(4,886,058)	(4,089,363)
- Income already paid on units redeemed		(4,709,696)	(19,099)
		(9,595,754)	(4,108,462)
Accounting income available for distribution:			
- Relating to capital gains		-	-
- Excluding capital gains		(9,595,754)	(4,108,462)
		(9,595,754)	(4,108,462)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

ASKARI EQUITY FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019	30 September 2018
	----------Rupees----------	
Net loss for the period after taxation	(4,886,058)	(4,089,363)
Other comprehensive (loss) / income	-	-
Total comprehensive loss for the period	(4,886,058)	(4,089,363)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	September 2019			September 2018		
	Capital Value	Undistributed income	Net Assets	Capital Value	Undistributed income	Net Assets
	-----	Rupees	-----	-----	Rupees	-----
Net assets at the beginning of the period (units outstanding [illegible])	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Issue of [illegible] units	[illegible]	[illegible]	259,684	6,275,264	-	6,275,264
Redemption of [illegible] units	[illegible]	[illegible]	(91,157,214)	(1,821,162)	[illegible]	(1,821,162)
Total comprehensive loss for the period	-	[illegible]	[illegible]	-	[illegible]	[illegible]
Net assets at the end of the period (units outstanding [illegible])	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Undistributed income brought forward comprising of:						
- Realised		[illegible]			[illegible]	
- Unrealised		[illegible]			[illegible]	
		[illegible]			[illegible]	
Accounting income available for distribution:						
- Relating to capital gains		-			-	
- Excluding capital gains		[illegible]			[illegible]	
		[illegible]			[illegible]	
Undistributed income carried forward - net		[illegible]			[illegible]	
			-----	Rupees	-----	
Net asset value at the beginning of the period			[illegible]			[illegible]
Net asset value at the end of the period			[illegible]			[illegible]

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period after taxation		**(4,888,058)**	(4,089,363)
Adjustments:			
Net capital (loss) on sale of investments		**4,244,394**	299,422
Net unrealised (diminution) on remeasurement of investments classified as 'financial assets at fair value through profit or loss'		**423,003**	4,013,705
		4,667,397	4,312,127
Decrease in assets			
Investments - net		**49,575,271**	14,429,084
Receivable from sale of investments		-	(90,584)
Deposits, prepayment and other receivables		**413,742**	(1,451,721)
		49,988,013	12,885,769
(Decrease) / Increase in liabilities			
Payable to Asset Management Company		**(95,696)**	(344,207)
Payable to the Central Depository Company of Pakistan Limited - Trustee		**(64,446)**	13,020
Payable to the Securities and Exchange Commission of Pakistan		**(97,558)**	(93,597)
Accrued expenses and other liabilities		**59,034**	198,310
		(198,589)	(232,474)
Net cash generated from operating activities		**49,568,763**	12,870,079
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issue of units		**259,684**	6,275,264
Net payments against redemption of units		**(91,157,214)**	(1,821,182)
Net cash generated from / (used in) financing activities		**(90,897,530)**	4,454,082
Net increase in cash and cash equivalents		**(11,328,767)**	19,330,161
Cash and cash equivalents at the beginning of the period		**14,044,107**	11,924,060
Cash and cash equivalents at the end of the period	4	**2,715,340**	31,254,221

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

Askari Equity Fund (the Fund) was established under a Trust deed executed between Pak Oman Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC). The trust deed was approved on 17 November 2011 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003 (The NBFC Rules) and was executed on 18 March 2011.

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

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

The objective of the fund is to provide equity investors a vehicle for their long term investment needs, capable of locking in capital appreciation and securing reasonable dividends from listed equity securities.

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3+" to the Management Company as at 28 August 2018, and a '2 Star' rating to the Fund as of 28 February 2019.

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

2 STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984;

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2018.

		Note	30 September 2019 Un-audited	30 June 2019 Audited
4	**CASH AND BANK BALANCES**		-------------Rupees-------------	
	Balances with banks:			
	- in saving accounts	4.1	3,755,348	14,044,107
			3,755,348	14,044,107

4.1 The rate of return on these accounts ranges between 10.25% and 11.35% (30 June 2019: 3.75% and 10.70%) per annum.

		Note	30 September 2019 Un-audited	30 June 2019 Audited
5	**INVESTMENTS**			
	At fair value through profit or loss - held for trading			
	-Investment in listed equity securities	5.1	3,502,166	57,744,834

5.1 Listed equity securities

At fair value through profit or loss - equity securities

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

Name of Investee Company	As at 01 July 2019	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 30 September 2019	Carrying value as at 30 September 2019	Market value as at 30 September 2019	Market Value as percentage of total investments	Market Value as percentage of net assets	Paid up capital of investee company
COMMERCIAL BANKS										
Askari Bank Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
Allied Bank Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bank Al Habib Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bank Alfalah Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Faysal Bank Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Habib Bank Limited (Note 5.2)	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
MCB Bank Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
The Bank of Punjab	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
United Bank Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
TEXTILE COMPOSITE										
Kohinoor Mills Limited (Note 5.2)	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
Nishat Chunian Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Gul Ahmed Textile Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
CEMENT										
Cherat Cement Company Limited	[illegible]	-	-	[illegible]	-	-	-	-	-	[illegible]
D.G. Khan Cement Company Limited (Note 5.2)	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
Fauji Cement Company Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
Maple Leaf Cement Factory Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
Attock Cement Pakistan Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Lucky Cement Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
POWER GENERATION AND DISTRIBUTION										
K-Electric Limited (Formerly KESC)	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
The Hub Power Company Limited (Note 5.2)	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Kot Addu Power Company Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
Nishat Chunian Power Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nishat Power Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
OIL AND GAS MARKETING COMPANIES										
Pakistan State Oil Company Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sui Northern Gas Pipelines Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Hascol Petroleum Limited	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
OIL AND GAS EXPLORATION COMPANIES										
Mari Petroleum Company Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Oil & Gas Development Company Limited (Note 5.2)	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Pakistan Oilfields Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Pakistan Petroleum Limited (Note 5.2)	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
ENGINEERING										
International Industries Limited	[illegible]	-	-	[illegible]	-	-	-	-	-	[illegible]
Amreli Steels Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
AUTOMOBILE PARTS AND ACCESSORIES										
Agriauto Industries Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
The General Tyre and Rubber Company	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
TECHNOLOGY AND COMMUNICATION										
Avanceon Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	

ASKARI EQUITY FUND

Name of Investee Company	As at 01 July 2019	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 30 September 2019	Carrying value as at 30 September 2019	Market value as at 30 September 2019	Market Value as percentage of total investments	Market Value as percentage of net assets	Paid up capital of investee company
FERTILIZER										
Dawood Hercules Corporation Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Engro Corporation Limited (Note 5.2)	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Engro Fertilizers Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Fauji Fertilizer Bin Qasim Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
Fauji Fertilizer Company Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
PHARMACEUTICALS										
Abbott Laboratories (Pakistan) Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
GlaxoSmithKline Pakistan Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
The Searle Company Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
CHEMICALS										
Engro Polymer & Chemicals Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
PAPER & BOARD										
Packages Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	
FOOD AND PERSONAL CARE PRODUCTS										
Al Shaheer Corporation Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Fauji Foods Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
REAL ESTATE INVESTMENT TRUST										
Dolmen City REIT	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	
MISCELLANEOUS										
Synthetic Products Enterprises Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Pakistan International Bulk Terminal Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
Tri-Pack Films Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
Total as at 30 September 2019						[illegible]	[illegible]	[illegible]	[illegible]	
Total as at 30 June 2019						[illegible]	[illegible]			

5.2 The above investments include following shares which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with circular no. 11 dated 23 October 2007 issued by the SECP.

	Quantity		Market value	
	30 September	30 June	30 September	30 June
	2019			
	Un-audited	Audited	Un-audited	Audited
Name of Investee Company	----Number of Shares----		----Rupees----	
Engro Corporation Limited	1,130	3,500	208,917	829,680
Engro Fertilizers Limited	580	6,800	34,118	393,820
Habib Bank Limited	580	11,500	58,085	1,245,680
Hub Power Co. Ltd.	310	14,800	22,286	1,102,380
Nishat Mills Limited	-	1,800	-	93,240
Oil & Gas Development Company Limited	2,780	7,500	332,181	908,175
Pakistan Petroleum Limited	1,425	19,425	193,845	2,808,583
	6,560	62,425	848,427	7,546,845

		Note	30 September 2019 Un-audited	30 June 2019 Audited
			----------Rupees----------	
6	PAYABLE TO MANAGEMENT COMPANY			
	Remuneration of the Management Company	6.1	5,819	110,397
	Sindh sales tax payable on remuneration of the Management Company	6.2	326,342	340,333
	Federal Excise Duty payable on remuneration of the Management Company	6.3	2,210,011	2,210,011
	Reimbursement of operational expenses to the Management Company	6.4	262,771	257,901
	Marketing and advertising fee payable	6.5	432,889	413,425
	Front End Load Payable		8,487	8,487
			3,245,529	3,341,138

6.1 The Management Company has charged its remuneration at the rate of 2% (30 June 2019: 2%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2019: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

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

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

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

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 2.2100 million (30 June 2019: Rs. 2.2100 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs. 47.5406 (30 June 2019: Rs. 2.4068) per unit.

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

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

		Note	30 September 2019 Un-audited	30 June 2019 Audited
7	ACCRUED EXPENSES AND OTHER LIABILITIES		----------Rupees----------	
	Auditors' remuneration payable		236,829	160,380
	Printing charges payable		373,574	341,482
	Settlement charges payable		30,000	20,000
	Transaction charges payable		1,475	7,572
	Withholding tax		93,309	90,340
	Capital gains tax payable		534	92,779
	Provision for Sindh Workers' Welfare Fund	7.1	459,506	459,506
	Other Payable		2,549,673	2,522,807
			3,744,900	3,685,660

7.1 There is no change in the status of the SWWF as reported in note 11.1 to the annual financial statements of the Fund for the year ended 30 June 2019.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2019 and 30 June 2019.

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 11.29% which includes 0.94% representing government levies on the Fund such as provision for Sindh Workers' Welfare

Fund, sales taxes, annual fee to the SECP, etc. This ratio exceeds the maximum limit of 4% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

10 TAXATION

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

11 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

	For the Quarter Ended 30 September	
	2019	2018
	Un-audited	
11.1 Details of transaction with related parties during the period are as follows:	----------Rupees----------	
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration of the Management Company	**97,399**	625,907
Sindh Sales tax on Remuneration of Management Company	**12,662**	80,716
Reimbursement of operational expenses to the Management Company	**4,871**	31,045
Selling and Marketing expense	**15,460**	121,448
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	**11,004**	212,396
Key Management Personnel		
Redemption of Nil (2018: 1,766) units	-	-

	30 September 2019	30 June 2019
	Un-audited	Audited
11.2 Details of balances with related parties as at the period / year end are as follows:	----------Rupees----------	
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration payable to the management company	**5,899**	110,397
Sindh Sales tax payable on remuneration of the Management Company	**326,342**	340,922
Federal Excise Duty payable on remuneration of the Management Company	**2,216,011**	2,216,011
Reimbursement of operational expenses to the Management Company	**282,771**	257,901
Marketing and advertising fee payable	**432,889**	413,420
Front End Load Payable	**8,487**	8,087
Central Depository Company of Pakistan Limited (Trustee)		
Trustee fee payable	**567**	65,013
Security deposit	**100,000**	100,000
Holdings with 10% or more		
Outstanding Units: 23,023 (30 June 2019:23,023)	**1,621,360**	1,744,795

12 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 24, 2019.

13 GENERAL

Figures have been rounded off to the nearest Rupee otherwise stated.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONTENTS

Our Mission

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

Our Vision

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

FUND INFORMATION

Management Company
Pak Oman Asset Management Company Limited,
1st Floor Tower A,
Finance and trade Centre (FTC),
Karachi
Phone : +92 - 21 - 38696275-79
Fax : +92 - 21 - 38696274
Web site : www.pakomanfunds.com

Board of Director of The Management Company

H.E. Yahya Bin Said Bin Abdullah Al-Jabri	Chairman
Mr Bahauddin Khan	Director
Mr Humayun Murad	Director
Mr Sulaiman Hamad Al Harthy	Director
Mr Saif Said Salim Al Yazidi	Director
Mr Jehangir Shah	Director
Ms. Sadaf Kazmi	CEO

Audit Committee

Mr Humayun Murad	Chairman
Mr Bahauddin Khan	Director
Mr Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr Humayun Murad	Chairman
Mr Bahauddin Khan	Director
Mr Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr Bahauddin Khan	Chairman
Mr Saif Said Salim Al Yazidi	Member
Mr Humayun Murad	Member
Ms. Sadaf Kazmi	Member

Chief Financial Officer / Company Secretary
Muhammad Farrukh

Asset Manager Rating
AM3 + (Stable outlook)

Trustee
Central Depository Comany of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S.
Main Shahrah-e-Faisal, Karachi.

Auditors
Earnst & Young Ford Rhodes Sidat Hyder
Progressive Plaza, Beaumont Road,
P.O. Box No. 15541, Karachi

Bankers to The Fund
Askari Bank Limited
Bank Alfalah Limited
Bank Limited
Habib Metro Bank
Habib Bank Limited (Islamic Banking)
Silk Bank Limited (Islamic Banking)

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

Transfer Agent
ITMINDS Limited - A Subsidiary of CDC
CDC House, 99-B, S.M.C.H.S
Main Shahra-e-Faisal, Karachi-74400, Pakistan.
Phone : +92 - 21 - 111 - 111 - 500
Fax : +92 - 21 - 34326040
Web site : www.itminds.biz

DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors of Pak Oman Asset Management Company Limited ("the Management Company" or "POAMCL" or "the Company") is pleased to present the quarter report of the Askari High Yield Scheme (AHYS) for the Quarter Ended 30 September 2019.

Economic Review 1QFY20
Recent developments in the on the economic front in 1QFY20 have been positive. Figures released by Ministry of Finance showed that fiscal policy will come out to be considerably more expansionary going forward. Tax revenues (net of refunds) are expected to grow considerably and has shown signs of recovery in July and August of FY20 which suggested that the economic slowdown may not be as pronounced as may have been feared. Going forward, major challenge for the incumbent government will be effective management of current and fiscal deficits, stabilization of currency and domestic and external debt profiling.

In 1QFY20, headline inflation averaged at 10.08% as compared to 6.08% in FY19. Major reason behind higher inflation was higher core inflation, together with higher food prices especially non-perishable food items together with higher fuel prices. In 1QFY20, SPI averaged at 11.88% as compared to 2.49% in same period last year while WPI averaged at 14.41% in comparison to 15.89% in 1QFY20.

After an aggressive cycle of interest rate hike in FY19, MPC, in the Monetary Policy announced in the month of Sep-2019, decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged. Earlier, the decision to lift rates were driven by higher headline and core inflation, exchange rate depreciation, an elevated fiscal deficit and its increased monetization, and adjustments in utility tariffs.

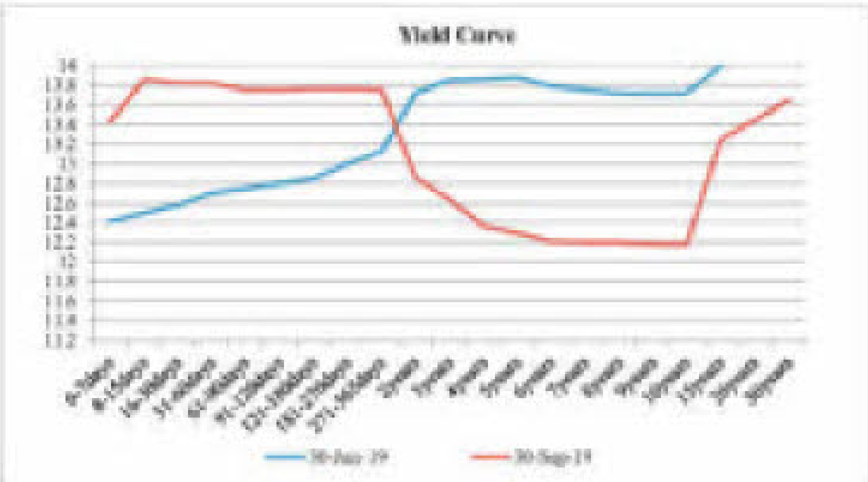
On the external front, CAD significantly contracted by 56.67% to $1,292 million in 2 months of 1QFY20 against $2,580 million in comparable period last year. CAD contracted due to 40.42% decline in trade deficit. Trade deficit contracted by 40.42% due to decline in imports by 23.44%. This was led by 38.20% decline in oil import bill due to materialization of deferred oil facility, 30.73% decline in imports of motor vehicles and 19.95% decline in import of food items. On the other hands, exports during the period, have shown certain signs of recovery and during 2 Months of ongoing financial Year (FY20), exports increased by 1.42%. On the other hand, rupee devaluation and relief to exporters might help lifting up textile industry, resulting in higher exports.

In FY20-To date, broad money supply (M2) grew by 0.09%. NDA of the banking system shrank by 1.12% while NFA of the banking system improved by 18.10%. The deceleration in credit was more pronounced in real terms as the increase in private sector credit was largely driven by higher input prices, which in turn increased the working capital needs of the businesses. Credit to private sector declined by 0.74% in FY20-To date. The major challenge for the government will still be devaluation of currency, upcoming debt repayments and higher cost of doing business.

Fixed Income Review 1QFY20
In 1QFY20 secondary market yields across short term papers headed north. Yields on short term paper rose by 100bps, 100bps and 62bps and closed the quarter at 12.75%, 12.85% and 13.13% for 3m, 6m and 12m paper respectively. On the other hand, yield on longer tenor bonds headed southwards. Yields shed by 121bps, 150bps and 154bps and stood at 12.64%, 12.50% and 12.18% for 3yr, 5yr and 10yr bond respectively. During the quarter, greater activity was witnessed in longer tenor bonds since market is expecting that interest rates have now peaked out and considering overall macroeconomic dynamics, SBP might initiate an interest rate reversal cycle by end of CY19.

In the Monetary Policy announced in the month of Sep-2019, (MPC) decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged.

In the T-Bill auctions held during the month, SBP raised a total of PKR 6,078 billion against the target of PKR 6,900 billion and maturing amount of PKR 5,185 billion. The cut-off yields settled at 13.7300%, 13.8390% and 13.8409% for 3m, 6m and 12m paper respectively. Major participation was witnessed seen in 6-Month and 12-Month papers during the quarter as market remained inclined towards longer instruments. In the PIB auction for fixed rated bonds, SBP raised PKR 911 billion. Cut-off yields settled at 12.9500%, 12.3760% and 12.2483% for 3yr, 5yr and 10yr bond respectively; while no bids for 20 year tenor were received. In the PIB auction for floating rate PIBs, SBP realized bids worth PKR 220 billion. The cut-off margin was 75bps in the auctions held in the month of July-19 and Aug-19 while SBP slashed margin to 65bps in the last auction held in the month of Sep-19.



AHYS

In 1QFY20, AHYS delivered return of 10.09% as compared to its benchmark return of 14.18%. Asset under management of the fund closed the quarter at PKR 725 million as compared to PKR 1,231 million in start of financial year.

After an aggressive cycle of interest rate hike in FY19, MPC, in the Monetary Policy announced in the month of Sep-2019, decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged. Earlier, the decision to hill rates were driven by higher headline and core inflation, exchange rate depreciation, an elevated fiscal deficit and its increased monetization, and adjustments in utility tariffs.

By the end of Sep-2019, exposure against TFC(s) stood at 65.21% of the fund size and exposure against this asset class averaged at 69.71% as compared to 68.28% in 1QFY19. Exposure against this asset class was reduced in absolute terms during the period however increase in percentage terms is reflection of contraction in fund size. Exposure against T-Bills averaged at 18.87% while proportionated exposure was taken during the

period in PIBs to capitalize on trading opportunities. Remaining funds were invested in cash with A and above rated banks. Average cash exposure of the fund during the July-19 to Sep-19 stood at 11.43%.

Acknowledgment

We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the management of the Pakistan Stock Exchange. We also wish to place on record our appreciation for the employees of the Management Company.

For and on behalf of the Board

Sufaf kazmi

Chief Executive Officer

24th October 2019

Karachi - Pakistan

AHYS

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 SEPTEMBER 2019

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		---------Rupees	---------
Assets			
Balances with bank	4	32,676,657	396,503,348
Investments	6	743,294,055	857,037,188
Accrued profit , advances, prepayment and other receivables		23,617,208	30,382,767
Security deposits		2,850,000	3,850,000
Non-current assets classified as 'held-for-sale'		39,030,000	39,030,000
Total assets		**841,467,920**	**1,326,893,303**
Liabilities			
Payable to Asset Management Company	7	63,233,526	62,426,584
Payable to Trustee		54,741	164,382
Payable to the Securities & Exchange Commission of Pakistan		48,684	1,458,381
Dividend payable		155,299	9,542,507
Accrued expenses and other liabilities	8	25,414,011	22,452,105
Total liabilities		**88,906,243**	**96,065,959**
NET ASSETS		**752,561,677**	**1,230,827,344**
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**752,561,677**	**1,230,827,344**
CONTINGENCIES AND COMMITMENTS	9		
NUMBER OF UNITS IN ISSUE		**7,197,182**	**12,070,396**
NET ASSET VALUE PER UNIT		**104.5634**	**101.9708**

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM INCOME STATEMENT

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		-------Rupees-------	
Income			
Profit on saving and term deposits		4,570,076	17,224,225
Income from government securities		3,990,152	791,966
Mark-up on term finance and sukuks certificates		25,994,706	38,415,652
Income on Cash Deposits at NCCPL		13,672	-
Net gain on sale of investments		1,282,589	1,522,120
Net unrealised loss on remeasurement of investments at fair value through profit or loss		(894,856)	(12,277,439)
Total Income		34,945,339	46,680,524
Expenses			
Remuneration of Asset Management Company	7.1	3,653,530	10,560,445
Sindh Sales Tax on Remuneration of the Management Company	7.2	474,980	1,372,966
Reimbursement of operational expenses to the Management Company	7.6	243,569	704,087
Advertisement & Selling Expense	7.5	974,277	2,816,340
Remuneration of Central Depository Company of Pakistan Limited - Trustee		206,425	818,484
Annual fees to the Securities & Exchange Commission of Pakistan		48,714	528,064
Bank and settlement charges		104,087	72,110
Fees & subscription		6,915	6,931
Security transaction cost		75,741	398,112
Auditors' remuneration		238,509	297,582
Printing and stationary charges		41,885	52,366
Legal and professional charges		32,670	39,765
Provision against Non performing TFC		3,621,871	-
Provision for Sindh Workers' Welfare Fund		500,404	579,044
Total Expenses		10,425,564	18,307,387
Net income for the period before taxation		24,519,775	28,373,137
Taxation	10	-	-
Net income for the period after taxation		24,519,775	28,373,137
Allocation of Net Income for the year:			
- Net income for the period after taxation		24,519,775	28,373,137
- Income already paid on units redeemed		(6,908,236)	(7,702,582)
		17,611,539	20,670,555
Accounting income available for distribution			
-Relating to capital gains		386,733	-
-Excluding capital gains		17,224,806	20,670,555
		17,611,539	20,670,555

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019	30 September 2018
	-------Rupees-------	
Net income for the period after taxation	**24,519,775**	**28,373,137**
Unrealised diminution on remeasurement of investments classified as " available for sale" - net	-	-
Total comprehensive income for the period	**24,519,775**	**28,373,137**

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019			30 September 2018		
	Capital Value	Undistributed Income	Net Assets	Capital Value	Undistributed Income	Net Assets
			------Rupees------			
Net assets at the beginning of the period (Units outstanding: [illegible])	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Issue of [illegible] units	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]
Redemption of [illegible] units	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total comprehensive income for the period	-	[illegible]	[illegible]	-	[illegible]	[illegible]
Net assets at the end of the period (Units outstanding: [illegible])	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Undistributed income brought forward comprising of:						
Realised		[illegible]			[illegible]	
Unrealised		[illegible]			[illegible]	
		[illegible]			[illegible]	
Accounting income available for distribution:						
Relating to capital gains		[illegible]			-	
Excluding capital gains		[illegible]			[illegible]	
		[illegible]			[illegible]	
Undistributed income carried forward - net		[illegible]			[illegible]	
					------Rupees------	
Net asset value at the beginning of the period			[illegible]			[illegible]
Net asset value at the end of the period			[illegible]			[illegible]

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		------Rupees------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period after taxation		24,218,775	25,373,137
Adjustments for:			
Net gain on sale of investments		(1,202,589)	(1,522,120)
Net unrealised loss on remeasurement of investments classified as 'financial assets at fair value through profit or loss'		806,858	12,277,430
Unrealised appreciation on remeasurements of investments classified as "available for sale" - net		-	-
Provision for Sindh Workers Welfare Fund		508,404	579,044
		113,671	11,334,353
Decrease in assets			
Investments - Net		114,129,088	807,329,774
Receivable against sale of investments		-	201,884,725
Receivable against sale of units		-	(4,010,000)
Accrued profit, deposits, advances, prepayment and other receivables		7,705,559	8,079,671
Non-current assets classified as 'held-for-sale'		-	-
		121,835,425	1,013,284,118
Decrease in liabilities			
Payable to Asset Management Company		804,944	(1,349,124)
Payable to Trustee		(109,841)	(57,486)
Payable to the Securities & Exchange Commission of Pakistan		(1,408,717)	(2,114,355)
Dividend payable		(9,437,208)	(85,458,170)
Accrued expenses and other liabilities		2,491,502	2,089,981
		(7,658,120)	(86,589,152)
Net cash generated from / (used in) operating activities		138,808,751	969,202,418
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		85,424,027	71,640,389
Dividend paid		-	-
Payments against redemption of units		(588,209,469)	(1,043,090,630)
Net cash used in financing activities		(502,785,442)	(971,450,241)
Net decrease in cash and cash equivalents		(363,916,691)	(2,247,823)
Cash and cash equivalents at the beginning of the period		396,593,348	498,915,578
Cash and cash equivalents at the end of the period	4	32,676,657	496,667,755

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

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

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

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3" to the Management Company and a stability rating of A(f) to the fund.

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

2 STATEMENT OF COMPLIANCE

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2019.

4 BALANCES WITH BANKS	Note	30 September 2019 Un-audited	30 June 2019 Un-audited
		Rupees	
In savings accounts	4.1	32,676,657	396,593,368

4.1 The rate of return on these accounts ranges between 10.25% and 12.90% (30 June 2019: 3.75% and 11.50%) per annum.

5 TERM DEPOSIT RECEIPTS	Note	30 September 2019	30 June 2019
Non - Performing			
Trust Investment Bank Limited	5.1.1	129,111,798	129,111,798
Saudi Pak Leasing Company Limited	5.1.1	13,500,000	13,500,000
		142,611,798	142,611,798
Provision held at the beginning of the year		(142,611,798)	(142,611,798)
		-	-

5.1.1 The facilities have been classified as non performing and have been fully provided in accordance with the Fund's provisioning policy.

6 INVESTMENTS	Note	30 September 2019 Un-audited	30 June 2019 Audited
		Rupees	
At fair value through profit or loss - held for trading			
Government securities			
- Market treasury bills	6.1	194,533,595	-
Debt securities			
- Term finance certificates - listed	6.1.2.1	197,881,140	198,020,760
- Term finance certificates - unlisted	6.1.2.2	231,250,815	507,256,481
- Sukuk certificates - listed	6.1.2.3	83,136,585	114,687,037
- Sukuk certificates - unlisted	6.1.2.4	36,392,720	37,872,910
		743,294,855	857,837,188

ASKARI HIGH YIELD SCHEME FUND

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

Un-Audited Financial Statements for the Quarter Ended 30 September 2019 15

6.1.2.3 Significant terms and conditions of debt securities outstanding as at 30 September 2019

	Number of Certificates	Redeemable face value	Mark-up rate per annum	Maturity date	Secured / Unsecured	Rating
Term Finance Certificates - listed						
Bank Al Falah Limited (20-Feb-2013)	2,800	4,988	6 months KIBOR	20 February 2021	Unsecured	AA
MCB Bank Limited (19-Jun-14)	2,380	4,992	6 months KIBOR	19 June 2022	Secured	AAA
Soneri Bank Limited (8-July-2015)	16,205	4,994	6 months KIBOR	8 July 2023	Secured	A+
Trust Investment Bank Limited (04-July-08)	10,000	1,250	6 months KIBOR	4 July 2013	Unsecured	NPR
JS Bank Limited (29-Dec-16)	2,000	99,880	6 months KIBOR	29 December 2023	Unsecured	AA-
Term Finance Certificates - unlisted						
Agritech Limited 5th issue (1-Jul-11) **	2,375	4,000	Fixed	11 January 2015	Secured	NPR
Agritech Limited (29-Nov-07) **	12,000	4,999	6 months KIBOR	29 November 2015	Secured	NPR
Azgard Nine Limited 3rd issue (4-Dec-07) **	1,072	5,000	Fixed	31 March 2017	Secured	NPR
New Allied Electronics Industries (Private) Limited (15-May-07) **	5,000	1,250	3 months KIBOR	15 May 2011	Secured	NPR
JS Bank Limited (14-Dec-2016) ***	5,000	5,000	6 months KIBOR	14 December 2023	Secured	A+
Water and Power Development Authority (27-Sep-2013)	6,400	4,667	6 months KIBOR	27 September 2022	Secured	Govt. Gtd
The Bank of Punjab (23-Dec-2016) *	2,535	99,940	6 months KIBOR	23 December 2026	Unsecured	AA
TPL Corporation Limited (19-Dec-17)	1,350	100,000	3 months KIBOR	19 December 2020	Secured	AA
U Micro Finance Bank Limited (29-Jun-2017)	12,000	4,998	6 months KIBOR	30 June 2024	Unsecured	A
Jahangir Siddiqui & Company Limited (18-July-2017)	30,000	5,000	6 months KIBOR	18 July 2022	Secured	AA+
Summit Bank Limited (27-Oct-11)	5,000	4,985	6 months KIBOR	27 October 2018	Secured	A-
Sukuk Certificates - listed						
International Brands Limited (15-Nov-17)	2,700	100,000	12 months KIBOR	15 November 2021	Secured	AA
Dawood Hercules Corporation Limited (16-Nov-17)	450	100,000	3 months KIBOR	16 November 2022	Secured	AA
Dawood Hercules Corporation Limited (1-Mar-18)	2,180	100,000	3 months KIBOR	1 March 2023	Secured	AA
TPL Corporation Limited (13-Apr-16)	25	1,000,000	12 months KIBOR	17 June 2022	Secured	AA+
Sukuk Certificates - unlisted						
Security Leasing Corporation Limited II (19-Sep-07)	6,000	1,700	3 months KIBOR	19 September 2022	Secured	NPR
Byco Oil Pakistan Limited (18-Jan-17)	1,180	100,000	3 months KIBOR	18 January 2022	Secured	AAA

The term finance certificate and sukuk certificate held by the Fund are generally secured against hypothecation of stocks and receivable and mortgage / pledge of fixed assets of the issuers.

		Note	30 September 2019 Un-audited	30 June 2019 Audited
			----------Rupees----------	
7	**PAYABLE TO PAK OMAN ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)**			
	Remuneration of the Management Company	7.1	968,852	1,334,252
	Sindh sales tax payable on remuneration of the Management Company	7.2	5,046,800	5,094,302
	Federal Excise Duty payable on remuneration of the Management Company	7.3	33,368,337	33,368,337
	Reimbursement of operational expenses to the Management Company	7.4	13,446,476	10,202,907
	Selling and Marketing expenses	7.5	13,180,048	12,208,771
	Sales load payable		220,015	220,015
			63,230,628	62,428,584

7.1 The Management Company has charged its remuneration at the rate of 1.5% (30 June 2019: 1.5%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

7.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2019: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

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

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

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

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 33.3683 million (30 June 2019: Rs. 33.3683 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs. 4.6363 (30 June 2019: Rs. 2.7645) per unit.

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

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

		Note	30 September 2019 Un-audited	30 June 2019 Audited
			------Rupees------	
8	**ACCRUED EXPENSES AND OTHER LIABILITIES**			
	Auditors' remuneration payable		906,833	670,324
	Printing charges payable		267,221	220,836
	Withholding tax and capital gain tax		2,211,748	301,799
	Provision for Sindh Workers' Welfare Fund	8.1	15,510,895	15,010,591
	Transaction Charges Payable		76,823	41,654
	Others payable		6,450,391	6,206,901
			25,414,011	22,452,105

8.1 There is no change in the status of the SWWF as reported in note 13.1 to the annual financial statements of the Fund for the year ended 30 June 2019.

9 **CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at 30 September 2019 and 30 June 2019.

10 **EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 2.57% which includes 0.28% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio exceeds the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

11 **TAXATION**

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

		For the Quarter Ended 30 September 2019	2018
11	**TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS**	Un-audited	
		------Rupees------	
11.1	Transactions for the period:		
	Pak Oman Asset Management Company Limited (Management Company)		
	Remuneration of the Management Company	3,653,539	10,566,445
	Sindh Sales tax on Remuneration of Management Company	474,960	1,372,966
	Reimbursement of operational expenses to the Management Company	243,569	704,087
	Advertisement & Selling Expense	934,277	2,818,340
	Central Depository Company of Pakistan Limited (Trustee)		
	Remuneration of the Trustee	266,425	918,484
	Pak Oman Micro Finance Bank Limited		
	Issue of Nil (2018: 28,830) units	-	2,938,772
	Redemption of Nil (2018: 661,056) units	-	68,000,000
	Sindh Province Pension Fund		
	Dividend Reinvestment of 87,153 (2018: Nil) units	8,924,223	-
	The Bank Of Punjab Employees Gratuity Fund		
	Dividend Reinvestment of 79,301 (2018: Nil) units	8,120,231	-

		30 September 2019 Un-audited	30 June 2019 Audited
		------Rupees------	
11.2	**Investments / outstanding balances as at period / year end**		
	Pak Oman Asset Management Company Limited (Management Company)		
	Remuneration payable to the management company	960,852	1,304,252
	Sindh Sales tax payable on remuneration of the Management Company	5,046,806	5,894,302
	Federal Excise Duty payable on Remuneration of the Management Company	33,368,337	33,368,337
	Reimbursement of operational expenses to the Management Company	10,446,475	10,202,907
	Marketing and advertising fee payable	13,183,848	12,208,771
	Front End Load Payable	220,815	220,815
	Central Depository Company of Pakistan Limited (Trustee)		
	Remuneration payable	54,741	164,352
	Security deposit	100,000	100,000
	Holding 10% & Above		
	Outstanding 4,051,249 (30 June 2019: 3,684,795) units	423,612,361	386,135,701

12 GENERAL

Figures have been rounded off to the nearest Rupee.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 24, 2019.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONTENTS

ASKARI ISLAMIC ASSET ALLOCATION FUND

Our Mission

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

Our Vision

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

FUND INFORMATION

Management Company
Pak Oman Asset Management Company Limited,
1st Floor Tower A.,
Finance and trade Centre (FTC),
Karachi
Phone : +92 - 21 - 38696275-79
Fax : +92 - 21 - 38696274
Web site : www.pakomanfunds.com

Board of Director of The Management Company

H.E. Yahya Bin Said Bin Abdullah Al-Jabri	Chairman
Mr. Bahauddin Khan	Director
Mr. Humayun Murad	Director
Mr. Sulaiman Hamad Al Harthy	Director
Mr. Saif Said Salim Al Yazidi	Director
Mr. Jehangir Shah	Director
Ms. Sadaf Kazmi	CEO

Audit Committee

Mr. Humayun Murad	Chairman
Mr. Bahauddin Khan	Director
Mr. Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr. Humayun Murad	Chairman
Mr. Bahauddin Khan	Director
Mr. Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr. Bahauddin Khan	Chairman
Mr. Saif Said Salim Al Yazidi	Member
Mr. Humayun Murad	Member
Ms. Sadaf Kazmi	Member

Chief Financial Officer / Company Secretary
Muhammad Farrukh

Asset Manager Rating
AM3 + (Stable outlook)

Trustee
Central Depository Comany of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S,
Main Shahrah-e-Faisal, Karachi.

Auditors
Earnst & Young Ford Rhodes Sidat Hyder
Progressive Plaza, Beamont Road,
P.O. Box No. 15541, Karachi

Bankers to The Fund
Askari Bank Limited
Bank Al Habib Limited
Burj Bank Limited
Habib Metro Bank
Habib Bank Limited (Islamic Banking)
Silk Bank Limited (Islamic Banking)

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

Transfer Agent
ITMINDS Limited - A Subsidiary of CDC.
CDC House, 99-B, S.M.C.H.S
Main Shahra-e-Faisal, Karachi-74400, Pakistan.
Phone : +92 - 21 - 111 - 111 - 500
Fax : +92 - 21 - 34326040
Web site : www.itminds.biz

DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors of Pak Oman Asset Management Company Limited ("the Management Company" or "POAMCL" or "the Company") is pleased to present the quarter report of the Askari Islamic Asset Allocation Fund (AIAAF) for the Quarter Ended 30 September 2019.

Economic Review 1QFY20
Recent developments in the on the economic front in 1QFY20 have been positive. Figures released by Ministry of Finance showed that fiscal policy will come out to be considerably more expansionary going forward. Tax revenues (net of refunds) are expected to grow considerably and has shown signs of recovery in July and August of FY20 which suggested that the economic slowdown may not be as pronounced as may have been feared. Going forward, major challenge for the incumbent government will be effective management of current and fiscal deficits, stabilization of currency and domestic and external debt profiling.

In 1QFY20, headline inflation averaged at 10.08% as compared to 6.68% in FY19. Major reason behind higher inflation was higher core inflation, together with higher food prices especially non-perishable food items together with higher fuel prices. In 1QFY20, SPI averaged at 11.38% as compared to 2.49% in same period last year while WPI averaged at 14.41% in comparison to 13.89% in 1QFY20.

After an aggressive cycle of interest rate hike in FY19, MPC, in the Monetary Policy announced in the month of Sep 2019, decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged. Earlier, the decision to lift rates were driven by higher headline and core inflation, exchange rate depreciation, an elevated fiscal deficit and its increased monetization, and adjustments in utility tariffs.

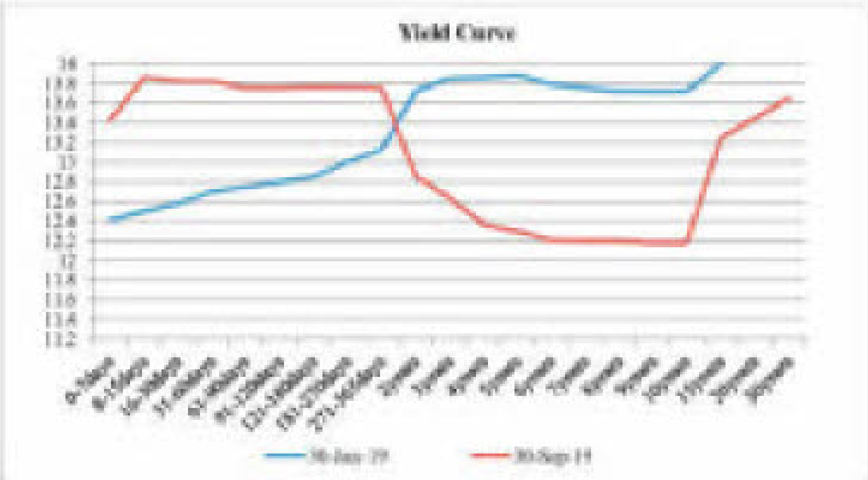
On the external front, CAD significantly contracted by 54.87% to $1,292 million in 2-months of 1QFY20 against $2,580 million in comparable period last year. CAD contracted due to 40.42% decline in trade deficit. Trade deficit contracted by 40.42% due to decline in imports by 23.44%. This was led by 38.20% decline in oil import bill due to materialization of deferred oil facility, 30.73% decline in imported motor vehicles and 19.95% decline in import of food items. On the other hands, exports during the period, have shown certain signs of recovery and during 2-Months of ongoing financial Year (FY20), exports increased by 3.42%. On the other hand, rupee devaluation and relief to exporters might help lifting up textile industry, resulting in higher exports.

In FY20-To date, broad money supply (M2) grew by 0.09%, NDA of the banking system shrunk by 1.12% while NFA of the banking system improved by 18.39%. The deceleration in credit was more pronounced in real terms as the increase in private sector credit was largely driven by higher input prices, which in turn increased the working capital needs of the businesses. Credit to private sector declined by 0.74% in FY20-To date. The major challenge for the government will still be devaluation of currency, upcoming debt repayments and higher cost of doing business.

Fixed Income Review 1QFY20
In 1QFY20 secondary market yields across short term papers headed north. Yields on short term paper rose by 100bps, 100bps and 62bps and closed the quarter at 12.75%, 12.85% and 13.13% for 3m, 6m and 12m paper respectively. On the other hand, yield on longer tenor bonds headed southwards. Yields shed by 121bps, 158bps and 154bps and stood at 12.64%, 12.30% and 12.10% for 3yr, 5yr and 10yr bond respectively. During the quarter, greater activity was witnessed in longer tenor bonds since market is expecting that interest rates have now peaked out and considering overall macroeconomic dynamics, SBP might initiate an interest rate reversal cycle by end of CY19.

In the Monetary Policy announced in the month of Sep-2019, (MPC) decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged.

In the T-Bill auctions held during the month, SBP raised a total of PKR 6,078 billion against the target of PKR 6,900 billion and maturing amount of PKR 5,180 billion. The cut-off yields settled at 13.7300%, 13.8390% and 13.8409% for 3m, 6m and 12m paper respectively. Major participation was witnessed seen in 6-Month and 12-Month papers during the quarter as market remained inclined towards longer instruments. In the PIB auction for fixed rated bonds, SBP raised PKR 911 billion. Cut-off yields settled at 12.9500%, 12.3760% and 12.2483% for 3yr, 5yr and 10yr bond respectively; while no bids for 20-year tenor were received. In the PIB auction for floating rate PIBs, SBP realized bids worth PKR 220 billion. The cut-off margin was 75bps in the auctions held in the month of July-19 and Aug-19 while SBP slashed margin to 65bps in the last auction held in the month of Sep-19.



Equity Review

KSE100 Index outperformed surging by 2407pts (8.11%MoM) and closed at 32,079pts. The revival of some macroeconomic indicators (recovery in current account deficit, foreign exchange reserves and PKR against USD) despite increasing tensions on LoC over Kashmir with India supported the recovery in KSE100 Index. Moving forward, Pakistan listed among the top 20 improvers in doing business by World Bank would be positive for FDI. However, on local front, business community concerns over FBR policies continue to hinder business activities.

Trading activities charged as market average volume uptick by 1.5%MoM to 114.5mn shares, whereas KEL, MLCF and WTL were the major volume leaders. The total market capitalization of All-Shares Index increased by 5.3%MoM to USD41bn, mainly due to the rise in Banks (2.9%), E&P (18.5%) and Fertilizer (3.7%) market capitalization.

During the last month of the quarter, E&P sector remained the major contributor added 894pts in the Index followed by Banking and Fertilizer sectors, extended Index by 421pts and 314pts respectively.

Going forward, we anticipate capital market to remain in consolidation phase although attractive valuation encouraging long term investors to build their positions. The further soft recovery could witness given positive development on Kashmir issue and on FATF.

AIAAF

During 1QFY20, AIAAF yielded a return of -9.41% against the benchmark return of -4.05%, underperforming by 5.36%.

The net assets of the fund stood at PKR 178Mn at the end of 1QFY20. During 1QFY20, equities remained the major asset class and average allocation in equities stood at 6%.

During the period under review, exposure in TFCs was around 45% of the fund size, however, 13% of the funds remained invested as cash with Islamic banks/ Islamic banking windows of conventional banks.

Acknowledgment

We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the management of the Pakistan Stock Exchange. We also wish to place on record our appreciation for the employees of the Management Company.

For and on behalf of the Board
Sadaf kazmi
Chief Executive Officer

24th October 2019
Karachi - Pakistan.

AIAAF

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 SEPTEMBER 2019

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		----------Rupees----------	
ASSETS			
Balances with Bank	4	2,743,396	14,154,382
Investments	5	10,920,848	48,031,153
Advances, dividends and other receivables		5,536,598	5,727,900
Security Deposits		2,600,000	2,600,000
Total assets		**21,800,842**	**70,513,435**
LIABILITIES			
Payable to Management Company	6	3,108,436	3,065,678
Payable to Trustee		129,617	130,054
Payable to the Securities and Exchange Commission of Pakistan		2,926	93,415
Accrued expenses and other liabilities	7	1,068,677	938,973
Total liabilities		**4,309,656**	**4,228,120**
NET ASSETS		**17,491,186**	**66,285,315**
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		**17,491,186**	**66,285,315**
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		**242,125**	**833,729**
NET ASSET VALUE PER UNIT		**72.2402**	**79.5046**

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		--------Rupees--------	
INCOME / (LOSS)			
Profit on bank balances		498,270	227,234
Profit on sukuk certificates		351,739	175,682
Dividend income		149,225	1,216,300
Net Capital loss on sale of investments		(4,950,760)	(577,802)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(580,066)	(3,420,474)
		(4,537,012)	(2,379,160)
EXPENSES			
Remuneration of Asset Management Company	6.1	295,072	571,226
Sindh Sales Tax on Remuneration of the Management Company	6.2	38,359	75,595
Reimbursement of operational expenses to the Management Company	6.4	14,754	29,075
Selling and Marketing expenses	6.5	59,015	114,112
Remuneration of MCB Financial Services Limited - Trustee		198,938	205,895
Annual fee to the Securities and Exchange Commission of Pakistan		2,951	27,621
Auditors' remuneration		101,250	136,994
Securities transaction cost		156,237	149,781
Printing and Stationary charges		-	30,247
Legal and professional charges		-	37,808
Fee and Subscription		35,713	37,052
Settlement and Bank charges		50	8,255
Total expenses		902,289	1,423,661
Net loss for the period before taxation		(5,439,901)	(3,802,821)
Taxation	10	-	-
Net loss for the period after taxation		(5,439,901)	(3,802,821)
Allocation of Net loss for the period			
- Net loss for the period after taxation		(5,439,901)	(3,802,821)
- Income already paid on units redeemed		(3,680,992)	-
		(9,120,893)	(3,802,821)
Accounting income available for distribution:			
- Relating to capital gains		-	-
- Excluding capital gains		(9,120,893)	(3,802,821)
		(9,120,893)	(3,802,821)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019	30 September 2018
	--------Rupees--------	
Net loss for the period after taxation	(5,439,901)	(3,802,821)
Other comprehensive (loss) / income	-	-
Total comprehensive loss for the period	(5,439,901)	(3,802,821)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September					
	2019			2018		
	Capital Value	Undistributed income	Net Assets	Capital Value	Undistributed income	Net Assets
	------------------Rupees------------------					
Net assets at the beginning of the period (Units outstanding 833,139 (2018: 1,237,988))	88,030,052	(21,744,737)	66,285,315	123,477,803	(4,302,842)	117,174,758
Issue of Nil (2018: 7,524 units)	-	-	-	700,000	-	700,000
Redemption of 591,004 (2018: 5,348 units)	(47,035,218)	3,680,992	(43,354,226)	(743,793)	-	(743,793)
Total comprehensive income for the period	-	(5,439,901)	(5,439,901)	-	(3,802,821)	(3,802,821)
Net assets at the end of the period (Units outstanding 242,135 (2018: 1,239,364))	40,994,834	(23,503,646)	17,491,188	123,433,807	(8,105,663)	115,328,144
Undistributed income brought forward comprising of:						
-Realised		-				2,802,985
-Unrealised		(23,503,646)				(6,105,827)
		(23,503,646)				(4,302,842)
Accounting income available for distribution:						
-Relating to capital gains		(433,127)				-
-Excluding capital gains		(21,311,880)				(3,802,821)
		(21,744,737)				(3,802,821)
Undistributed income carried forward - net		(45,248,383)				(8,105,663)
			------------Rupees------------			
Net asset value at the beginning of the period			79.5646			94.7164
Net asset value at the end of the period			72.3393			91.6825

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

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		---------Rupees---------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period after taxation		(5,439,901)	(3,802,821)
Adjustments:			
Net Capital loss on sale of investments		4,950,780	577,902
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		580,066	3,420,474
		5,530,846	3,998,376
Decrease in assets			
Investments - Net		31,579,458	14,162,810
Receivable against sale of investments		-	(177,623)
Advances, dividends and other receivables		191,302	(1,440,721)
		31,770,760	12,544,466
(Decrease) / increase in liabilities			
Payable to Asset Management Company		42,758	(332,730)
Payable to the MCB Financial Services Limited - Trustee		(437)	6,620
Payable to the Securities and Exchange Commission of Pakistan		(90,489)	(90,362)
Payable against purchase of investments		-	-
Accrued expenses and other liabilities		129,702	307,725
		81,534	(108,847)
Net cash generated from operating activities		31,943,239	12,631,174
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		-	700,000
Net payments against redemption of units		(43,354,225)	(743,793)
Net cash (used in) / generated from financing activities		(43,354,225)	(43,792)
Net increase in cash and cash equivalents		(11,410,986)	12,607,382
Cash and cash equivalents at the beginning of the period		14,154,382	5,021,176
Cash and cash equivalents at the end of the period	4	2,743,396	17,628,558

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

Askari Islamic Asset Allocation Fund (the Fund) was established under a Trust deed executed between Pak Oman Asset Management Limited as the Management Company and MCB Financial Services Limited (MCBFSL). The trust deed was approved on 26 August 2008 by the Securities and Exchange Commision of Pakistan (SECP) in accordance with the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003 (The NBFC Rules) and was executed on 18 March 2011.

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

The Fund is an open-ended mutual fund categorised as an "Shariah Compliant Islamic Asset Allocation Scheme" by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited .The units of the Fund were initially offered for public subscription at a par value of Rs. 100 per unit. Thereafter, the units are being offered to the public for subscription on a continuous basisand are transferable and redeemable by surrendering them to the Fund.

As per the offering document, the Fund shall invest in shariah compliant equities and debt securities and other shariah compliant instruments including shariah compliant securities available outside Pakistan as approved by the Shariah Advisor and SECP from time to time.

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

Title to the assets of the Fund are held in the name of MCB Financial Services Limited as trustee of the Fund.

2 STATEMENT OF COMPLIANCE

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

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

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2019.

4 CASH AND BANK BALANCES	Note	30 September 2019 Un-audited	30 June 2019 Audited
		Rupees	
Balances with banks:			
- in saving accounts	4.1	2,743,396	14,154,382
		2,743,396	14,154,382

4.1 The rate of return on these accounts ranges between 3.75% and 10.5% (30 June 2019: 3.75% and 10.5%) per annum.

5 INVESTMENTS			
At fair value through profit or loss			
-Investment in listed equity securities	5.1	1,229,272	38,236,153
-Investments in Sukuks (listed)	5.2	9,691,576	9,795,000
		10,920,848	48,031,153

5.1 Listed equity securities

At fair value through profit or loss - equity securities

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

Name of Investee Company	Number of Shares: As at 01 July 2019	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 30 September 2019	Rupees: Carrying value as at 30 September 2019	Market value as at 30 September 2019	Percentage: Market Value as percentage of total investments	Market Value as a percentage of net assets	Paid-up capital of investee company
COMMERCIAL BANKS										
Meezan Bank Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	-	[illegible]
	[illegible]	-	-	[illegible]	-	-	-	-	-	
TEXTILE COMPOSITE										
Nishat Mills Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	
CEMENT										
[illegible]	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
D.G. Khan Cement Company Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
Lucky Cement Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Pioneer Cement Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
POWER GENERATION AND DISTRIBUTION										
K-Electric Limited (Face value Rs. 3.5 per share)	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
Nishat Power Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
The Hub Power Company Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
OIL AND GAS MARKETING COMPANIES										
Pakistan State Oil Company Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sui Northern Gas Pipelines Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
OIL AND GAS EXPLORATION COMPANIES										
Mari Petroleum Company Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Oil & Gas Development Company Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
Pakistan Oilfields Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Pakistan Petroleum Limited (Note 5.1.1)	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
ENGINEERING										
[illegible]	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	
AUTOMOBILE PARTS AND ACCESSORIES										
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	-	-	-	[illegible]	-	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
TECHNOLOGY AND COMMUNICATION										
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
FERTILIZER										
[illegible]	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
Engro Corporation Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Engro Fertilizers Limited (Note 5.1.1)	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	

Name of Investee Company	Number of Shares: As at 01 July 2019	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 30 September 2019	Rupees: Carrying value as at 30 September 2019	Market value as at 30 September 2019	Percentage: Market Value as percentage of total investments	Market Value as a percentage of net assets	Paid-up capital of investee company
PHARMACEUTICALS										
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
The Searle Company Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
CHEMICALS										
Engro Polymer & Chemicals Limited	[illegible]	-	-	[illegible]	-	-	-	-	-	[illegible]
	[illegible]	-	-	[illegible]	-	-	-	-	-	
PAPER & BOARD										
Packages Limited	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	
FOOD AND PERSONAL CARE PRODUCTS										
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
GLASS AND CERAMICS										
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
REAL ESTATE INVESTMENT TRUST										
Dolmen City REIT	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	
MISCELLANEOUS										
[illegible]	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
[illegible]	-	-	-	-	-	-	-	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	-	-	-	[illegible]	[illegible]	
Total as at 30 September 2019						[illegible]	[illegible]	[illegible]	[illegible]	
Total as at 30 June 2019						[illegible]	[illegible]			

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

Name of Investee Company	Quantity: 30 September 2019 Un-audited	30 June 2019 Audited	Market value: 30 September 2019 Un-audited	30 June 2019 Audited
	----Number of Shares----		----Rupees----	
D.G. Khan Cement Company Limited	-	7,000	-	355,780
Engro Corporation Limited	250	2,500	66,750	694,000
Lucky Cement Limited	50	-	17,100	-
Mari Petroleum Company Limited	12	-	15,756	-
Pakistan Oilfields Limited	50	-	18,000	-
Pakistan State Oil Company Limited	70	-	10,990	-
The Hub Power Company Limited	300	20,000	24,069	1,575,000
Nishat Mills Limited	-	1,500	-	140,910
Oil and Gas Development Company Limited	-	7,000	-	920,400
Pioneer Cement Limited	-	-	-	-
Pakistan Petroleum Limited	75	11,059	10,200	1,565,730
Engro Fertilizers Limited	500	30,000	34,000	1,851,000
	1,346	79,900	182,987	7,238,800

5.2 Investments in Sukuks

Name of Investee Company	Number of certificates				Balance as at 30 September 2019			Market value as a percentage of net assets	Market value as a percentage of total investments	Investment as a percentage of total issue size
	As at 01 July 2019	Purchased during the period	Sold / matured during the period	As at 30 September 2019	Carrying value	Market value	Appreciation / (diminution)			
					------Rupees------			------%------		
[illegible] Bank Limited (note 5.2.1 and 5.2.2)	100	-	-	100	[illegible]	[illegible]	([illegible])	[illegible]%	[illegible]%	[illegible]%

5.2.1 The nominal value of these certificates is Rs. 5,000 each.
5.2.2 The certificates carry interest rate of 6.97% and will mature on 05 November 2021.

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		------Rupees------	
6 PAYABLE TO MANAGEMENT COMPANY			
Remuneration of the Management Company	6.1	80,924	111,367
Sindh sales tax payable on remuneration of the Management Company	6.2	256,332	258,889
Federal Excise Duty payable on remuneration of the Management Company	6.3	1,612,059	1,612,069
Accounting and operational charges payable	6.4	287,281	252,527
Selling and Advertising Expense	6.5	452,340	393,325
Front End Load Payable		437,500	437,500
		3,108,436	3,065,679

6.1 The Management Company has charged its remuneration at the rate of 2% (30 June 2019: 2%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2019: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

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

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

During the year ended 30 June 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any

relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 1.612 million (30 June 2019: Rs. 1.612 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs. 0.0592 (30 June 2019: Rs. 1.5090) per unit.

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

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

	Note	30 September 2019 Un-audited	30 June 2019 Audited
7 ACCRUED EXPENSES AND OTHER LIABILITIES		------Rupees------	
Auditors' remuneration payable		369,245	268,045
Printing charges payable		88,470	93,970
Accrued Rating Fee fee		-	929
With Holding Tax and Capital Gain Tax Payable		20,905	2,946
Legal and professional charges payable		139,741	139,741
Brokerage / Transaction charges payable		18,144	1,905
Provision for Sindh Workers' Welfare Fund	7.1	399,546	399,546
Settlement charges payable		31,248	30,513
Other Payable		1,378	1,378
		1,068,677	938,973

7.1 There is no change in the status of the SWWF as reported in note 12 to the annual financial statements of the Fund for the year ended 30 June 2019.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2019 and 30 June 2019.

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 5.83% (30 June 2019: 4.94%) which includes 0.67% (30 June 2019: 0.54%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an asset allocation scheme.

10 TAXATION

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

11 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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

	For the Quarter Ended 30 September	
	2019	2018
	Un-audited	
	----------Rupees----------	
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration for the period	295,072	571,226
Sindh Sales Tax on remuneration of the Management Company	38,359	75,585
Reimbursement of operational expenses to the Management Company	14,754	29,075
Selling and Marketing expense	59,015	114,112
MCB Financials Services Limited - Trustee		
Remuneration of the Trustee	198,938	285,885

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

	30 September 2019 Un-audited	30 June 2019 Audited
	----------Rupees----------	
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration payable to the management company	83,324	111,367
Sindh Sales tax payable on remuneration of the Management Company	255,332	258,899
Federal Excise Duty payable on remuneration of the Management Company	1,612,359	1,612,359
Accounting and operational charges payable	267,281	252,527
Selling and marketing expenses	452,343	340,326
MCB Financials Services Limited		
Trustee fee payable	129,517	130,354
Burj Bank Limited Employees Contribution Provident Fund		
Outstanding 196,519 (30 June 2019: 196,519) units	14,124,366	15,544,697
Key Management Personnel		
Units held Nil units (2019: Nil units)		

12 GENERAL

12.1 Figures have been rounded off to the nearest rupees.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company October 24, 2019.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONTENTS

Our Mission

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

Our Vision

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

FUND INFORMATION

Management Company
Pak Oman Asset Management Company Limited,
1st Floor Tower A.,
Finance and trade Centre (FTC),
Karachi
Phone : +92 - 21 - 38696275-79
Fax : +92 - 21 - 38696274
Web site : www.pakomanfunds.com

Board of Director of The Management Company

H.E. Yahya Bin Said Bin Abdullah Al-Jabri	Chairman
Mr. Bahauddin Khan	Director
Mr. Humayun Murad	Director
Mr. Sulaiman Hamad Al Harthy	Director
Mr. Saif Said Salim Al Yazidi	Director
Mr. Jehangir Shah	Director
Ms. Sadaf Kazmi	CEO

Audit Committee

Mr. Humayun Murad	Chairman
Mr. Bahauddin Khan	Director
Mr. Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr. Humayun Murad	Chairman
Mr. Bahauddin Khan	Director
Mr. Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr. Bahauddin Khan	Chairman
Mr. Saif Said Salim Al Yazidi	Member
Mr. Humayun Murad	Member
Ms. Sadaf Kazmi	Member

Chief Financial Officer / Company Secretary
Muhammad Farrukh

Asset Manager Rating
AM3 + (Stable outlook)

Trustee
Central Depository Comany of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S,
Main Shahrah-e-Faisal, Karachi.

Auditors
Earnst & Young Ford Rhodes Sidat Hyder
Progressive Plaza, Beaumont Road,
P.O. Box No. 15541, Karachi

Bankers to The Fund
Askari Bank Limited
Bank Al Habib Limited
Burj Bank Limited
Habib Metro Bank
Habib Bank Limited (Islamic Banking)
Silk Bank Limited (Islamic Banking)

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

Transfer Agent
ITMINDS Limited - A Subsidiary of CDC
CDC House, 99-B, S.M.C.H.S
Main Shahra-e-Faisal, Karachi-74400, Pakistan.
Phone : +92 - 21 - 111 - 111 - 500
Fax : +92 - 21 - 34326040
Web site : www.itminds.biz

DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors of Pak Oman Asset Management Company Limited ("the Management Company" or "POAMCL" or "the Company") is pleased to present the quarter report of the Askari Islamic Income Fund (AIIF) for the Quarter Ended 30 September 2019.

Economic Review 1QFY20
Recent developments in the on the economic front in 1QFY20 have been positive. Figures released by Ministry of Finance showed that fiscal policy will come out to be considerably more expansionary going forward. Tax revenues (net of refunds) are expected to grow considerably and has shown signs of recovery in July and August of FY20 which suggested that the economic slowdown may not be as pronounced as may have been feared. Going forward, major challenge for the incumbent government will be effective management of current and fiscal deficits, stabilization of currency and domestic and external debt profiling.

In 1QFY20, headline inflation averaged at 10.08% as compared to 6.00% in FY19. Major reason behind higher inflation was higher core inflation, together with higher food prices especially non perishable food items together with higher fuel prices. In 1QFY20, SPI averaged at 11.38% as compared to 2.49% in same period last year while WPI averaged at 14.41% in comparison to 15.00% in 1QFY20.

After an aggressive cycle of interest rate hike in FY19, MPC, in the Monetary Policy announced in the month of Sep-2019, decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged. Earlier, the decisions to hill rates were driven by higher headline and core inflation, exchange rate depreciation, an elevated fiscal deficit and its increased monetization, and adjustments in utility tariffs.

On the external front, CAD significantly contracted by 34.67% to $1,292 million in 2-months of 1QFY20 against $2,580 million in comparable period last year. CAD contracted due to 40.42% decline in trade deficit. Trade deficit contracted by 40.42% due to decline in imports by 23.44%. This was led by 38.20% decline in oil import bill due to materialization of deferred oil facility, 50.73% decline in imports of motor vehicles and 19.93% decline in import of food items. On the other hands, exports during the period, have shown certain signs of recovery and during 2 Months of ongoing financial Year (FY20), exports increased by 1.42%. On the other hand, rupee devaluation and relief to exporters might help lifting up textile industry, resulting in higher exports.

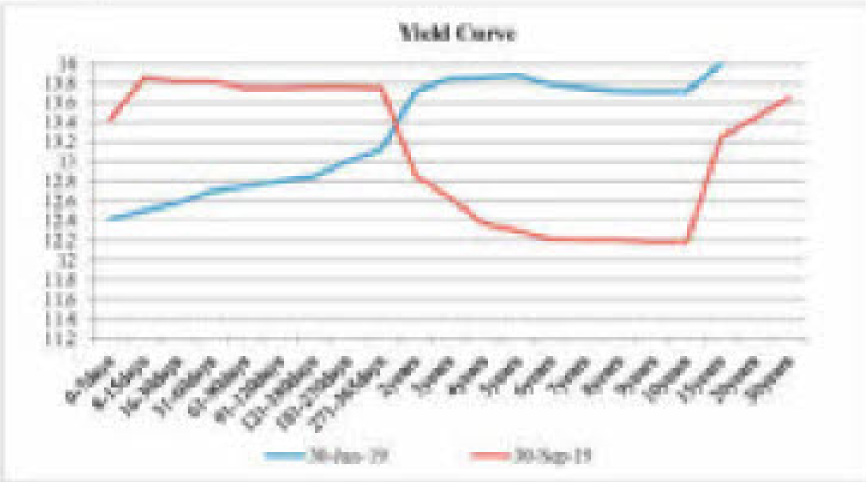
In FY20-To date, broad money supply (M2) grew by 0.09%. NDA of the banking system shrunk by 1.12% while NFA of the banking system improved by 18.30%. The deceleration in credit was more pronounced in real terms as the increase in private sector credit was largely driven by higher input prices, which in turn increased the working capital needs of the businesses. Credit to private sector declined by 0.74% in FY20-To date. The major challenge for the government will still be devaluation of currency, upcoming debt repayments and higher cost of doing business.

Fixed Income Review 1QFY20
In 1QFY20 secondary market yields across short term papers headed north. Yields on short term paper rose by 100bps, 100bps and 82bps and closed the quarter at 12.75%, 12.85% and 13.13% for 3m, 6m and 12m paper respectively. On the other hand, yield on longer tenor bonds headed southwards. Yields shed by 121bps, 150bps and 154bps and stood at 12.64%, 12.30% and 12.38% for 3yr, 5yr and 10yr bond respectively. During the quarter, greater activity was witnessed in longer tenor bonds since market is expecting that interest rates have now peaked out and considering overall macroeconomic dynamics, SBP might initiate an interest rate reversal cycle by end of CY19.

In the Monetary Policy announced in the month of Sep-2019, (MPC) decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged.

In the T-Bill auctions held during the month, SBP raised a total of PKR 6,078 billion against the target of PKR 6,900 billion and maturing amount of PKR 5,183 billion. The cut-off yields settled at 13.7300%, 13.8399% and 13.8499% for 3m, 6m and 12m paper respectively. Major participation was witnessed once in 6-Month and 12-Month papers during the quarter as market remained inclined towards longer instruments. In the PIB auction

for fixed rated bonds, SBP raised PKR 911 billion. Cut-off yields settled at 12.9500%, 12.3760% and 12.2483% for 3yr, 5yr and 10yr bond respectively; while no bids for 20-year tenor were received. In the PIB auction for floating rate PIBs, SBP realized bids worth PKR 220 billion. The cut-off margin was 75bps in the auctions held in the month of July-19 and Aug-19 while SBP slashed margin to 65bps in the last auction held in the month of Sep-19.



AIIF

In 1QFY20, the unit price of AIIF appreciated by 3.20% against its benchmark of 5.66%. The fund has underperformed its benchmark during the period due to revaluation losses on investment in Sukuk Certificates. The assets under management of fund stood at PKR 49.53 million as against PKR 67 million at the start of the financial year. In 1QFY20, exposure against corporate Sukuks averaged at 81.17% of the fund size as compared to 61.97% in same period last year. Exposure against this asset class was reduced in absolute terms during the period under review however changes in percentage terms reflects decline In fund size. Exposure against cash and equivalents averaged 18.83% in 1QFY19 as compared to 12.30% in comparable period last year.

Acknowledgment

We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the management of the Pakistan Stock Exchange. We also wish to place on record our appreciation for the employees of the Management Company.

For and on behalf of the Board
Sadaf kazmi
Chief Executive Officer

24th October 2019
Karachi - Pakistan.

AIIF

ڈائریکٹرز کی رپورٹ

[illegible]

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 SEPTEMBER 2019

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		----------Rupees in ('000)----------	
Assets			
Balances with bank	4	1,138	18,327
Investments	5	49,910	50,843
Mark up accrued		1,586	1,581
Advances, prepayment and other receivables		4,201	3,923
Total assets		56,835	74,674
Liabilities			
Payable to Asset Management Company	6	4,709	4,652
Payable to MCB Financial Services Limited - Trustee		63	65
Payable to the Securities and Exchange Commission of Pakistan		3	130
Accrued expenses and other liabilities	7	2,510	2,374
Total liabilities		7,285	7,221
NET ASSETS		49,550	67,453
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		49,550	67,453
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		497,473	[illegible]
NET ASSET VALUE PER UNIT		99.6045	99.2081

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		-----------Rupees in ('000)-----------	
Income			
Profit on saving and term deposits		309	1,721
Profit on sukuk certificates		1,778	3,168
Net gain on sale of investments		-	101
Net unrealised appreciation / (diminution) on remeasurement of investments at fair value through profit or loss		(933)	532
Total income		1,154	5,592
Expenses			
Remuneration of the Management Company	8.1	183	600
Sindh Sales Tax on remuneration of the Management Company	8.2	21	68
Reimbursement of the operational expenses to the Management Company	8.4	15	60
Selling and marketing expenses	8.5	59	242
Remuneration of MCB Financial Services Limited - Trustee		198	206
Annual fees to the Securities & Exchange Commission of Pakistan		3	45
Auditors' remuneration		101	138
Fees and subscription		50	64
Securities transaction cost and bank charges		38	112
Printing and stationery expenses		30	30
Legal and professional charges		-	13
Provision for Sindh Workers' Welfare Fund		8	78
Total Expenses		744	1,756
Net income for the period before taxation		410	3,836
Taxation	10	-	-
Net income for the period after taxation		410	3,836
Allocation of Net income for the period:			
-Net income for the period after taxation		410	3,836
-Income already paid on units redeemed		(14)	507
		396	4,343
Accounting income available for distribution:			
-Relating to capital gains		(933)	683
-Excluding capital gains		1,329	2,646
		396	3,329

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019	30 September 2018
	-----------Rupees in ('000)-----------	
Net income for the period after taxation	410	3,836
Other comprehensive income	-	-
Total comprehensive income for the period	410	3,836

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September					
	2019			2018		
	Capital Value	Undistributed Income	Net Assets	Capital Value	Undistributed Income	Net Assets
	Rupees in ('000)					
Net assets at the beginning of the period [Units outstanding: [illegible]]	97,202	278	97,480	[illegible]	1,380	[illegible]
Issue of Nil [illegible]	-	-	-	67,309	-	67,309
Redemption of [illegible]	[illegible]	(78)	(18,313)	[illegible]	[illegible]	(179,343)
Total comprehensive income for the period	-	410	410	-	3,656	3,656
Net assets at the end of the period [Units outstanding: [illegible]]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Undistributed income brought forward comprising of:						
Realised		[illegible]			1,200	
Unrealised		[illegible]			[illegible]	
		278			1,380	
Accounting income available for distribution:						
Relating to capital gains		[illegible]			[illegible]	
Excluding capital gains		[illegible]			[illegible]	
		[illegible]			[illegible]	
Undistributed income carried forward - Net		[illegible]			[illegible]	
	Rupees					
Net asset value at the beginning of the period			[illegible]			[illegible]
Net asset value at the end of the period			[illegible]			[illegible]

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		Rupees in ('000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period after taxation		410	3,636
Adjustments for:			
Net gain on sale of investments		-	(151)
Net unrealised appreciation / (diminution) on remeasurement of investments at fair value through profit or loss		500	(530)
Provision for Sindh Workers Welfare Fund		6	76
		541	(605)
Decrease / (increase) in assets			
Investments - Net		-	65,102
Mark up accrued		95	2,016
Advances, prepayment and other receivables		(278)	(6,567)
		(183)	60,551
Decrease in liabilities			
Payable to Asset Management Company		57	(251)
Payable to MCB Financial Services Limited - Trustee		(2)	(7)
Payable to the Securities and Exchange Commission of Pakistan		(127)	(277)
Dividend Payable		-	(3,583)
Accrued expenses and other liabilities		128	(495)
		56	(4,613)
Net cash generated from / (used in) operating activities		1,224	55,169
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		-	67,309
Net payments against redemption of units		(18,313)	(179,343)
Net cash (used in) / generated from financing activities		(18,313)	(112,434)
Net (decrease) / increase in cash and cash equivalents		(17,089)	(53,265)
Cash and cash equivalents at the beginning of the period		18,227	59,861
Cash and cash equivalents at the end of the period	4	1,138	6,596

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

Askari Islamic Income Fund (the Fund) was established under a Trust deed executed between Askari Investment Management Limited as the Management Company and the MCB Financial Services Limited as the Trustee on 26 August 2008. The Fund was registered by Securities and Exchange Commission of Pakistan (SECP) as a notified Entity in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) on 25 June 2009.

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

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

As stated in the offering document, the Fund shall invest in shariah compliant income instruments such as debt securities, placements under Mudaraba, Murabaha and Musharaka arrangements, government securities and other shariah compliant instruments including shariah compliant securities available outside Pakistan as approved by the Shariah Advisor and the SECP from time to time.

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

Title to the assets of the Fund is held in the name of MCB Financial Services Limited as a trustee of the Fund.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

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

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2019.

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		(Rupees in '000)	
4. BALANCE WITH BANKS			
-Saving accounts	4.1	1,138	18,227
		1,138	18,227

4.1 These savings accounts carry mark-up at the rates ranging from 6.2% to 10.00% (30 June 2019: 5.8% to 6.2%) per annum.

	30 September 2019 Un-audited	30 June 2019 Audited
	(Rupees in '000)	
5. INVESTMENTS		
At fair value through profit or loss - held for trading		
Sukuk certificates	49,910	50,843
	49,910	50,843

5.2 Sukuk Certificates

Name of the investee company	Number of certificates				Market value as at 30 September 2019	Investment as a percentage of		
	As at 01 July 2019	Purchased during the period	Sold / matured during the period	As at 30 September 2019		Market value as a percentage of net assets	Market value as a percentage of investment	Investment as a percentage of total issue size
	(Rupees in '000)					% age		
TPL Corporation Limited (Formerly TPL Trakker Limited)	40	-	-	40	40,200	100.73%	100.00%	[illegible]
	40	-	-	40	40,200	100.73%	100.00%	[illegible]

Carrying value before mark to market as at 30 September 2019: [illegible]

5.2.1 Significant terms and conditions of sukuk certificates held as at 30 September 2019 are as follows:

Name of the investee company	Issue Date	Maturity Date	Expected profit	Secured / unsecured	Instrument rating	Redeemable face value
TPL Corporation Limited (Formerly TPL Trakker Limited)	[illegible]-Apr-15	12-Apr-21	1 Month KIBOR + [illegible]%	Secured	A+	[illegible]

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		(Rupees in '000)	
6. PAYABLE TO THE MANAGEMENT COMPANY			
Remuneration of the Management Company	6.1	48	63
Sindh Sales Tax on remuneration of the Management Company	6.2	419	421
Federal Excise Duty on remuneration of the Management Company	6.3	2,742	2,742
Reimbursement of operational expenses to the Management Company	6.4	630	615
Selling and marketing expense	6.5	747	688
Sales Load Payable		123	123
		4,709	4,652

6.1 The Management Company has charged its remuneration at the rate of 1.1% (30 June 2019: 1.1%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2019: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

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

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

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

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs 2.742 million (30 June 2019: 2.742 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs. 5.51 (30 June 2019: Rs. 4.04) per unit.

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

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

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		---------Rupees in ('000)---------	
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		357	299
Printing charges payable		229	-
Withholding Tax and Capital Gain Tax payable		5	5
Provision for Sindh Workers' Welfare Fund	7.1	1,483	1,474
Fund Rating Fee Payable		44	-
Settlement charges		34	-
Legal and professional charges payable		367	367
Others		-	229
		2,519	2,374

7.1 There is no change in the status of the SWWF as reported in note 12 to the annual financial statements of the Fund for the year ended 30 June 2019.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2019 and 30 June 2019.

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 5.08% (June 30, 2019 is 3.82%) which includes 0.46% (June 30, 2019 is 0.42%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio exceed the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

10 TAXATION

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

11 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

	For the Quarter Ended 30 September 2019 Un-audited	For the Quarter Ended 30 September 2018 Un-audited
	---------Rupees in '000---------	
11.1 Transactions for the period		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration for the period	163	650
Sindh Sales tax on remuneration of the Management Company	21	85
Reimbursement of operational expenses to the Management Company	15	60
Selling and marketing expense	93	242
MCB Financial Services Limited - Trustee		
Remuneration of the Trustee	155	250
TCS Pvt Limited Employees Provident Fund		
Issue of 3,875 (2018: Nil) units	395	-
Hamdard Laboratories (Waqf) Pakistan		
Issue of 18,913 (2018: 18,913) units	-	1,919
Syed Muhammad Manzar		
Issue of 297,188 (2018: 297,188) units	-	30,225

	30 September 2019 Un-audited	30 June 2019 Audited
11.2 Investments / outstanding balances as at period / year end	---------Rupees---------	
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration payable to the Management Company	48	53
Sindh Sales Tax payable on Remuneration of the Management Company	419	421
Federal Excise Duty payable on Remuneration of the Management Comp	2,742	2,742
Reimbursement of operational expenses	636	621
Selling and marketing expense	747	686
Sales load payable	123	123
MCB Financial Services Limited (Trustee)		
Remuneration payable to the Trustee	63	65
Holdings with 10% or more		
Outstanding Units: 253,807 (30 June 2019: 248,750)	25,250	24,860

12 GENERAL

Figures have been rounded off to the nearest thousand rupees.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 24, 2019.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONTENTS

Our Mission

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

Our Vision

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

FUND INFORMATION

Management Company
Pak Oman Asset Management Company Limited,
1st Floor Tower A,
Finance and trade Centre (FTC),
Karachi
Phone : +92 - 21 - 38696275-79
Fax : +92 - 21 - 38696274
Web site : www.pakomanfunds.com

Board of Director of The Management Company

H.E. Yahya Bin Said Bin Abdullah Al-Jabri	Chairman
Mr Bahauddin Khan	Director
Mr Humayun Murad	Director
Mr Sulaiman Hamad Al Harthy	Director
Mr Saif Said Salim Al Yazidi	Director
Mr Jehangir Shah	Director
Ms. Sadaf Kazmi	CEO

Audit Committee

Mr Humayun Murad	Chairman
Mr Bahauddin Khan	Director
Mr Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr Humayun Murad	Chairman
Mr Bahauddin Khan	Director
Mr Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr Bahauddin Khan	Chairman
Mr Saif Said Salim Al Yazidi	Member
Mr Humayun Murad	Member
Ms. Sadaf Kazmi	Member

Chief Financial Officer / Company Secretary
Muhammad Farrukh

Asset Manager Rating
AM3 + (Stable outlook)

Trustee
Central Depository Comany of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S.
Main Shahrah-e-Faisal, Karachi.

Auditors
Earnst & Young Ford Rhodes Sidat Hyder
Progressive Plaza, Beaumont Road,
P.O. Box No. 15541, Karachi

Bankers to The Fund
Askari Bank Limited
Bank Al Habib Limited
Burj Bank Limited
Habib Metro Bank
Habib Bank Limited (Islamic Banking)
Silk Bank Limited (Islamic Banking)

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

Transfer Agent
ITMINDS Limited - A Subsidiary of CDC
CDC House, 99-B, S.M.C.H.S
Main Shahra-e-Faisal, Karachi-74400, Pakistan.
Phone : +92 - 21 - 111 - 111 - 500
Fax : +92 - 21 - 34326040
Web site : www.itminds.biz

DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors of Pak Oman Asset Management Company Limited ("the Management Company" or "POAMCL" or "the Company") is pleased to present the annual report of the Pak Oman Islamic Asset Allocation Fund (POIAAF) for the Quarter Ended 30 September 2019.

Economic Review 1QFY20
Recent developments in the on the economic front in 1QFY20 have been positive. Figures released by Ministry of Finance showed that fiscal policy will come out to be considerably more expansionary going forward. Tax revenues (net of refunds) are expected to grow considerably and has shown signs of recovery in July and August of FY20 which suggested that the economic slowdown may not be as pronounced as may have been feared. Going forward, major challenge for the incumbent government will be effective management of current and fiscal deficits, stabilization of currency and domestic and external debt profiling.

In 1QFY20, headline inflation averaged at 10.08% as compared to 6.08% in FY19. Major reason behind higher inflation was higher core inflation, together with higher food prices especially non-perishable food items together with higher fuel prices. In 1QFY20, SPI averaged at 11.88% as compared to 2.49% in same period last year while WPI averaged at 14.41% in comparison to 15.89% in 1QFY20.

After an aggressive cycle of interest rate hike in FY19, MPC, in the Monetary Policy announced in the month of Sep-2019, decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged. Earlier, the decision to hike rates were driven by higher headline and core inflation, exchange rate depreciation, an elevated fiscal deficit and its increased monetization, and adjustments in utility tariffs.

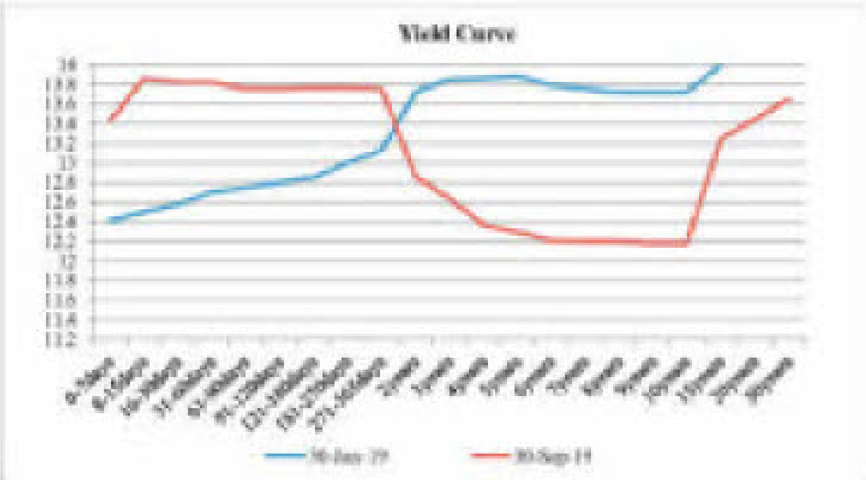
On the external front, CAD significantly contracted by 54.67% to $1,292 million in 2-months of 1QFY20 against $2,580 million in comparable period last year. CAD contracted due to 40.42% decline in trade deficit. Trade deficit contracted by 40.42% due to decline in imports by 23.44%. This was led by 38.20% decline in oil import bill due to materialization of deferred oil facility, 30.73% decline in imports of motor vehicles and 19.95% decline in import of food items. On the other hands, exports during the period, have shown certain signs of recovery and during 2-Months of ongoing financial Year (FY20), exports increased by 1.42%. On the other hand, rupee devaluation and relief to exporters might help lifting up textile industry, resulting in higher exports.

In FY20-To date, broad money supply (M2) grew by 0.09%. NDA of the banking system shrunk by 1.12% while NFA of the banking system improved by 18.10%. The deceleration in credit was more pronounced in real terms as the increase in private sector credit was largely driven by higher input prices, which in turn increased the working capital needs of the businesses. Credit to private sector declined by 0.74% in FY20-To date. The major challenge for the government will still be devaluation of currency, upcoming debt repayments and higher cost of doing business.

Fixed Income Review 1QFY20
In 1QFY20 secondary market yields across short term papers headed north. Yields on short term paper rose by 100bps, 100bps and 62bps and closed the quarter at 12.75%, 12.85% and 13.13% for 3m, 6m and 12m paper respectively. On the other hand, yield on longer tenor bonds headed southwards. Yields shed by 121bps, 150bps and 154bps and stood at 12.64%, 12.30% and 12.18% for 3yr, 5yr and 10yr bond respectively. During the quarter, greater activity was witnessed in longer tenor bonds since market is expecting that interest rates have now peaked out and considering overall macroeconomic dynamics, SBP might initiate an interest rate reversal cycle by end of CY19.

In the Monetary Policy announced in the month of Sep-2019, (MPC) decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged.

In the T-Bill auctions held during the month, SBP raised a total of PKR 6,078 billion against the target of PKR 6,900 billion and maturing amount of PKR 5,185 billion. The cut-off yields settled at 13.7300%, 13.8390% and 13.8499% for 3m, 6m and 12m paper respectively. Major participation was witnessed seen in 6-Month and 12-Month papers during the quarter as market remained inclined towards longer instruments. In the PIB auction for fixed rated bonds, SBP raised PKR 911 billion. Cut-off yields settled at 12.9500%, 12.3760% and 12.2483% for 3yr, 5yr and 10yr bond respectively; while no bids for 20 year tenor were received. In the PIB auction for floating rate PIBs, SBP realized bids worth PKR 220 billion. The cut-off margin was 75bps in the auctions held in the month of July-19 and Aug-19 while SBP slashed margin to 65bps in the last auction held in the month of Sep-19.



Equity Review
KSE100 Index outperformed surging by 2407pts (8.11%MoM) and closed at 32,079pts. The revival of some macroeconomic indicators (recovery in current account deficit, foreign exchange reserves and PKR against USD) despite increasing tensions on LoC over Kashmir with India supported the recovery in KSE100 Index. Moving forward, Pakistan listed among the top 20 improvers in doing business by World Bank would be positive for FDI. However, on local front, business community concerns over FBR policies continue to hinder business activities.

Trading activities charged as market average volume uptick by 1.5%MoM to 114.5mn shares, whereas KEL, MLCF and WTL were the major volume leaders. The total market capitalization of All-Shares Index increased by 5.3%MoM to USD41bn, mainly due to the rise in Banks (2.9%), E&P (18.5%) and Fertilizer (5.7%) market capitalization.

During the last month of the quarter, E&P sector remained the major contributor added 804pts in the Index followed by Banking and Fertilizer sectors, extended Index by 421pts and 318pts respectively.

PAK OMAN ISLAMIC ASSET ALLOCATION FUND

Going forward, we anticipate capital market to remain in consolidation phase although attractive valuation encouraging long term investors to build their positions. The further soft recovery could witness given positive development on Kashmir issue and on FATF.

POIAAF
In the 1QFY20, POIAAF delivered return of -3.99% against the benchmark return of -1.04%, underperforming by 0.07%.

The assets under management of the fund stood at PKR 226Mn at the end of 1QFY20. Equities remained the major asset class with average exposure standing at 29% of the net assets of the fund.

During the period under review, apart from equities, 27% of the funds remained invested in debt securities.

Acknowledgment
We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the management of the Pakistan Stock Exchange. We also wish to place on record our appreciation for the employees of the Management Company.

For and on behalf of the Board
Sadaf kazmi
Chief Executive Officer

24th October 2019
Karachi - Pakistan.

POIAAF

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 SEPTEMBER 2019

	Note	30 September 2018 Un-audited	30 June 2019 Audited
		---------Rupees in '000---------	
ASSETS			
Balances with Bank	4	96,914	26,094
Investments	5	128,672	152,186
Dividend and profit receivable		4,493	3,764
Advances, deposits, prepayments and other receivables		2,979	2,934
Total assets		233,058	184,978
LIABILITIES			
Payable to Management Company	6	4,028	3,743
Payable to Trustee		45	45
Payable to the Securities and Exchange Commission of Pakistan		9	254
Accrued expenses and other liabilities	7	3,102	2,830
Total liabilities		7,184	6,872
NET ASSETS		225,874	178,106
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		225,874	178,106
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		5,211,433	3,945,650
NET ASSET VALUE PER UNIT		43.3419	45.1394

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM INCOME STATEMENT

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	2018
		----Rupees in '000----	
INCOME / (LOSS)			
Profit on bank balances		1,298	1,290
Dividend income		821	2,582
Profit on sukuk certificates		2,272	1,093
Net capital gain / (loss) on sale of investments		(1,241)	995
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(8,099)	(5,581)
Total Income		**(4,949)**	379
EXPENSES			
Remuneration of Asset Management Company	8.1	905	1,472
Sindh Sales Tax on Remuneration of the Management Company	8.2	118	191
Reimbursement of operational expenses to the Management Company	8.4	45	80
Selling and Marketing expense	8.5	181	295
Remuneration of MCB Financial Services Limited - Trustee		81	99
Annual fee to the Securities and Exchange Commission of Pakistan		9	70
Charity / Donation		-	252
Auditors' remuneration		145	91
Shariah Advisory Fee		144	552
Securities transaction cost		108	386
Printing and Stationery charges		9	23
Legal and professional charges		16	50
Fee and Subscription		84	47
Settlement and Bank charges		1	5
Total Expenses		**1,798**	3,922
Net loss for the period before taxation		(6,747)	(3,653)
Taxation	10	-	-
Net loss for the period after taxation		(6,747)	(3,653)
Allocation of Net loss for the period:			
- Net loss for the period after taxation		(6,747)	(3,653)
- Income already paid on units redeemed		(3)	(1,153)
		(6,750)	(4,806)
Accounting income available for distribution:			
- Relating to capital gains		-	-
- Excluding capital gains		(6,750)	(4,806)
		(6,750)	(4,806)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019	2018
	----Rupees in '000----	
Net loss for the period after taxation	(6,747)	(3,653)
Other comprehensive (loss) / income	-	-
Total comprehensive loss for the period	(6,747)	(3,653)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September					
	2019			2018		
	Capital Value	Undistributed	Net Assets	Capital Value	Undistributed	Net Assets
	Rupees in '000					
Net assets at the beginning of the period [Units outstanding: 3,945,658 (2018: 5,113,682)]	213,875	(35,569)	178,306	273,252	(4,157)	269,095
Issue of 1,287,265 (2018: 594,370) units	57,209	(2,625)	54,584	80,000	-	80,000
Redemption of 1,522 (2018: 467,412) units	(68)	3	(65)	(23,867)	(1,153)	(25,020)
Total comprehensive loss for the period		(6,747)	(6,747)		(3,653)	(3,653)
Net assets at the end of the period [Units outstanding: 5,211,430 (2018: 5,640,061)]	270,812	(44,938)	225,874	289,385	(8,963)	280,422

	2019	2018
Un-distributed income brought forward comprising of:		
-Realised	(7,679)	9,240
-Unrealised	(27,890)	(13,397)
	(35,569)	(4,157)
Accounting income available for distribution:		
-Relating to capital gains	-	-
-Excluding capital gains	(44,938)	(4,806)
	(44,938)	(4,806)
Un-distributed income carried forward - net	(50,507)	(8,963)

	Rupees	
Net asset value at the beginning of the period	45.14	52.62
Net asset value at the end of the period	43.24	51.49

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

PAK OMAN ISLAMIC ASSET ALLOCATION FUND

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period after taxation		(6,747)	(3,653)
Adjustments:			
Net capital gain / (loss) on sale of investments		1,241	(595)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		8,099	5,591
		9,340	4,996
(Increase) / decrease in assets			
Investments - net		14,174	(16,369)
Receivable against sale of investments		-	(670)
Dividend and profit receivable		(729)	(4,448)
Advances, deposits, prepayments and other receivables		(45)	4,924
		13,400	(16,563)
(Decrease) / increase in liabilities			
Payable to Management Company		286	194
Payable to Trustee		-	5
Payable to the Securities and Exchange Commission of Pakistan		(245)	(192)
Dividend payable		-	-
Accrued expenses and other liabilities		272	(1,590)
		313	(1,583)
Net cash (used in) / generated from operating activities		16,306	(16,803)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issue of units		54,580	50,000
Net payments against redemption of units		(66)	(25,020)
Net cash generated from / (used in) financing activities		54,514	24,980
Net increase in cash and cash equivalents		70,820	8,177
Cash and cash equivalents at the beginning of the period		26,094	38,494
Cash and cash equivalents at the end of the period	4	96,914	46,671

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

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

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3+" to the Management Company and a stability rating of 2 Star to the Fund.

2 STATEMENT OF COMPLIANCE

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2019.

	Note	30 September 2019 Un-audited	30 June 2019 Audited
4 CASH AND BANK BALANCES		-------------Rupees-------------	
Balances with banks:			
- in saving accounts	4.1	96,914	26,094
		96,914	26,094

4.1 The rate of return on these accounts ranges between 4.5% and 12.75% (30 June 2019: 4.5% and 10%) per annum.

5 INVESTMENTS

	Note	30 September 2019 Un-audited	30 June 2019 Audited
At fair value through profit or loss - held for trading			
-Sukuk certificates		61,179	64,130
-Investment in listed equity securities	5.1	67,493	88,056
		128,672	152,186

5.1 [illegible]

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]										[illegible]
[illegible]											
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
[illegible]											
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
[illegible]											
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
[illegible]											
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
Cement											
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		

----------(Number of shares)---------- ---Rupees

----------(Number of shares)---------- ---Rupees

		Note	30 September 2019 Un-audited	30 June 2019 Audited
			----Rupees in '000----	
6	**PAYABLE TO MANAGEMENT COMPANY**			
	Remuneration of the Management Company	6.1	308	297
	Sindh sales tax payable on remuneration of the Management Company	6.2	40	39
	Federal Excise Duty payable on remuneration of the Management Company	6.3	718	718
	Payable Against Selling and Marketing Expense		1,254	1,073
	Payable Against Shariah Advisory Fee		960	912
	Payable Against Accounting and Operational Charges		749	704
			4,029	3,743

6.1 The Management Company has charged its remuneration at the rate of 2% (30 June 2019: 2%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2019: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

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

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

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

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 0.718 million (30 June 2019: Rs. 0.718 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs. 0.14 (30 June 2019: Rs. 0.16) per unit.

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

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

		Note	30 September 2019 Un-audited	30 June 2019 Audited
			----Rupees in '000----	
7	**ACCRUED EXPENSES AND OTHER LIABILITIES**			
	Auditors' remuneration payable		486	340
	Printing charges payable		143	-
	Withholding tax and capital gains tax payable		113	-
	Provision for Sindh Workers' Welfare Fund	7.1	1,682	1,661
	Transaction charges payable		40	10
	Fund Rating Fee Payable		48	
	Other Payable		603	819
			3,102	2,830

7.1 There is no change in the status of the SWWF as reported in note 11.1 to the annual financial statements of the Fund for the year ended 30 June 2019.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2019 and 30 June 2019.

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 4.04% (30 June 2019: 3.90%) which includes 0.41% (30 June 2019: 0.40%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

10 TAXATION

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

11 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

	For the Quarter Ended 30 September	
	2019	2018
	Un-audited	Un-audited
11.1 Details of transaction with related parties during the period are as follows:	------Rupees in '000------	
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration of the Management Company	908	1,472
Sindh Sales tax on Remuneration of Management Company	118	191
Reimbursement of operational expenses to the Management Company	45	86
Selling and Marketing expense	181	255
Gul Ahmed Textile Mills Limited - Employee Provident Fund Associated Entity of the Fund		
Issue of Nil (2017: 225,098) units	-	-
MCB Financial Services Limited - Trustee of the Fund		
Remuneration of the Trustee	81	99
Pak Qatar Investment Account		
Issue of 575,784 (2017: Nil) units	28,813	28,810
Redemption of 467,926 (2017: Nil) units	25,000	25,000
Askari Bank Limited		
Issue of 992,188 (2018: Nil) units	42,757,366	-

		30 September 2019	30 June 2019
		Un-audited	Audited
	Note	------Rupees in '000------	
11.2 Details of balances with related parties as at the period / year end are as follows:			
Pak Oman Asset Management Company Limited (Management Company)			
Remuneration payable to the management company		308	297
Sindh Sales tax payable on remuneration of the Management Company		40	39
Federal Excise Duty payable on remuneration of the Management Company		718	718
Payable Against Selling and Marketing Expense		1,254	1,373
Payable Against Shariah Advisory Fee		960	912
Payable Against Accounting and Operational Charges		749	704
MCB Financial Services Limited- the Trustee			
Trustee fee payable		45	45
Pak Oman Investment Company Limited - holding company of the Management Company			
Outstanding 2,000,000 (30 June 2019: 2,000,000) units		86,880	90,279
Sui Southern Gas Non Executive Staff Gratuity Fund			
Outstanding 656,188 (30 June 2019: 656,188) units		28,439	28,620
Sui Southern Gas Non Executive Staff Provident Fund			
Outstanding 610,407 (30 June 2019: 610,407) units		28,455	27,583
Askari Bank Limited			
Outstanding 992,188 (30 June 2019: Nil) units		43,001	-

12 GENERAL

Figures have been rounded off to the nearest thousand rupees.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 24, 2019.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONTENTS

PAK OMAN ADVANTAGE ISLAMIC INCOME FUND

Our Mission

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

Our Vision

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

FUND INFORMATION

Management Company
Pak Oman Asset Management Company Limited,
1st Floor Tower A ,
Finance and trade Centre (FTC),
Karachi
Phone : +92 - 21 - 38696275-79
Fax : +92 - 21 - 38696274
Web site : www.pakomanfunds.com

Board of Director of The Management Company

H.E. Yahya Bin Said Bin Abdullah Al-Jabri	Chairman
Mr. Bahauddin Khan	Director
Mr. Hamayun Murad	Director
Mr. Sulaiman Hamad Al Harthy	Director
Mr. Saif Said Salim Al Yazidi	Director
Mr. Jehangir Shah	Director
Ms. Sadaf Kazmi	CEO

Audit Committee

Mr. Hamayun Murad	Chairman
Mr. Bahauddin Khan	Director
Mr. Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr. Hamayun Murad	Chairman
Mr. Bahauddin Khan	Director
Mr. Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr. Bahauddin Khan	Chairman
Mr. Saif Said Salim Al Yazidi	Member
Mr. Hamayun Murad	Member
Ms. Sadaf Kazmi	Member

Chief Financial Officer / Company Secretary
Muhammad Farrukh

Asset Manager Rating
AM3 + (Stable outlook)

Trustee
Central Depository Comany of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S.
Main Shahrah-e-Faisal, Karachi

Auditors
Earnst & Young Ford Rhodes Sidat Hyder
Progressive Plaza, Beaumont Road,
P.O. Box No. 15541, Karachi

Bankers to The Fund
Askari Bank Limited
Bank Al Habib Limited
Burj Bank Limited
Habib Metro Bank
Habib Bank Limited (Islamic Banking)
Silk Bank Limited (Islamic Banking)

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

Transfer Agent
ITMINDS Limited - A Subsidiary of CDC
CDC House, 99-B, S.M.C.H.S
Main Shahra-e-Faisal, Karachi-74400, Pakistan.
Phone : +92 - 21 - 111 - 111 - 500
Fax : +92 - 21 - 34326040
Web site : www.itminds.biz

DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors of Pak Oman Asset Management Company Limited ("the Management Company" or "POAMCL" or "the Company") is pleased to present the quarter report of the Pak Oman Advantage Islamic Income (POAIIF) for the Quarter Ended 30 September 2019.

Economic Review 1QFY20
Recent developments in the on the economic front in 1QFY20 have been positive. Figures released by Ministry of Finance showed that fiscal policy will come out to be considerably more expansionary going forward. Tax revenues (net of refunds) are expected to grow considerably and has shown signs of recovery in July and August of FY20 which suggested that the economic slowdown may not be as pronounced as may have been feared. Going forward, major challenge for the incumbent government will be effective management of current and fiscal deficits, stabilization of currency and domestic and external debt profiling.

In 1QFY20, headline inflation averaged at 10.08% as compared to 6.08% in FY19. Major reason behind higher inflation was higher core inflation, together with higher food prices especially non-perishable food items together with higher fuel prices. In 1QFY20, SPI averaged at 11.38% as compared to 2.49% in same period last year while WPI averaged at 14.41% in comparison to 13.60% in 1QFY20.

After an aggressive cycle of interest rate hike in FY19, MPC, in the Monetary Policy announced in the month of Sep-2019, decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged. Earlier, the decision to hit rates were driven by higher headline and core inflation, exchange rate depreciation, an elevated fiscal deficit and its increased monetization, and adjustments in utility tariffs.

On the external front, CAD significantly contracted by 34.67% to $1,292 million in 2-months of 1QFY20 against $2,580 million in comparable period last year. CAD contracted due to 40.42% decline in trade deficit. Trade deficit contracted by 40.42% due to decline in imports by 23.44%. This was led by 38.20% decline in oil import bill due to materialization of deferred oil facility, 30.73% decline in import of motor vehicles and 19.95% decline in import of food items. On the other hands, exports during the period, have shown certain signs of recovery and during 2-Months of ongoing financial Year (FY20), exports increased by 1.42%. On the other hand, rupee devaluation and relief to exporters might help lifting up textile industry, resulting in higher exports.

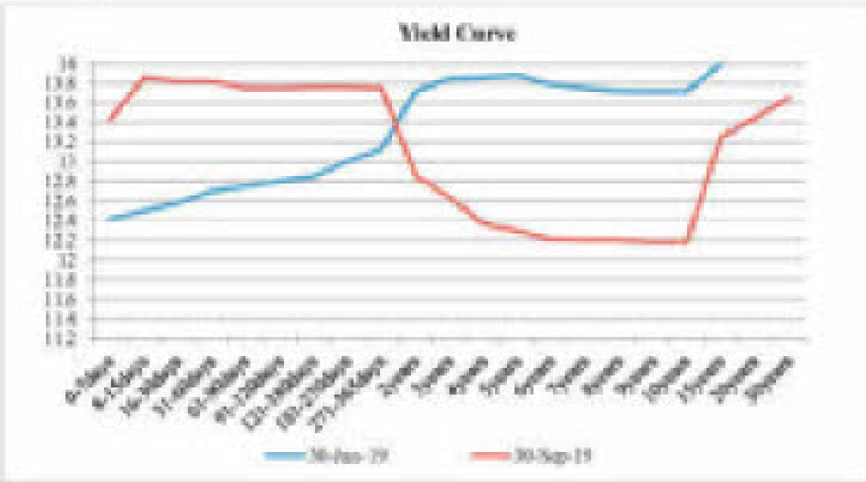
In FY20-To date, broad money supply (M2) grew by 0.09%. NDA of the banking system shrunk by 1.12% while NFA of the banking system improved by 18.30%. The deceleration in credit was more pronounced in real terms as the increase in private sector credit was largely driven by higher input prices, which in turn increased the working capital needs of the businesses. Credit to private sector declined by 0.74% in FY20-To date. The major challenge for the government will still be devaluation of currency, upcoming debt repayments and higher cost of doing business.

Fixed Income Review 1QFY20
In 1QFY20 secondary market yields across short term papers headed north. Yields on short term paper rose by 100bps, 100bps and 62bps and closed the quarter at 12.75%, 12.85% and 13.13% for 3m, 6m and 12m paper respectively. On the other hand, yield on longer tenor bonds headed southwards. Yields shed by 121bps, 150bps and 154bps and stood at 12.64%, 12.50% and 12.08% for 3yr, 5yr and 10yr bond respectively. During the quarter, greater activity was witnessed in longer tenor bonds since market is expecting that interest rates have now peaked out and considering overall macroeconomic dynamics, SBP might initiate an interest rate reversal cycle by end of CY19.

In the Monetary Policy announced in the month of Sep-2019, (MPC) decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged.

In the T-Bill auctions held during the month, SBP raised a total of PKR 6,978 billion against the target of PKR 6,900 billion and maturing amount of PKR 5,183 billion. The cut-off yields settled at 13.7300%, 13.8399% and 13.8499% for 3m, 6m and 12m paper respectively. Major participation was witnessed seen in 6-Month and 12-Month papers during the quarter as market remained inclined towards longer instruments. In the PIB auction

for fixed rated bonds, SBP raised PKR 911 billion. Cut-off yields settled at 12.9500%, 12.3760% and 12.2483% for 3yr, 5yr and 10yr bond respectively; while no bids for 20-year tenor were received. In the PIB auction for floating rate PIBs, SBP realized bids worth PKR 220 billion. The cut-off margin was 75bps in the auctions held in the month of July-19 and Aug-19 while SBP slashed margin to 65bps in the last auction held in the month of Sep-19.



POAIIF

In 1QFY20 the unit price of POAIIF appreciated by 8.50% against its benchmark of 5.66%. The fund has outperformed its benchmark by 284bps. The assets under management of fund stood at PKR 211 million as against PKR 231 million at the start of the financial year. During the period, average exposure against Corporate Sukuks stood at 59.18% as compared to 49.92% in 1QFY20. Exposure against this asset class saw negligible change and exposure was maintained in absolute terms and change in percentage terms reflects change in fund size. Remaining funds were invested as cash with A and above rated Islamic banks/Islamic windows of commercial banks during the reportable period. Average cash exposure of the fund during the July-19 to Sep-19 stood at 40.82%.

Acknowledgment

We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the management of the Pakistan Stock Exchange. We also wish to place on record our appreciation for the employees of the Management Company.

For and on behalf of the Board
Sadaf kazmi
Chief Executive Officer

24th October 2019
Karachi - Pakistan.

POAIF

[illegible]

[illegible]

[illegible]

[illegible]

24 اکتوبر 2019

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 SEPTEMBER 2019

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		------- Rupees in ('000) -------	
Assets			
Balances with bank	4	83,807	99,611
Investments	5	124,717	129,614
Mark up accrued		5,744	5,770
Deposits, prepayments and other receivable		1,436	502
Total assets		215,704	235,497
Liabilities			
Payable to Asset Management Company	6	1,510	1,690
Payable to Trustee		23	27
Payable to the Securities & Exchange Commission of Pakistan		10	193
Dividend payable		436	436
Accrued expenses and other liabilities	7	2,160	1,761
Total liabilities		4,139	4,107
NET ASSETS		211,565	231,390
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		211,565	231,390
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		3,961,910	4,425,901
NET ASSET VALUE PER UNIT		53.3990	52.2801

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM INCOME STATEMENT

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		------Rupees in ('000)------	
Income			
Profit on saving and term deposits		2,433	2,542
Mark-up on Sukuk Certificates		4,520	2,694
Capital Gain on disposal of Sukuk		24	
Unrealised gain / (loss) on revaluation of marketable securities at fair value through profit or loss		(1,005)	388
Total Income		5,983	5,624
Expenses			
Remuneration of the Management Company	4.1	799	1,042
Sindh Sales Tax on Remuneration of the Management Company	4.2	104	136
Reimbursement of operational expenses to the Management Company	4.4	53	80
Remuneration of MCB Financial Services - Trustee		72	94
Annual fees to the Securities & Exchange Commission of Pakistan		11	52
Auditors' remuneration		154	90
Fees and Subscription		45	76
Bank, settlement and other charges		5	11
Printing and stationary expenses		-	24
Shariah Advisory Fee		144	38
Legal and professional charges		17	60
Provision for Sindh Workers' Welfare Fund		92	82
Total Expenses		1,499	1,785
Net income for the period before taxation		4,484	4,039
Taxation	10	-	-
Net income for the period after taxation		4,484	4,039
Allocation of Net income for the year:			
- Net income for the period after taxation		4,484	4,039
- Income already paid on units redeemed		(69)	(145)
		4,415	3,894
Accounting income available for distribution:			
-Relating to capital gains		-	-
-Excluding capital gains		4,415	3,894
		4,415	3,894

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019	30 September 2018
	----Rupees in ('000)----	
Net income for the period after taxation	4,484	4,039
Other comprehensive income for the quarter	-	-
Total comprehensive income for the period	4,484	4,039

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September					
	2019			2018		
	Capital Value	Undistributed Income	Net Assets	Capital Value	Undistributed Income	Net Assets
	----------(Rupees in '000)----------					
Net assets at the beginning of the period	215,935	8,195	221,130	293,229	11,498	304,727
[Units outstanding: 4,625,901 (2018: 5,798,231)]						
Issue of 20,803 (2018: 484,948 units)	1,092	20	1,112	25,536	-	25,536
Redemption of 484,944 (2018: 1,158,142 units)	(25,353)	(68)	(25,421)	(60,863)	(145)	(61,008)
Total comprehensive income for the period	-	4,484	4,484	-	4,039	4,039
Net assets at the end of the period	195,644	12,631	211,585	257,902	15,392	273,294
[Units outstanding: 3,961,315 (2018: 5,125,628)]						
Undistributed income brought forward comprising of:						
-Realized		8,396				11,803
-Unrealised		(201)				(305)
		8,195				11,498
Accounting income available for distribution:						
-Relating to capital gains		-				-
-Excluding capital gains		12,631				3,894
Net income for the year after taxation		12,631				3,894
Undistributed income carried forward - net		20,826				15,392
			----------Rupees----------			
Net asset value at the beginning of the period			52.2801			52.5553
Net asset value at the end of the period			53.2898			53.2370

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		-----Rupees in ('000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period after taxation		4,484	4,039
Adjustments for:			
Net unrealised (gain) / loss on re-measurement of investments classified as "financial assets at fair value through profit or loss"		1,003	(368)
Capital Gain on disposal of Sukuk		24	-
Provision for Sindh Workers Welfare Fund		92	62
		1,119	(306)
Increase in assets			
Investments - Net		3,870	1
Mark up accrued		26	(74)
Deposits, prepayments and other receivable		(934)	(949)
		2,962	(1,022)
(Decrease) / Increase in liabilities			
Payable to Asset Management Company		(160)	(13)
Payable to Trustee		(4)	(5)
Payable to the Securities & Exchange Commission of Pakistan		(163)	(164)
Dividend payable		-	(8,960)
Accrued expenses and other liabilities		307	275
		(20)	(8,867)
Net cash (used in) / generated from operating activities		8,505	(6,156)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		1,112	26,098
Payments against redemption of units		(25,421)	(61,510)
Net cash used in financing activities		(24,309)	(35,412)
Net decrease in cash and cash equivalents		(15,804)	(41,568)
Cash and cash equivalents at the beginning of the period		99,611	122,127
Cash and cash equivalents at the end of the period		83,807	80,559

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

Pak Oman Advantage Islamic Income Fund (the Fund) was established under a Trust deed executed between Pak Oman Asset Management Limited as the Management Company and MCB Financial Services Limited (MCBFSL). The trust deed was approved on 15 May 2012 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003 (The NBFC Rules).

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

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

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3+" to the Management Company as at 28 August 2018, and a stability rating of A(f) to the Fund.

Title to the assets of the Fund are held in the name of MCB Financial Services Limited as a trustee of the Fund.

2 STATEMENT OF COMPLIANCE

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2019.

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		(Rupees in '000)	
4. BALANCE WITH BANKS			
-Saving accounts	4.1	83,807	99,611

4.1 These savings accounts carry mark-up at the rates ranging from 6% to 12.75% (30 June 2019: 4.5% to 10%) per annum.

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		(Rupees in '000)	
5. INVESTMENTS			
At fair value through profit or loss - held for trading			
Listed Sukuk certificates	5.2	28,653	30,220
Unlisted Sukuk certificates	5.3	96,064	99,394
		124,717	129,614

5.2 Listed Sukuk Certificates

Name of the investee company	Number of certificates: As at 01 July 2019	Purchased during the period	Sold/ matured during the period	As at 30 September 2019	Market value as at 30 September 2019	Investment as a percentage of: Market value as a percentage of net assets	Market value as a percentage of investment	Investment as a percentage of total issue size
			(Rupees in '000)				%age	
Dawood Hercules Corporation Limited	170	-	-	170	[illegible]	[illegible]	[illegible]	[illegible]
Dawood Hercules Corporation Limited II	150	-	-	150	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	

5.3 Unlisted Sukuk Certificates

Name of the investee company	Number of certificates: As at 01 July 2019	Purchased during the period	Sold/ matured during the period	As at 30 September 2019	Market value as at 30 September 2019	Investment as a percentage of: Market value as a percentage of net assets	Market value as a percentage of investment	Investment as a percentage of total issue size
			(Rupees in '000)				%age	
TPL Corporation Limited (Formerly TPL Trakker Limited)	35	-	-	35	[illegible]	[illegible]	[illegible]	[illegible]
International Brands Limited	400	-	-	400	[illegible]	[illegible]	[illegible]	[illegible]
Byco Petroleum Pakistan Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	

Carrying value before mark to market as at 30 September 2019: [illegible]

5.2.1 Significant terms and conditions of sukuk certificates held as at 30 September 2019 are as follows:

Name of the investee company	Issue Date	Maturity Date	Expected profit	Secured/ unsecured	Instrument rating	Redeemable face value
[illegible] Limited	15-Nov-17	15-Nov-21	[illegible] Months KIBOR + [illegible]%	Secured	AA(sp) Trustee	100,000
Byco Petroleum Pakistan Limited	18-Jan-17	18-Jan-22	3 Months KIBOR + 1.[illegible]%	Secured	AAA(sp) Trustee	100,000
Dawood Hercules Corporation Limited	16-Nov-17	16-Nov-22	3 Months KIBOR + 1.0%	Secured	AA Trustee	100,000
Dawood Hercules Corporation Limited II	1-Mar-18	1-Mar-23	3 Months KIBOR + 1.0%	Secured	AA Trustee	100,000
TPL Corporation Limited (Formerly TPL Trakker Limited)	13-Apr-16	13-Apr-21	1 Months KIBOR + 3.0%	Secured	A- Non Trustee	100,000

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		---(Rupees in '000)---	
6 PAYABLE TO THE MANAGEMENT COMPANY			
Remuneration of the Management Company	6.1	256	301
Sindh Sales Tax on remuneration of the Management Company	6.2	128	134
Federal Excise Duty on remuneration of the Management Company	6.3	661	661
Reimbursement of operational expenses to the Management Company	6.4	312	258
Shariah advisory fee payable		152	335
Sales Load Payable		1	1
		1,510	1,690

6.1 The Management Company has charged its remuneration at the rate of 1.5% (30 June 2019: 1.5%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (June 30, 2019: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

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

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

During the year ended 30 June 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any

relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 01 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 0.0661 million (30 June 2019: 0.0661 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs. 0.0323 (30 June 2019: Rs. 0.1493) per unit.

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

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		---Rupees in ('000)---	
7 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		538	267
Printing charges payable		50	-
Withholding tax payable		34	-
Capital Gain Tax payable		107	-
Provision for Sindh Workers' Welfare Fund	7.1	1,217	1,125
Fund Rating Fee		214	-
Others		-	369
		2,160	1,761

7.1 There is no change in the status of the SWWF as reported in note 11 to the annual financial statements of the Fund for the year ended 30 June 2019.

8 **CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at 30 September 2019 and 30 June 2019.

9 **EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 2.70% (June 30, 2019 2.51%) which includes 0.31% (June 30, 2019 2.08%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP.

etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

10 TAXATION

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

11 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

	For the Quarter Ended 30 September	
	2019	2018
	Un-audited	Un-audited
	----Rupees (000')----	
11.1 <u>Transactions for the period:</u>		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration for the period	739	1,042
Sindh Sales Tax on remuneration of the Management Company	104	136
Reimbursement of operational expenses to the Management Company	53	80
MCB Financial Services Limited - Trustee of the Fund		
Remuneration of the Trustee	72	94

	30 September 2019	30 June 2019
	(Unaudited)	(Audited)
	----Rupees (000')----	
11.2 Investments / outstanding balances as at period / year end		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration payable to the Management Company	258	301
Sindh Sales Tax payable on Remuneration of the Management Company	128	134
Federal Excise Duty payable on Remuneration of the Management Company	661	661
Reimbursement of operational expenses to the Management Company	312	258
Shariah advisory fee payable	152	335
Sales Load Payable	1	1
MCB Financial Services Limited - The Trustee		
Remuneration payable to the Trustee	23	27
Unit Holders holding 10% or more units of the fund		
Pak Oman Investment Company Limited - Holding Company of Management Company of the Fund		
Outstanding 3,269,170 (30 June 2019: 3,269,170) units	174,673	170,913
Cash distribution payable	-	11,911

12 GENERAL

Figures have been rounded off to the nearest thousand rupees.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 24, 2019.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONTENTS

ASKARI SOVEREIGN YIELD ENHANCER FUND

Our Mission

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

Our Vision

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

FUND INFORMATION

Management Company
Pak Oman Asset Management Company Limited,
1st Floor Tower A,
Finance and trade Centre (FTC),
Karachi
Phone : +92 - 21 - 38696275-79
Fax : +92 - 21 - 38696274
Web site : www.pakomanfunds.com

Board of Director of The Management Company

H.E. Yahya Bin Said Bin Abdullah Al-Jabri	Chairman
Mr. Bahauddin Khan	Director
Mr. Humayun Murad	Director
Mr. Sulaiman Hamad Al Harthy	Director
Mr. Saif Said Salim Al Yazidi	Director
Mr. Jehangir Shah	Director
Ms. Sadaf Kazmi	CEO

Audit Committee

Mr. Humayun Murad	Chairman
Mr. Bahauddin Khan	Director
Mr. Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr. Humayun Murad	Chairman
Mr. Bahauddin Khan	Director
Mr. Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr. Bahauddin Khan	Chairman
Mr. Saif Said Salim Al Yazidi	Member
Mr. Humayun Murad	Member
Ms. Sadaf Kazmi	Member

Chief Financial Officer / Company Secretary
Muhammad Farrukh

Asset Manager Rating
AM3 + (Stable outlook)

Trustee
Central Depository Comany of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S.
Main Shahrah-e-Faisal, Karachi.

Auditors
Earnst & Young Ford Rhodes Sidat Hyder
Progressive Plaza, Beaumont Road,
P.O. Box No. 15541, Karachi

Bankers to The Fund
Askari Bank Limited
Bank Alfalah Limited
Burj Bank Limited
Habib Metro Bank
Habib Bank Limited (Islamic Banking)
Silk Bank Limited (Islamic Banking)

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

Transfer Agent
ITMINDS Limited - A Subsidiary of CDC
CDC House, 99-B, S.M.C.H.S
Main Shahra-e-Faisal, Karachi-74400, Pakistan.
Phone : +92 - 21 - 111 - 111 - 500
Fax : +92 - 21 - 34326040
Web site : www.itminds.biz

DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors of Pak Oman Asset Management Company Limited ("the Management Company" or "POAMCL" or "the Company") is pleased to present the quarter report of the Askari Sovereign Yield Enhancer (ASYE) for the Quarter Ended 30 September 2019.

Economic Review 1QFY20
Recent developments in the on the economic front in 1QFY20 have been positive. Figures released by Ministry of Finance showed that fiscal policy will come out to be considerably more expansionary going forward. Tax revenues (net of refunds) are expected to grow considerably and has shown signs of recovery in July and August of FY20 which suggested that the economic slowdown may not be as pronounced as may have been feared. Going forward, major challenge for the incumbent government will be effective management of current and fiscal deficits, stabilization of currency and domestic and external debt profiling.

In 1QFY20, headline inflation averaged at 10.08% as compared to 6.08% in FY19. Major reason behind higher inflation was higher core inflation, together with higher food prices especially non-perishable food items together with higher fuel prices. In 1QFY20, SPI averaged at 11.88% as compared to 2.49% in same period last year while WPI averaged at 14.41% in comparison to 15.89% in 1QFY20.

After an aggressive cycle of interest rate hike in FY19, MPC, in the Monetary Policy announced in the month of Sep-2019, decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged. Earlier, the decision to hit rates were driven by higher headline and core inflation, exchange rate depreciation, an elevated fiscal deficit and its increased monetization, and adjustments in utility tariffs.

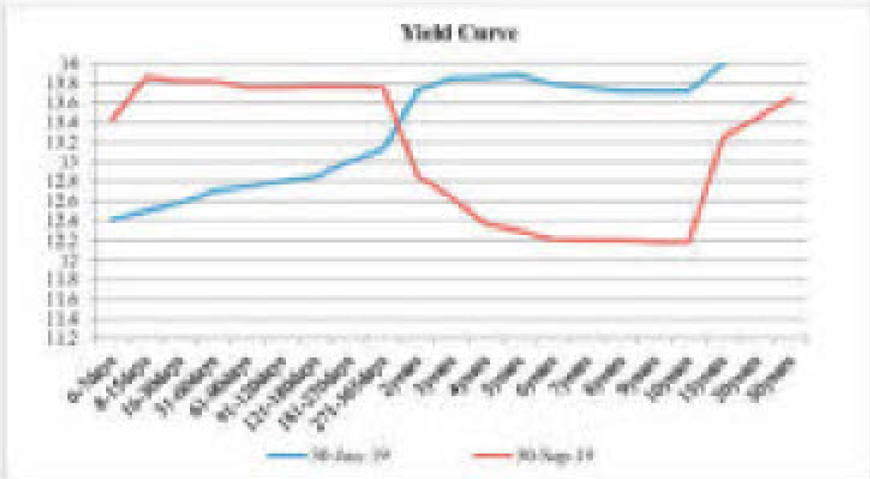
On the external front, CAD significantly contracted by 54.67% to $1,292 million in 2 months of 1QFY20 against $2,580 million in comparable period last year. CAD contracted due to 40.42% decline in trade deficit. Trade deficit contracted by 40.42% due to decline in imports by 23.44%. This was led by 38.20% decline in oil import bill due to materialization of deferred oil facility, 30.73% decline in imports of motor vehicles and 19.95% decline in import of food items. On the other hands, exports during the period, have shown certain signs of recovery and during 2 Months of ongoing financial Year (FY20), exports increased by 1.42%. On the other hand, rupee devaluation and relief to exporters might help lifting up textile industry, resulting in higher exports.

In FY20-To date, broad money supply (M2) grew by 0.09%. NDA of the banking system shrunk by 1.12% while NFA of the banking system improved by 18.10%. The deceleration in credit was more pronounced in real terms as the increase in private sector credit was largely driven by higher input prices, which in turn increased the working capital needs of the businesses. Credit to private sector declined by 0.74% in FY20-To date. The major challenge for the government will still be devaluation of currency, upcoming debt repayments and higher cost of doing business.

Fixed Income Review 1QFY20
In 1QFY20 secondary market yields across short term papers headed north. Yields on short term paper rose by 100bps, 100bps and 62bps and closed the quarter at 12.75%, 12.85% and 13.13% for 3m, 6m and 12m paper respectively. On the other hand, yield on longer tenor bonds headed southwards. Yields shed by 121bps, 150bps and 154bps and stood at 12.64%, 12.50% and 12.18% for 3yr, 5yr and 10yr bond respectively. During the quarter, greater activity was witnessed in longer tenor bonds since market is expecting that interest rates have now peaked out and considering overall macroeconomic dynamics, SBP might initiate an interest rate reversal cycle by end of CY19.

In the Monetary Policy announced in the month of Sep-2019, (MPC) decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged.

In the T-Bill auctions held during the month, SBP raised a total of PKR 6,078 billion against the target of PKR 6,900 billion and maturing amount of PKR 5,185 billion. The cut-off yields settled at 13.7300%, 13.8390% and 13.8499% for 3m, 6m and 12m paper respectively. Major participation was witnessed seen in 6-Month and 12-Month papers during the quarter as market remained inclined towards longer instruments. In the PIB auction for fixed rated bonds, SBP raised PKR 911 billion. Cut-off yields settled at 12.9500%, 12.3760% and 12.2483% for 3yr, 5yr and 10yr bond respectively; while no bids for 20 year tenor were received. In the PIB auction for floating rate PIBs, SBP realized bids worth PKR 220 billion. The cut-off margin was 75bps in the auctions held in the month of July-19 and Aug-19 while SBP slashed margin to 65bps in the last auction held in the month of Sep-19.



ASYE

In 1QFY20, unit prices of ASYE appreciated by 13.85% as compared to its benchmark return of 13.69%. The assets under management of the fund closed the year at PKR 175 million as compared to PKR 167 million in start of financial year.

After an aggressive cycle of interest rate hike in FY19, MPC, in the Monetary Policy announced in the month of Sep-2019, decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged. Earlier, the decision to lift rates were driven by higher headline and core inflation, exchange rate depreciation, an elevated fiscal deficit and its increased monetization, and adjustments in utility tariffs.

During the period, exposure against Banking sector TFC(s) averaged at 9.53%, reflecting no change from previous year. It was strategized to keep minimal exposure against this asset class to avoid valuation knock-off. Exposure against Treasury Bills averaged at 61.22% as compared to 75.75% in 1QFY19. During the period, exposure was built against PIBs to primarily increase fund's recurring income and secondly to capitalize on

trading opportunities. During the period, investment against PIBs averaged at 11.40%. Remaining funds were invested as cash with A above rated banks. Average cash exposure of the fund during the July-19 to Sep-19 stood at 17.83%.

Acknowledgement

We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the management of the Pakistan Stock Exchange. We also wish to place on record our appreciation for the employees of the Management Company.

24th October 2019
Karachi - Pakistan.

For and on behalf of the Board
Sadaf kazmi
Chief Executive Officer

ASYE

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 SEPTEMBER 2019

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		---------------(Rupees in '000)---------------	
Assets			
Balances with bank	4	28,230	4,771
Investments	5	157,216	178,587
Mark up accrued		3,310	2,468
Deposits and prepayments		1,813	1,464
Total assets		**189,134**	187,290
Liabilities			
Payable to Asset Management Company	6	9,763	9,718
Payable to Trustee		12	27
Payable to the Securities & Exchange Commission of Pakistan		8	109
Dividend payable		496	7,049
Accrued expenses and other liabilities	7	3,456	3,192
Total liabilities		**13,745**	20,100
NET ASSETS		**175,389**	167,187
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**175,389**	167,187
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		**1,658,515**	1,636,138
NET ASSET VALUE PER UNIT		**105.7904**	102.1843

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		---------(Rupees in '000)---------	
Income			
Profit on saving and term deposits		1,339	423
Income from government securities		3,147	2,704
Income from term finance certificates		619	354
Income from pakistan investment bonds		889	
Capital loss on sale of investments - net		1,135	-
Net unrealised (loss) / gain on remeasurement of investments at fair value through profit or loss'		(115)	(790)
Total income		7,013	2,691
Expenses			
Remuneration of the Management Company	6.1	569	588
Sindh Sales Tax on remuneration of the Management Company	6.2	74	76
Reimbursement of operational expenses to the Management Company	6.4	42	44
Remuneration of Central Depository Company Limited - Trustee		36	84
Annual fees to the Securities & Exchange Commission of Pakistan		8	33
Auditors' remuneration		151	72
Fees and Subscription		60	64
Securities transaction cost		146	71
Printing expenses		30	2
Legal and professional charges		-	40
Provision for Sindh Workers' Welfare Fund	7.1	118	32
Total expenses		1,236	1,106
Net income for the period before taxation		5,777	1,585
Taxation	10	-	-
Net income for the period after taxation		5,777	1,585
Allocation of Net income for the year:			
- Net income for the period after taxation		5,777	1,585
- Income already paid on units redeemed		(373)	(23)
		5,404	1,562
Accounting income available for distribution:			
-Relating to capital gains		1,020	-
-Excluding capital gains		4,384	1,562
		5,404	1,562

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019	30 September 2018
	---------(Rupees in '000)---------	
Net income for the period after taxation	5,777	1,562
Other comprehensive income	-	-
Total comprehensive income for the period	5,777	1,562

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	September					
	2019			2018		
	Capital Value	Undistributed income	Net Assets	Capital Value	Undistributed income	Net Assets
	Rupees (000)					
Net assets at the beginning of the period (Units outstanding: [illegible])	[illegible]	14,532	167,197	[illegible]	14,142	[illegible]
Issue of [illegible] units	[illegible]	[illegible]	20,622	1,077	-	1,077
Redemption of [illegible] units	[illegible]	[illegible]	(18,197)	[illegible]	(23)	[illegible]
Total comprehensive loss for the period	-	5,777	5,777	-	1,585	1,585
Net assets at the end of the period (Units outstanding: [illegible])	[illegible]	20,448	[illegible]	[illegible]	[illegible]	[illegible]
Undistributed income brought forward comprising of:						
Realised		[illegible]			[illegible]	
Unrealised		[illegible]			[illegible]	
		14,532			14,142	
Accounting income available for distribution:						
Relating to capital gains		[illegible]			-	
Excluding capital gains		[illegible]			[illegible]	
		20,448			[illegible]	
Undistributed income carried forward - net		[illegible]			[illegible]	
			Rupees			
Net asset value at the beginning of the period			[illegible]			[illegible]
Net asset value at the end of the period			[illegible]			[illegible]

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period after taxation		5,777	1,585
Adjustments for:			
Net unrealised gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		115	-
Capital loss on sale of investments - net		(1,535)	-
Provision for Sindh Workers Welfare Fund		(118)	32
		(1,538)	32
Decrease / (Increase) in assets			
Investments - Net		22,389	16,071
Mark up accrued		458	662
Deposits and prepayments		(350)	108
		22,497	16,381
(Decrease) in liabilities			
Payable to Asset Management Company		35	38
Payable to Trustee		(15)	(1)
Payable to the Securities & Exchange Commission of Pakistan		(118)	(150)
Dividend payable		(6,543)	(1,223)
Accrued expenses and other liabilities		422	(66)
		(6,239)	(1,402)
Net cash generated from / (used in) operating activities		20,897	16,596
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		20,622	1,077
Payments against redemption of units		(18,197)	(3,899)
Net cash (used in) financing activities		2,425	(2,822)
Net increase / (decrease) in cash and cash equivalents		23,322	16,774
Cash and cash equivalents at the beginning of the period		4,771	8,853
Cash and cash equivalents at the end of the period	4	28,093	25,627

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

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

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

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3+" to the Management Company & a stability rating of "A+" to the Fund.

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

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2019.

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		-----(Rupees in '000)-----	
4. BALANCE WITH BANKS			
-Saving accounts	4.1	20,093	4,771

4.1 These savings accounts carry mark-up at the rates ranging from 9.00% to 12.49% (30 June 2019: 3.75% to 8.00%) per annum.

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		-----(Rupees in '000)-----	
5. INVESTMENTS			
At fair value through profit or loss - held for trading			
Market Treasury Bills	5.1.1	140,000	161,275
Pakistan Investment Bonds	5.1.2	-	-
Term Finance Certificates	5.2	17,210	17,312
		157,210	178,587

5.1 Government securities

5.1.1 Market Treasury Bills

Issue Date	Tenor	Face value: As at 01 July 2019	Face value: Purchased during the period	Face value: Sold / matured during the period	Face value: As at 30 September 2019	Market value as at 30 September 2019	Market value as a percentage of: Net assets	Market value as a percentage of: Market value of total investments
		(Rupees in '000)				Rupees in '000	%age	
[illegible]		-	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		-	[illegible]	[illegible]	-	-	[illegible]	[illegible]
[illegible]		-	[illegible]	[illegible]	-	-	[illegible]	[illegible]
[illegible]		-	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]
						[illegible]	[illegible]	[illegible]

[illegible] [illegible]

5.1.1.1 [illegible]

5.1.2 Pakistan Investment Bonds

Issue Date	Tenor	Face value: As at 01 July 2019	Face value: Purchased during the period	Face value: Sold / matured during the period	Face value: As at 30 September 2019	Market value as at 30 September 2019	Market value as a percentage of: Net assets	Market value as a percentage of: Market value of total investments
		(Rupees in '000)				Rupees in '000	%age	
[illegible]		[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
[illegible]		-	[illegible]	[illegible]	-	-	[illegible]	[illegible]
						-	[illegible]	[illegible]

[illegible] -

[illegible] Term finance certificates - unlisted

Name of the investee company	[illegible]	Number of certificates				Market value as at 30 September 2019	Investment as a percentage of		
		As at 01 July 2019	Purchased during the period	Sold / matured during the period	As at 30 September 2019		Net assets	Market value of total investments	Issue size
						Rupees in '000'	Percentage		
The Bank of Punjab Limited (23 Dec 2016)	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
						[illegible]	[illegible]	[illegible]	[illegible]

Carrying value before marked to market as at 30 September 2019 [illegible]

[illegible] Other particulars of term finance certificates outstanding as at September 30, 2019 are as follows:

Name of the investee company	Face value (unredeemed)	Mark-up rate per annum	Rating	Issue date	Maturity date
Bank of Punjab	[illegible]	6 Month KIBOR ask rate plus 1.00%	AA	23-Dec-16	23-Dec-26

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		----(Rupees in '000)----	
6. PAYABLE TO THE MANAGEMENT COMPANY			
Remuneration of the Management Company	6.1	187	194
Sindh Sales Tax on remuneration of the Management Company	6.2	1,137	1,138
Federal Excise Duty on remuneration of the Management Company	6.3	7,469	7,469
Reimbursement of operational expenses to the Management Company	6.4	960	918
		9,753	9,719

6.1 The Management Company has charged its remuneration at the rate of 1.35% (30 June 2019: 1.1%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2019: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

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

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

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

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 7.469 million (30 June 2019: Rs. 7.469 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs. 4.50 (30 June 2019: Rs. 4.56) per unit.

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

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		--------Rupees in '000--------	
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		326	418
Printing charges payable		113	-
Withholding tax payable		24	44
Capital Gain Tax payable		60	-
Provision for Sindh Workers' Welfare Fund	7.1	2,620	2,502
Legal and professional charges payable		66	105
Others		58	113
		3,467	3,182

7.1 There is no change in the status of the SWWF as reported in note 10.1 to the annual financial statements of the Fund for the year ended 30 June 2019.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2019 and 30 June 2019.

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 2.71% which includes 0.39% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio exceeds the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

10 TAXATION

The income of the fund is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders. The management intends to distribute at least 90% of the

Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision in respect of taxation has been made in these financial statements.

11 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

	For the Quarter Ended 30 September	
	2019	2018
	Un-audited	
	----------(Rupees in '000)----------	
11.1 Transactions for the period:		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration of the Management Company	563	588
Sindh Sales tax on Remuneration of Management Company	74	76
Reimbursement of operational expenses to the Management Company	47	44
Askari Bank Limited - Holding Company of the Management Company		
Profit on balances with banks	5	-
Bank Charges	15	-
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	36	34

	30 September 2019	30 June 2019
	Un-audited	Audited
	----------(Rupees in '000)----------	
11.2 Investments / outstanding balances as at period / year end		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration payable to the Management Company	187	194
Reimbursement of operational expenses to the Management Company	880	918
Sindh Sales Tax on remuneration of the Management Company	1,137	1,138
Federal Excise Duty payable on Remuneration of the Management Company	7,489	7,489
Outstanding – (30 June 2019: Nil) units - at net asset value	-	-
Askari Bank Limited*		
Balances with banks	330	1,237
Profit receivable on bank balances	-	-
Outstanding 1,000,000 (30 June 2019: 1,000,000) units - at net asset value	105,750	102,184
Dividend payable	-	8,405
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	12	27
Security deposit	100	100

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

12 GENERAL

Figures have been rounded off to the nearest thousand rupees.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 24, 2019.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONTENTS

Our Mission

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

Our Vision

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

FUND INFORMATION

Management Company
Pak Oman Asset Management Company Limited,
1st Floor Tower A,
Finance and trade Centre (FTC),
Karachi
Phone : +92 - 21 - 38696275-79
Fax : +92 - 21 - 38696274
Web site : www.pakomanfunds.com

Board of Director of The Management Company

H.E. Yahya Bin Said Bin Abdullah Al-Jabri	Chairman
Mr Bahauddin Khan	Director
Mr Humayun Murad	Director
Mr Sulaiman Hamad Al Harthy	Director
Mr Saif Said Salim Al Yazidi	Director
Mr Jehangir Shah	Director
Ms. Sadaf Kazmi	CEO

Audit Committee

Mr Humayun Murad	Chairman
Mr Bahauddin Khan	Director
Mr Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr Humayun Murad	Chairman
Mr Bahauddin Khan	Director
Mr Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr Bahauddin Khan	Chairman
Mr Saif Said Salim Al Yazidi	Member
Mr Humayun Murad	Member
Ms. Sadaf Kazmi	Member

Chief Financial Officer / Company Secretary
Muhammad Farrukh

Asset Manager Rating
AM3 + (Stable outlook)

Trustee
Central Depository Comany of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S.
Main Shahrah-e-Faisal, Karachi

Auditors
Earnst & Young Ford Rhodes Sidat Hyder
Progressive Plaza, Beaumont Road,
P.O. Box No. 15541, Karachi

Bankers to The Fund
Askari Bank Limited
Bank Al Habib Limited
Burj Bank Limited
Habib Metro Bank
Habib Bank Limited (Islamic Banking)
Silk Bank Limited (Islamic Banking)

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

Transfer Agent
ITMINDS Limited - A Subsidiary of CDC
CDC House, 99-B, S.M.C.H.S
Main Shahra-e-Faisal, Karachi-74400, Pakistan.
Phone : +92 - 21 - 111 - 111 - 500
Fax : +92 - 21 - 34326040
Web site : www.itminds.biz

DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors of Pak Oman Asset Management Company Limited ("the Management Company" or "POAMCL" or "the Company") is pleased to present the quarter report of the Pak Oman Asset Allocation Fund (POAAAF) for the Quarter Ended 30 September 2019.

Economic Review 1QFY20
Recent developments in the on the economic front in 1QFY20 have been positive. Figures released by Ministry of Finance showed that fiscal policy will come out to be considerably more expansionary going forward. Tax revenues (net of refunds) are expected to grow considerably and has shown signs of recovery in July and August of FY20 which suggested that the economic slowdown may not be as pronounced as may have been feared. Going forward, major challenge for the incumbent government will be effective management of current and fiscal deficits, stabilization of currency and domestic and external debt profiling.

In 1QFY20, headline inflation averaged at 10.08% as compared to 6.08% in FY19. Major reason behind higher inflation was higher core inflation, together with higher food prices especially non-perishable food items together with higher fuel prices. In 1QFY20, SPI averaged at 11.88% as compared to 2.49% in same period last year while WPI averaged at 14.41% in comparison to 15.89% in 1QFY20.

After an aggressive cycle of interest rate hike in FY19, MPC, in the Monetary Policy announced in the month of Sep-2019, decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged. Earlier, the decision to hit rates were driven by higher headline and core inflation, exchange rate depreciation, an elevated fiscal deficit and its increased monetization, and adjustments in utility tariffs.

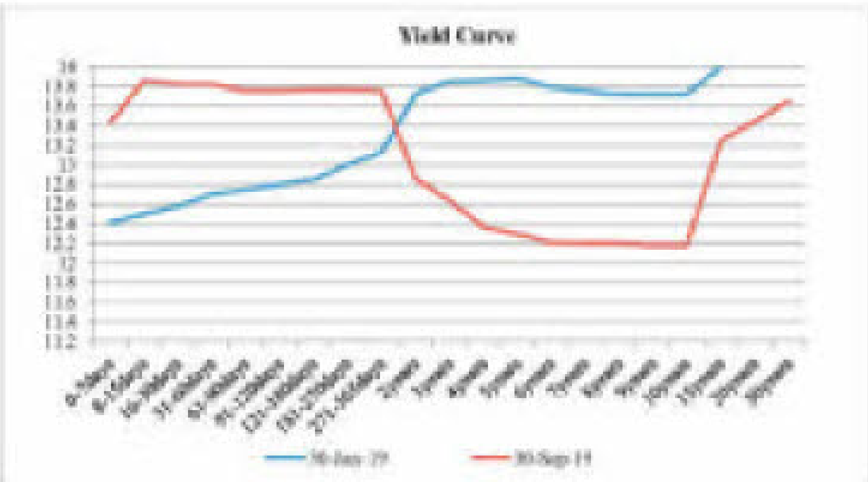
On the external front, CAD significantly contracted by 54.67% to $1,292 million in 2 months of 1QFY20 against $2,580 million in comparable period last year. CAD contracted due to 40.42% decline in trade deficit. Trade deficit contracted by 40.42% due to decline in imports by 23.44%. This was led by 38.20% decline in oil import bill due to materialization of deferred oil facility, 30.73% decline in imports of motor vehicles and 19.95% decline in import of food items. On the other hands, exports during the period, have shown certain signs of recovery and during 2 Months of ongoing financial Year (FY20), exports increased by 1.42%. On the other hand, rupee devaluation and relief to exporters might help lifting up textile industry, resulting in higher exports.

In FY20-To date, broad money supply (M2) grew by 0.09%. NDA of the banking system shrank by 1.12% while NFA of the banking system improved by 18.10%. The deceleration in credit was more pronounced in real terms as the increase in private sector credit was largely driven by higher input prices, which in turn increased the working capital needs of the businesses. Credit to private sector declined by 0.74% in FY20-To date. The major challenge for the government will still be devaluation of currency, upcoming debt repayments and higher cost of doing business.

Fixed Income Review 1QFY20
In 1QFY20 secondary market yields across short term papers headed north. Yields on short term paper rose by 100bps, 100bps and 62bps and closed the quarter at 12.75%, 12.85% and 13.13% for 3m, 6m and 12m paper respectively. On the other hand, yield on longer tenor bonds headed southwards. Yields shed by 121bps, 150bps and 154bps and stood at 12.64%, 12.50% and 12.18% for 3yr, 5yr and 10yr bond respectively. During the quarter, greater activity was witnessed in longer tenor bonds since market is expecting that interest rates have now peaked out and considering overall macroeconomic dynamics, SBP might initiate an interest rate reversal cycle by end of CY19.

In the Monetary Policy announced in the month of Sep-2019, (MPC) decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged.

In the T-Bill auctions held during the month, SBP raised a total of PKR 6,078 billion against the target of PKR 6,900 billion and maturing amount of PKR 5,185 billion. The cut-off yields settled at 13.7300%, 13.8390% and 13.8499% for 3m, 6m and 12m paper respectively. Major participation was witnessed seen in 6-Month and 12-Month papers during the quarter as market remained inclined towards longer instruments. In the PIB auction for fixed rated bonds, SBP raised PKR 911 billion. Cut-off yields settled at 12.9500%, 12.3760% and 12.2483% for 3yr, 5yr and 10yr bond respectively; while no bids for 20 year tenor were received. In the PIB auction for floating rate PIBs, SBP realized bids worth PKR 220 billion. The cut-off margin was 75bps in the auctions held in the month of July-19 and Aug-19 while SBP slashed margin to 65bps in the last auction held in the month of Sep-19.



Equity Review
KSE100 Index outperformed surging by 2407pts (8.11%MoM) and closed at 32,079pts. The revival of some macroeconomic indicators (recovery in current account deficit, foreign exchange reserves and PKR against USD) despite increasing tensions on LoC over Kashmir with India supported the recovery in KSE100 Index. Moving forward, Pakistan listed among the top 20 improvers in doing business by World Bank would be positive for FDI. However, on local front, business community concerns over FBR policies continue to hinder business activities.

Trading activities charged as market average volume uptick by 1.5%MoM to 114.5mn shares, whereas KEL, MLCF and WTL were the major volume leaders. The total market capitalization of All-Shares Index increased by 5.3%MoM to USD41bn, mainly due to the rise in Banks (2.9%), E&P (18.5%) and Fertilizer (3.7%) market capitalization.

During the last month of the quarter, E&P sector remained the major contributor added 894pts in the Index followed by Banking and Fertilizer sectors, extended Index by 421pts and 314pts respectively.

Going forward, we anticipate capital market to remain in consolidation phase although attractive valuation encouraging long term investors to build their positions. The further soft recovery could witness given positive development on Kashmir issue and on FATF.

POAAAF
In the 1QFY20, POAAAF delivered return of -3.07% against the benchmark return of -0.40%, underperforming by 2.67%.

The assets under management of the fund stood at PKR 97Mn at the end of 1QFY20. Equities remained the major asset class with average exposure standing at 35% of the net assets of the fund.

During the period under review, apart from equities, 27% of the funds remained invested in debt securities.

Acknowledgment
We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the management of the Pakistan Stock Exchange. We also wish to place on record our appreciation for the employees of the Management Company.

For and on behalf of the Board

24th October 2019
Karachi - Pakistan.

Sadaf kazmi
Chief Executive Officer

POAAAF

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 SEPTEMBER 2019

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		---------Rupees in '000---------	
ASSETS			
Balances with Bank	4	30,841	20,482
Investments	5	61,777	76,315
Markup accrued and dividend receivable		5,206	4,482
Advances, deposits, prepayments and other receivables		2,723	2,640
Total assets		100,547	103,919
LIABILITIES			
Payable to Management Company	6	1,359	1,345
Payable to Trustee		26	25
Payable to the Securities and Exchange Commission of Pakistan		4	108
Dividend payable		19	19
Accrued expenses and other liabilities	7	2,147	1,985
Total liabilities		3,555	3,482
NET ASSETS		96,992	100,437
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		96,992	100,437
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		2,247,463	2,255,703
NET ASSET VALUE PER UNIT		43.16	44.53

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		----------Rupees in '000----------	
INCOME / (LOSS)			
Profit on bank balances		817	202
Profit on term finance certificates		601	334
Profit on sukuk certificates		528	946
Dividend income		465	1,045
Net capital loss on sale of investments		(1,575)	484
Net unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss		(3,033)	(3,428)
Total income		(2,197)	(417)
EXPENSES			
Remuneration of Asset Management Company	6.1	489	618
Sindh Sales Tax on Remuneration of the Management Company	6.2	64	80
Reimbursement of operational expenses to the Management Company	6.4	24	21
Selling and Marketing expense	6.5	-	93
Remuneration of MCB Financial Services Limited - Trustee		33	42
Annual fee to the Securities and Exchange Commission of Pakistan		4	60
Auditors' remuneration		117	112
Securities transaction cost		13	201
Printing and Stationery charges		4	21
Legal and professional charges		-	29
Fees and Subscription		46	47
Settlement and Bank charges		95	6
Provision for Sindh Workers' Welfare Fund		-	-
Total Expenses		889	1,360
Taxation	10	-	-
Net loss for the period before taxation		(3,086)	(1,777)
Allocation of Net loss for the period:			
- Net loss for the period after taxation		(3,086)	(1,777)
- Income already paid on units redeemed		(10)	-
		(3,096)	(1,777)
Accounting income available for distribution:			
- Relating to capital gains		-	-
- Excluding capital gains		(3,096)	(1,777)
		(3,096)	(1,777)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019	30 September 2018
	----------Rupees in '000----------	
Net loss for the period after taxation	(3,086)	(1,777)
Other comprehensive (loss) / income	-	-
Total comprehensive loss for the period	(3,086)	(1,777)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

PAK OMAN ADVANTAGE ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019			30 September 2018		
	Capital Value	Undistributed Income	Net Assets	Capital Value	Undistributed Income	Net Assets
	-----	-----	Rupees in '000	-----	-----	-----
Net assets at the beginning of the period [Units outstanding: 2,269,703 (2018: 2,482,050)]	107,441	(7,404)	100,037	117,907	5,130	123,037
Issue of Nil (2018: Nil) units	-	-	-	-	-	-
Redemption of 8,240 (2018: Nil) units	(368)	10	(358)	-	-	-
Total comprehensive loss for the period		(3,086)	(3,086)		(1,777)	(1,777)
Net assets at the end of the period [Units outstanding: 2,247,463 (2018: 2,482,050)]	107,073	(10,480)	96,593	117,907	3,353	121,260
Undistributed income brought forward comprising of:						
-Realised		2,587			12,369	
-Unrealised		(9,991)			(7,239)	
		(7,404)			5,130	
Accounting income available for distribution:						
-Relating to capital gains		-			-	
-Excluding capital gains		(10,480)			(1,777)	
		(10,480)			(1,777)	
Undistributed income carried forward - net		(17,884)			3,353	
					Rupees	
Net asset value at the beginning of the period			46.53			49.59
Net asset value at the end of the period			43.16			49.26

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

PAK OMAN ADVANTAGE ASSET ALLOCATION FUND

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		----- Rupees in ('000)	-----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period after taxation		(3,086)	(1,777)
Adjustments:			
Net capital loss on sale of investments		1,575	(464)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		3,033	3,428
		4,608	2,964
Decrease in assets			
Investments - net		9,929	9,675
Receivable against sale of investments		-	(281)
Markup accrued and dividend receivable		(724)	(2,472)
Advances, deposits, prepayments and other receivables		(63)	11,914
		9,142	18,836
Decrease in liabilities			
Payable to Pak Oman Asset Management Company		14	387
Payable to the MCB Financial Services Limited - Trustee		-	(1)
Payable to the Securities and Exchange Commission of Pakistan		(104)	(123)
Payable against redemption of units		-	(3,030)
Accrued expenses and other liabilities		163	(2,208)
		73	(4,975)
Net cash generated from operating activities		10,737	15,048
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issue of units		-	-
Net payments against redemption of units		(357)	-
Net cash used in financing activities		(357)	-
Net increase / (decrease) in cash and cash equivalents		10,380	15,048
Cash and cash equivalents at the beginning of the period		20,462	987
Cash and cash equivalents at the end of the period	4	30,842	16,035

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

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

The Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of "AM3+" to the Management Company and a stability rating of 2 Star to the Fund.

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

2 STATEMENT OF COMPLIANCE

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2019.

		Note	30 September 2019 Un-audited	30 June 2019 Audited
4	**CASH AND BANK BALANCES**		-------Rupees in '000-------	
	Balances with banks:			
	- in saving accounts	4.1	30,841	20,462
			30,841	20,462

4.1 The rate of return on these accounts ranges between 8.00% and 11.00% (30 June 2019: 3.75% and 6.20%) per annum.

5 INVESTMENTS

	Note	30 September 2019	30 June 2019
At fair value through profit or loss - held for trading			
Sukuk certificates		14,537	14,693
Term finance certificates		12,412	24,202
Listed equity securities	5.1	34,828	37,420
		61,777	76,315

5.1 Listed equity securities

Held at fair value through profit or loss - equity securities

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

Name of Investee Company	Number of Shares: As at 01 July 2019	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 30 September 2019	Rupees: Carrying value as at 30 September 2019	Market value as at 30 September 2019	Percentage: Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid-up capital of investee company
COMMERCIAL BANKS										
Askari Bank Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bank Al-Habib Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bank Alfalah Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Faysal Bank Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Habib Bank Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
United Bank Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
TEXTILE COMPOSITE										
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
CEMENT										
Cherat Cement Company Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Attock Cement Company Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
D.G. Khan Cement Company Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Fauji Cement Company Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Lucky Cement Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Maple Leaf Cement Factory	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Pioneer Cement Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	

Name of Investee Company	Number of Shares					Rupees		Percentage		
	As at 01 July 2019	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 30 September 2019	Carrying value as at 30 September 2019	Market value as at 30 September 2019	Market Value as percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
POWER GENERATION AND DISTRIBUTION										
K-Electric Limited (Face value Rs. 3.5 per share)	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nishat Power Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
The Hub Power Company Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
OIL AND GAS MARKETING COMPANIES										
Pakistan State Oil Company Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sui Northern Gas Pipelines Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
OIL AND GAS EXPLORATION COMPANIES										
Mari Petroleum Company Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Oil & Gas Development Company Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Pakistan Oilfields Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Pakistan Petroleum Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
ENGINEERING										
Amreli Steels Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
AUTOMOBILE PARTS AND ACCESSORIES										
Agriauto Industries Limited (Face value Rs. 5 per share)	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
TRANSPORT										
Pakistan International Bulk Terminal Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
FERTILIZER										
Dawood Hercules Corporation Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Engro Corporation Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Engro Fertilizers Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Fauji Fertilizer Company Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
PHARMACEUTICALS										
The Searle Company Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
CHEMICALS										
Engro Polymer & Chemicals Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
FOODS AND PERSONAL CARE PRODUCTS										
Fauji Foods Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
REAL ESTATE INVESTMENT TRUST										
Dolmen City REIT	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
MISCELLANEOUS										
Synthetic Products Enterprises Limited	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
Total as at 30 September 2019						[illegible]	[illegible]	[illegible]	[illegible]	
Total as at 30 June 2019						[illegible]	[illegible]			

5.1.1 Investments include shares with market value of Rs. 6.3609 million (30 June 2019: Rs. 6.526 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trade in accordance with circular no. 11 dated 23 October 2007 issued by the Securities and Exchange Commission of Pakistan.

Name of Investee Company	Number of Shares					Rupees		Percentage		
	As at 01 July 2019	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 30 September 2019	Carrying value as at 30 September 2019	Market value as at 30 September 2019	Market Value as percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company

5.2 Sukuk Certificates

Name of the investee company	Number of certificates				Market value as at 30 September 2019	Investment as percentage of		
	As at 01 July 2019	Purchased during the year	Sold / matured during the year	As at 30 September 2019		Net assets	Market value of total investments	Issue size
					Rupees '000	%		
International Brands Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	

Carrying value as at 30 September 2019 [illegible]

Carrying value as at 30 June 2019 [illegible]

5.2.1 Other particulars of Sukuk Certificates outstanding as at 30 September 2019 are as follows:

Name of the investee company	Face value	Mark-up rate per annum	Rating	Issue date	Maturity date
International Brands Limited	[illegible]	[illegible]	AA	[illegible]	[illegible]

5.2.2 [illegible]

5.3 Term finance certificates - Listed

Name of the investee company	Number of certificates				Market value as at 30 September 2019	Investment as a percentage of		
	As at 01 July 2019	Purchased during the year	Sold / matured during the year	As at 30 September 2019		Net assets	Market value of total investments	Issue size
					Rs. in '000	%		

[illegible]

Name of the investee company	As at 01 July 2019	Purchased during the year	Sold / matured during the year	As at 30 September 2019	Market value as at 30 September 2019	Net assets	Market value of total investments	Issue size
Agritech Limited	[illegible]	-	-	[illegible]	-	[illegible]	[illegible]	[illegible]
Agritech Limited IV	[illegible]	-	-	[illegible]	-	[illegible]	[illegible]	[illegible]
TPL Corporation Limited	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
The Bank of Punjab	[illegible]	-	[illegible]	-	-	[illegible]	[illegible]	[illegible]
JS Bank Limited	-	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	

Carrying value as at September 30, 2019 [illegible]

5.3.1 Other particulars of term finance certificates outstanding as at 30 September 2019 are as follows:

Name of the investee company	Face value	Mark-up rate per annum	Rating	Issue date	Maturity date
Agritech Limited	[illegible]	-	[illegible]	[illegible]	[illegible]
Agritech Limited IV	[illegible]	-	[illegible]	[illegible]	[illegible]
The Bank of Punjab	[illegible]	[illegible]	AA	[illegible]	[illegible]
TPL Corporation Limited	[illegible]	[illegible]	AA	[illegible]	[illegible]
JS Bank Limited	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

		Note	30 September 2019 Un-audited	30 June 2019 Audited
			------Rupees in '000------	
6	**PAYABLE TO MANAGEMENT COMPANY**			
	Remuneration of the Management Company	6.1	136	145
	Sindh sales tax payable on remuneration of the Management Company	6.2	118	120
	Federal Excise Duty payable on remuneration of the Management Company	6.3	736	736
	Reimbursement of operational expenses to the Management Company	6.4	137	112
	Marketing and advertising fee payable	6.5	205	202
	Front End Load Payable		27	27
			1,359	1,345

6.1 The Management Company has charged its remuneration at the rate of 2% (30 June 2019: 2%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2019: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

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

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

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

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs. 0.7363 million (30 June 2019: Rs. 0.7363 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 30 September 2019 would have been lower by Rs. 0.3276 (30 June 2019: Rs. 0.3264) per unit.

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

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

		Note	30 September 2019 Un-audited	30 June 2019 Audited
7	**ACCRUED EXPENSES AND OTHER LIABILITIES**		------Rupees in '000------	
	Auditors' remuneration payable		404	296
	Printing charges payable		42	-
	Fund rating fee payable		40	-
	Witholding tax and capital gains tax payable		57	-
	Transaction charges payable		35	61
	Provision for Sindh Workers' Welfare Fund	7.1	1,569	1,569
	Other Payable		-	68
			2,147	1,994

7.1 There is no change in the status of the SWWF as reported in note 13 to the annual financial statements of the Fund for the year ended 30 June 2019.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2019 and 30 June 2019.

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 3.71% which includes 0.41% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.50% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

10 TAXATION

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

11 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

	For the Quarter Ended 30 September 2019	2018
	Un-audited	
11.1 Details of transaction with related parties during the period are as follows:	---------Rupees in '000---------	
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration of the Management Company	453	419
Sindh Sales tax on Remuneration of Management Company	64	60
Reimbursement of operational expenses to the Management Company	24	31
Selling and Marketing expense	-	53
MCB Financial Services Limited (Trustee)		
Remuneration of the Trustee	33	47

	Note	30 September 2019 Un-audited	30 June 2019 Audited
11.2 Balances outstanding at the period / year end		---------Rupees in '000---------	
Pak Oman Asset Management Company Limited (Management Company)			
Remuneration payable to the management company		136	145
Sindh Sales tax payable on remuneration of the Management Company		118	120
Federal Excise Duty payable on remuneration of the Management Company		736	736
Reimbursement of operational expenses to the Management Company		137	112
Marketing and advertising fee payable		205	202
Front End Load Payable		27	27
MCB Financial Services Limited (Trustee)			
Trustee fee payable		23	23
SST on Trustee fee payable		3	3
Pak Oman Investment Company Limited - Parent of the Management Company*			
Outstanding 2,000,000 (30 June 2019: 2,000,000) units		86,320	89,080

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

12 GENERAL

Figures have been rounded off to the nearest thousand rupee.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 24, 2019.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONTENTS

PAK OMAN GOVERNMENT SECURITIES FUND

Our Mission

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

Our Vision

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

FUND INFORMATION

Management Company
Pak Oman Asset Management Company Limited,
1st Floor Tower A,
Finance and trade Centre (FTC),
Karachi
Phone : +92 - 21 - 38696275-79
Fax : +92 - 21 - 38696274
Web site : www.pakomanfunds.com

Board of Director of The Management Company

H.E. Yahya Bin Said Bin Abdullah Al-Jabri	Chairman
Mr Bahauddin Khan	Director
Mr Humayun Murad	Director
Mr Sulaiman Hamad Al Harthy	Director
Mr Saif Said Salim Al Yazidi	Director
Mr Jehangir Shah	Director
Mr. Sadaf Kazmi	CEO

Audit Committee

Mr Humayun Murad	Chairman
Mr Bahauddin Khan	Director
Mr Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr Humayun Murad	Chairman
Mr Bahauddin Khan	Director
Mr Sulaiman Hamad Al Harthy	Member

Human Resource & Remuneration Committee

Mr Bahauddin Khan	Chairman
Mr Saif Said Salim Al Yazidi	Member
Mr Humayun Murad	Member
Mr. Sadaf Kazmi	Member

Chief Financial Officer / Company Secretary
Muhammad Farrukh

Asset Manager Rating
AM3 + (Stable outlook)

Trustee
Central Depository Comany of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S.
Main Shahrah-e-Faisal, Karachi.

Auditors
Earnst & Young Ford Rhodes Sidat Hyder
Progressive Plaza, Beamont Road,
P.O. Box No. 15541, Karachi

Bankers to The Fund
Askari Bank Limited
Bank Al Habib Limited
Burj Bank Limited
Habib Metro Bank
Habib Bank Limited (Islamic Banking)
Silk Bank Limited (Islamic Banking)

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

Transfer Agent
ITMINDS Limited - A Subsidiary of CDC
CDC House, 99-B, S.M.C.H.S
Main Shahra-e-Faisal, Karachi-74400, Pakistan.
Phone : +92 - 21 - 111 - 111 - 500
Fax : +92 - 21 - 34326040
Web site : www.itminds.biz

DIRECTORS REPORT TO THE UNIT HOLDERS

The Board of Directors of Pak Oman Asset Management Company Limited ("the Management Company" or "POAMCL" or "the Company") is pleased to present the quarter report of the Pak Oman Government Security Fund (POGSF) for the Quarter Ended 30 September 2019.

Economic Review 1QFY20
Recent developments in the on the economic front in 1QFY20 have been positive. Figures released by Ministry of Finance showed that fiscal policy will come out to be considerably more expansionary going forward. Tax revenues (net of refunds) are expected to grow considerably and has shown signs of recovery in July and August of FY20 which suggested that the economic slowdown may not be as pronounced as may have been feared. Going forward, major challenge for the incumbent government will be effective management of current and fiscal deficits, stabilization of currency and domestic and external debt profiling.

In 1QFY20, headline inflation averaged at 10.08% as compared to 6.08% in FY19. Major reason behind higher inflation was higher core inflation, together with higher food prices especially non-perishable food items together with higher fuel prices. In 1QFY20, SPI averaged at 11.58% as compared to 2.49% in same period last year while WPI averaged at 14.41% in comparison to 13.09% in 1QFY20.

After an aggressive cycle of interest rate hike in FY19, MPC, in the Monetary Policy announced in the month of Sep-2019, decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged. Earlier, the decision to hit rates were driven by higher headline and core inflation, exchange rate depreciation, an elevated fiscal deficit and its increased monetization, and adjustments in utility tariffs.

On the external front, CAD significantly contracted by 34.67% to $1,292 million in 2-months of 1QFY20 against $2,580 million in comparable period last year. CAD contracted due to 40.42% decline in trade deficit. Trade deficit contracted by 40.42% due to decline in imports by 23.44%. This was led by 38.20% decline in oil import bill due to materialization of deferred oil facility, 30.73% decline in imports/disaster vehicles and 19.95% decline in import of food items. On the other hands, exports during the period, have shown certain signs of recovery and during 2-Months of ongoing financial Year (FY20), exports increased by 1.42%. On the other hand, rupee devaluation and relief to exporters might help lifting up textile industry, resulting in higher exports.

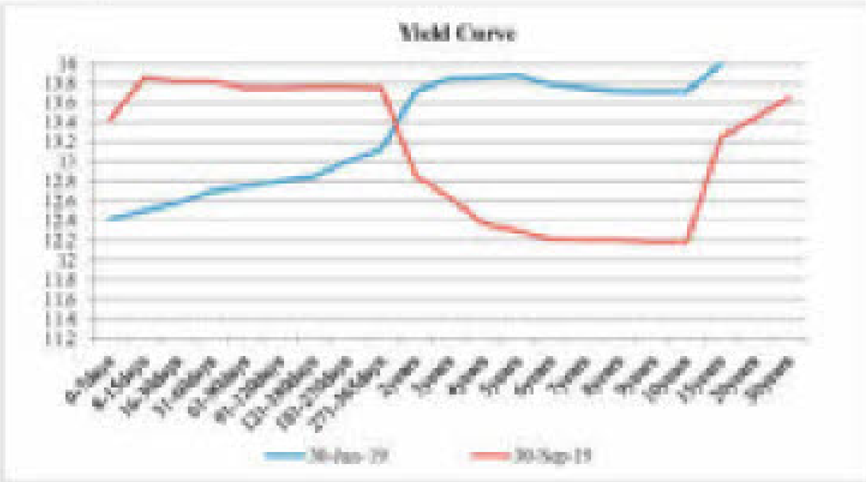
In FY20-To date, broad money supply (M2) grew by 0.09%. NDA of the banking system shrunk by 1.12% while NFA of the banking system improved by 18.10%. The deceleration in credit was more pronounced in real terms as the increase in private sector credit was largely driven by higher input prices, which in turn increased the working capital needs of the businesses. Credit to private sector declined by 0.74% in FY20-To date. The major challenge for the government will still be devaluation of currency, upcoming debt repayments and higher cost of doing business.

Fixed Income Review 1QFY20
In 1QFY20 secondary market yields across short term papers headed north. Yields on short term paper rose by 100bps, 100bps and 62bps and closed the quarter at 12.75%, 12.85% and 13.13% for 3m, 6m and 12m paper respectively. On the other hand, yield on longer tenor bonds headed southwards. Yields shed by 121bps, 150bps and 154bps and stood at 12.84%, 12.50% and 12.08% for 3yr, 5yr and 10yr bond respectively. During the quarter, greater activity was witnessed in longer tenor bonds since market is expecting that interest rates have now peaked out and considering overall macroeconomic dynamics, SBP might initiate an interest rate reversal cycle by end of CY19.

In the Monetary Policy announced in the month of Sep-2019, (MPC) decided to leave the policy rate unchanged at 13.25 percent. The decision reflected the MPC's view that inflation outcomes have been largely as expected and inflation projections for FY20 have remained unchanged.

In the T-Bill auctions held during the month, SBP raised a total of PKR 6,978 billion against the target of PKR 6,900 billion and maturing amount of PKR 5,180 billion. The cut-off yields settled at 13.7300%, 13.8300% and 13.8499% for 3m, 6m and 12m paper respectively. Major participation was witnessed seen in 6-Month and 12-Month papers during the quarter as market remained inclined towards longer instruments. In the PIB auction

for fixed rated bonds, SBP raised PKR 911 billion. Cut-off yields settled at 12.9500%, 12.3760% and 12.2483% for 3yr, 5yr and 10yr bond respectively; while no bids for 20-year tenor were received. In the PIB auction for floating rate PIBs, SBP realized bids worth PKR 220 billion. The cut-off margin was 75bps in the auctions held in the month of July-19 and Aug-19 while SBP slashed margin to 65bps in the last auction held in the month of Sep-19.



POGSF

In 1QFY20, the unit price of POGSF appreciated by 13.09% against its benchmark of 13.69%. The assets under management of fund stood at PKR 263 million as against PKR 255 million at the start of the financial year. During the period, Treasury Bills remained the major asset class and exposure against this assets class averaged at 23.40% of the fund size against 69.35% in same period last year. During the period, exposure was built against PIBs to primarily increase fund's recurring income and secondly to capitalize on trading opportunities. During the period, investment against PIBs averaged at 35.89%.

During the period, average exposure against TFC's stood at 21.63% against 27.39% in similar period last year. Remaining funds were invested as cash with A and above rated banks. Average cash exposure of the fund during the July-19 to Sep-19 stood at 19.09%.

Acknowledgment

We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, the Trustee of the Fund and the management of the Pakistan Stock Exchange. We also wish to place on record our appreciation for the employees of the Management Company.

For and on behalf of the Board
Sadaf kazmi
Chief Executive Officer

24th October 2019
Karachi - Pakistan.

POGSF

[illegible]

[illegible]

[illegible]

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 SEPTEMBER 2019

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		---------Rupees in (000')	-------
Assets			
Balance with banks	4	17,637	8,072
Investments	5	246,721	259,251
Mark-up accrued		3,837	7,663
Deposits, prepayment and other receivable		679	304
Total assets		**268,874**	275,290
Liabilities			
Payable to Asset Management Company	6	2,564	2,249
Payable to Trustee		29	30
Payable to the Securities & Exchange Commission of Pakistan		13	197
Dividend payable		102	15,524
Accrued expenses and other liabilities	7	2,576	2,121
Total liabilities		**5,284**	20,121
NET ASSETS		**263,590**	255,169
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**263,590**	255,169
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		**23,903,487**	23,903,486
NET ASSET VALUE PER UNIT		**11.0273**	10.6750

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer　　Chief Financial Officer　　Director

CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		----Rupees in (000')	----
Income			
Profit on saving and term deposits		1,114	97
Income from government securities		4,696	3,206
Profit on placements		-	105
Income on Term Finance and Sukuk Certificates		1,994	1,532
Net gain on sale of investments		801	25
Amortization of discounts on PIBs		730	
Net unrealised (loss) / gain on remeasurement of investments at fair value through profit or loss		889	(1,215)
Total Income		10,134	3,847
Expenses			
Remuneration of the Management Company	6.1	756	712
Sindh Sales Tax on Remuneration of the Management Company	6.2	98	93
Reimbursement of operational expenses to the Management Company	6.4	65	65
Selling and Marketing Charges	6.5	260	245
Remuneration of the Trustee		88	88
Annual fees to the Securities & Exchange Commission of Pakistan		13	49
Auditors' remuneration		129	84
Printing and stationary expenses		8	15
Legal and professional charges		26	52
Fee and Subscription		81	138
Brokerage Expense		57	-
Bank charges		6	8
Provision for Sindh Workers' Welfare Fund		172	46
Total Expenses		1,714	1,608
Net income for the period before taxation		8,420	2,235
Taxation	10	-	-
Net income for the period after taxation		8,420	2,235
Allocation of Net income for the year			
- Net income for the period after taxation		8,420	2,235
- Income already paid on units redeemed		-	-
		8,420	2,235
Accounting income available for distribution			
-Relating to capital gains		1,600	-
-Excluding capital gains		6,820	2,235
		8,420	2,235

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019	30 September 2018
	----Rupees in (000')	----
Net income for the period after taxation	8,420	2,235
Other comprehensive income for the quarter	-	-
Total comprehensive income for the period	8,420	2,235

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September					
	2019			2018		
	Capital Value	Undistributed	Net Assets	Capital Value	Undistributed income	Net Assets
	Rupees in ('000)					
Net assets at the beginning of the period [Units outstanding: 23,303,487 (2018: 23,576,829)]	234,674	20,495	255,169	235,453	19,675	255,128
Issue of Nil (2018: Nil units)	-	-	-	-	-	-
Redemption of Nil (2018: Nil units)	-	-	-	-	-	-
Total comprehensive income for the period	-	8,420	8,420	-	2,235	2,235
Net assets at the end of the period [Units outstanding: 23,303,487 (2018: 23,576,829)]	234,674	28,915	263,589	235,453	21,910	257,363
Undistributed income brought forward comprising of:						
-Realised		1,429				19,603
-Unrealised		27,486				71
		28,915				19,674
Accounting income available for distribution						
-Relating to capital gains		22,671				-
-Excluding capital gains		(2,176)				2,235
		20,495				2,235
Net income for the year after taxation						
Undistributed income carried forward - net		49,410				21,909
	Rupees					
Net asset value at the beginning of the period			10.8760			10.8408
Net asset value at the end of the period			11.0273			10.7530

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	30 September 2019	30 September 2018
		Rupees in ('000')	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period after taxation		8,420	2,235
Adjustments for:			
Net (gain) on sale of investments		(901)	(23)
Amortization of discounts on PIBs		(730)	
Net unrealised loss / (gain) on remeasurement of investments at fair value through profit or loss'		(699)	1,213
		(2,330)	1,190
Decrease in assets			
Investments - Net		14,080	7,119
Mark-up accrued		3,836	319
Deposits, prepayment and other receivable		(375)	453
		18,211	7,891
(Decrease) in liabilities			
Payable to Asset Management Company		315	(752)
Payable to Trustee		(1)	(4)
Payable to the Securities & Exchange Commission of Pakistan		(184)	(166)
Dividend payable		(15,421)	(10,237)
Accrued expenses and other liabilities		455	(545)
		(14,836)	(11,714)
Net cash (used in) / generated from operating activities		9,565	(398)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		-	-
Dividend paid		-	-
Payments against redemption of units		-	-
Net cash (used in) financing activities		-	-
Net (decrease) in cash and cash equivalents		9,565	(398)
Cash and cash equivalents at the beginning of the period		8,272	2,391
Cash and cash equivalents at the end of the period	4	17,837	1,993

The annexed notes from 1 to 13 form an integral part of these condensed interim financial information.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

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

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

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

Title to the assets of the Fund are held in the name of MCB Financial Services Limited as a trustee of the Fund.

2 STATEMENT OF COMPLIANCE

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2019.

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		------(Rupees in '000)------	
4. BALANCE WITH BANKS			
-Saving accounts	4.1	17,637	8,072

4.1 These savings accounts carry mark-up at the rates ranging from 3.75% to 10.5% (30 June 2019: 3.75% to 10%) per annum.

	Note	30 September 2019 Un-audited	30 June 2019 Audited
		------(Rupees in '000)------	
5. INVESTMENTS			
At fair value through profit or loss - held for trading			
Government securities	5.1	178,525	190,695
Term Finance Certificates & Sukuk Certificates	5.3	68,196	68,556
		246,721	259,251

5.1 Market Treasury Bills

Issue Date	Tenor	Face value: As at 01 July 2019	Purchased during the period	Sold / matured during the period	As at 30 September 2019	Market value as at 30 September 2019	Market Value as a percentage of: Net assets	Total investments
		------(Rupees in '000)------					------%age------	
25-Apr-2019	3 months	25,000	-	25,000	-	-	-	0.00%
09-May-2019	3 months	25,000	-	25,000	-	-	-	0.00%
18-Jul-2019	3 months	-	[illegible]	-	15,000	[illegible]	[illegible]	[illegible]
29-Aug-2019	12 months	-	[illegible]	[illegible]	-	-	-	0.00%
12-Sep-2019	12 months	-	[illegible]	[illegible]	-	-	-	0.00%
26-Sep-2019	12 months	-	100,000	-	100,000	[illegible]	[illegible]	[illegible]
						[illegible]	[illegible]	[illegible]

Carrying value before mark to market as at 30 September 2019 [illegible]

5.1.1 The effective yield on market treasury bills is [illegible] per annum.

5.2 Pakistan Investment Bonds

Issue Date	Tenor	Face value: As at 01 July 2019	Face value: Purchased during the period	Face value: Sold / matured during the period	Face value: As at 30 September 2019	Market value as at 30 September 2019	Market value as a percentage of: Net assets	Market value as a percentage of: Total investments
12-Jul-2018	3 years	90,000	65,000	155,000	-	-	0.00%	0.00%
21-Feb-2019	10 years	75,000	-	-	75,000	75,860	20.84%	[illegible]
19-Sep-2019	3 years	-	30,000	30,000	-	-	0.00%	0.00%
						75,860	[illegible]	[illegible]

Carrying value before fair value adjustment to market as at 30 September 2019: [illegible]

5.2.1 [illegible]

5.3 Term Finance Certificates

Name of the investee company	Note	Number of certificates: As at 01 July 2019	Number of certificates: Purchased during the period	Number of certificates: Sold / matured during the period	Number of certificates: As at 30 September 2019	Market value as at 30 September 2019	Market value as a percentage of: Net assets	Market value as a percentage of: Total investments	Market value as a percentage of: Issue size
						Rupees in '000'	%	%	%
JS Bank Limited		5,400	-	-	5,400	[illegible]	[illegible]	[illegible]	[illegible]
JS Company Limited	5.3.1	[illegible]	-	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bank of Punjab		230	-	230	-	-	-	-	[illegible]
						[illegible]	[illegible]	[illegible]	[illegible]

Carrying value before fair value adjustment to market as at 30 September 2019: [illegible]

5.4 Sukuk Certificates

Name of the investee company	Note	Number of certificates: As at 01 July 2019	Number of certificates: Purchased during the period	Number of certificates: Sold / matured during the period	Number of certificates: As at 30 September 2019	Market value as at 30 September 2019	Market value as a percentage of: Net assets	Market value as a percentage of: Total investments	Market value as a percentage of: Issue size
						Rupees in '000'	%	%	%
Dawood Hercules Corporation Ltd - II	5.3.1	-	230	-	230	[illegible]	[illegible]	[illegible]	[illegible]
						[illegible]	[illegible]	[illegible]	[illegible]

Carrying value before fair value adjustment to market as at 30 September 2019: [illegible]

5.3.1 Other particulars of term finance certificates and sukuks outstanding as at September 30, 2019 are as follows:

Name of the investee company	Face value (unredeemed)	Mark-up rate per annum	Rating	Issue date	Maturity date
JS Bank Limited	[illegible]	6 Month KIBOR ask rate plus 1.40%	A+	[illegible]	[illegible]
JS Company Limited	[illegible]	6 Month KIBOR ask rate plus 1.40%	AA+	[illegible]	[illegible]
Bank of Punjab	[illegible]	6 Month KIBOR ask rate plus 1.25%	AA	23-Apr-18	23-Apr-28
Dawood Hercules Corporation Limited II	[illegible]	3 Month KIBOR ask rate plus 1.0%	AA	[illegible]	[illegible]

		Note	30 September 2019 Un-audited	30 June 2019 Audited
			-------(Rupees in '000)-------	
6	PAYABLE TO THE MANAGEMENT COMPANY			
	Remuneration of the Management Company	6.1	234	244
	Sindh Sales Tax on remuneration of the Management Company	6.2	135	136
	Federal Excise Duty on remuneration of the Management Company	6.3	654	654
	Reimbursement of operational expenses to the Management Company	6.4	231	168
	Selling and marketing expenses	6.5	1,310	1,049
			2,564	2,248

6.1 The Management Company has charged its remuneration at the rate of 1.1% (30 June 2019: 1.1%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (June 30, 2019: 13%) on Management Company's remuneration through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

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

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

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

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 01 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs 654 million (30 June 2019: 654 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs. 0.0274 (30 June 2019: Rs. 0.0274) per unit.

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

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

		Note	30 September 2019 Un-audited	30 June 2019 Audited
			------Rupees in ('000) ------	
7	ACCRUED EXPENSES AND OTHER LIABILITIES			
	Auditors' remuneration payable		432	347
	Printing charges payable		34	-
	Withholding tax payable		65	65
	Capital Gain Tax payable		-	-
	Provision for Sindh Workers' Welfare Fund	7.1	1,678	1,506
	Others		367	203
			2,576	2,121

7.1 There is no change in the status of the SWWF as reported in note 11 to the annual financial statements of the Fund for the year ended 30 June 2019.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2019 and 30 June 2019.

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 2.42% (June 30, 2019 is 2.47%) which includes 0.25% (June 30, 2019 is 0.36%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

10 TAXATION

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

		For the Quarter Ended 30 September 2019	2018
11	TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS	Un-audited	
		----Rupees ('000')----	
11.1	Transactions for the period:		
	Pak Oman Asset Management Company Limited (Management Company)		
	Remuneration of the Management Company	718	712
	Sindh Sales tax on Remuneration of Management Company	93	93
	Reimbursement of operational expenses to the Management Company	65	65
	Selling and Marketing Charges	260	259
	MCB Financial Services Limited - Trustee of the Fund		
	Remuneration of the Trustee	[illegible]	68

		30 September 2019 Un-audited	30 June 2019 Audited
11.2	Investments / outstanding balances as at period / year end:	----Rupees ('000')----	
	Pak Oman Asset Management Company Limited (Management Company)		
	Remuneration payable to the Management Company	234	244
	Sindh Sales Tax payable on Remuneration of the Management Company	135	136
	Federal Excise Duty payable on Remuneration of the Management Company	654	654
	Reimbursement of operational expenses to the Management Company	231	166
	Selling & Marketing charges	1,310	1049
	MCB Financial Services Limited (Trustee)		
	Remuneration of Trustee	26	27
	Sindh Sales Tax payable on Remuneration of Trustee	3	3
	Pak Oman Investment Company Limited - Holding Company of Management Company of the Fund		
	Outstanding: 23,880,843 (30 June 2019: 23,880,843) units	260,913	252,577

* This represent 10% or more of the unit holding of the fund at the close of the period

12 GENERAL

Figures have been rounded off to the nearest thousand rupees.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 24, 2019.

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer | Chief Financial Officer | Director