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Our Mission

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

Our Vision

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



FUND INFORMATION

Management Company

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

Board of Director of The Management Company

H.H. Juland Jaifer Salim Al Said	Chairman
Mr. Bahauddin Khan	Director
Mr. Humayun Murad	Director
Mr. Jehangir Shah	Director
Mr. Rashid Ali Ibrahim Al Balushi	Director
Ms. Sadaf Kazmi	CEO

Audit Committee

Mr. Humayun Murad	Chairman
Mr. Bahauddin Khan	Member
Mr. Rashid Ali Ibrahim Al Balushi	Member

Chief Financial Officer

Mr. Abdul Rehman

Company Secretary

Ms. Hina Mir

Asset Manager Rating

AM3 + (Positive)

Trustee

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

Auditors

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

Bankers to The Fund

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

Legal Advisor

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



DIRECTORS REPORT TO THE UNIT HOLDERS

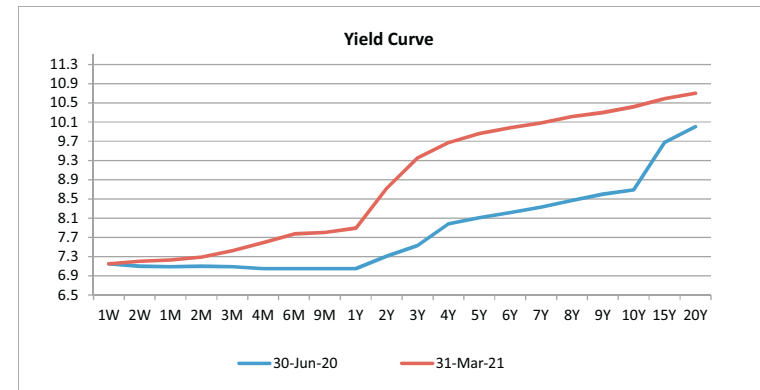
The Board of Directors (BOD) of Pak Oman Asset Management Company Limited is pleased to present the half yearly financial statements of Askari Sovereign Yield Enhancer (ASYE) for the period ended March 31, 2021.

Fixed Income Review 9M-FY21

In first nine months of FY21, secondary market yields across short term papers reversed from their bottom levels. Yields on 3m, 6m and 12m paper increased by 33bp, 72bps and 84bps and stood at 7.42%, 7.77% and 7.89% respectively by end of Mar-21. On the other hand, yield on longer tenor bonds witnessed sharp increase of 182bps, 175bps and 173bps and settled at 9.35%, 9.86% and 10.42% for 3yr, 5yr and 10yr bond respectively. During the quarter, money market remained stagnant and slow activity was witnessed post SBP's decision to maintain policy rate at 7.00%.

In the monetary policies announced during the first half of financial year 2021, SBP decided to maintain benchmark policy rate at 7.00%. The decision was taken in consideration to stable core inflation and sizeable growth in Large Scale Manufacturing Index. SBP concluded that lower borrowing cost has made major contribution in wiping out economic burn, after covid-19 outbreak. Further, SBP is of the view that reduction in borrowing cost has resulted in significant liquidity in the market to support local industries.

In the T-Bill auctions held during the period, SBP raised a total of PKR 9,681 billion against the target of PKR 8,500 billion and maturing amount of PKR 9,564 billion. The Last cut-off yields stood at 7.5398%, 7.8000% for 3m and 6m paper respectively while all bids were rejected for 12m paper. In the PIB auction for fixed rated bonds, SBP raised PKR 448 while Banks offered PKR 1,120 billion. Major participation was witnessed in 3yr and 5yr paper. Cut-off yields settled at 9.41%, 9.90% and 10.2890% for 3yr, 5yr, and 10yr bond respectively.

**Economic Review 9-MFY21**

In 9M-FY21 CPI averaged at 8.34% as compared to 11.53% in same period last year. The CPI stayed lower in 9-Months of FY21 as this period saw a decline in oil prices amid covid-19, followed by decline in other CPI heads. However, in 2-QFY21 and 3QFY21, CPI started to elevate on the back of reversal in fuel prices, upward revision in electricity prices and higher food inflation, especially notable increase was witnessed in perishable food items. During the period under review, SPI and WPI averaged at 11.91% and 6.35% respectively.



On the external front, in 8MFY21, Current Account settled in surplus of \$881 million, which is +0.5% of the GDP as compared to deficit of \$2.741 billion, i.e -1.5% of GDP in same period last year. Major contributor for improvement in current account balance was 22.16% decline in trade deficit on account of approximately 8.59% drop in imports. Further impetus came from significant growth in remittances, which increased by 24% on YoY basis.

In the monetary policies announced during the nine months of financial year 2021, SBP decided to maintain benchmark policy rate at 7.00%. The decision was taken in consideration to stable core inflation and notable growth in LSM Index. SBP has concluded that lower borrowing cost has made major contribution in wiping out economic burn, after covid-19 outbreak.

Going forward, government's major challenge would curtail fiscal imbalances and management of foreign flows. SBP expects inflation to settle in the band of 7%-9% in FY21. However, higher inflationary trend might be observed post expected upward revision in energy prices as per IMF's structural criteria for resumption of EFF program.

ASYE

In 9MFY21, ASYE posted return of 1.83% as compared to benchmark of 7.20%. The fund has underperformed its benchmark due to valuation impact on government securities. Assets under management of the fund saw negligible change and stood at PKR 230 million by end of Mar-21.

During the period, average investment in Treasury Bills settled at 57.23% as compared to 63.08% in 9MFY20 and 53.32% in 2QFY21. Exposure against PIBs averaged at 21.72% as compared to 8.34% in 9MFY21. Average cash exposure of the fund during the June-2020 - Mar-21 stood at 21.05% of the fund size as compared to 23.49% in 9MFY20. During the period under review, higher exposure was maintained in cash and short term assets to avoid further valuation downside.

ACKNOWLEDGEMENTS

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

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

12th April 2021
Karachi - Pakistan.



بیرونی محاذ پر کرنٹ اکاؤنٹ گزشتہ سال کی اسی مدت میں 2.741 بلین ڈالر یعنی جی ڈی پی کا منفی 1.5% فیصد شمارہ کے مقابلے میں مالیاتی سال 21 کے 8 ماہ میں، 881 بلین ڈالر کے سرپلس یعنی جی ڈی پی کا پلس 0.5% طے کیا گیا۔ درآمدات میں تقریباً 8.59 فیصد کمی کی وجہ سے کرنٹ اکاؤنٹ بیلنس میں بہتری کے لئے اہم شراکت دار تجارتی خسارے میں 22.16 فیصد کمی تھی۔ مزید ترغیبات ترسیلات زر میں نمایاں نمو سے ہوئیں، جو سالانہ بنیاد پر 24 فیصد تک زیادہ ہوئی۔

مالی سال 2021 کی نو ماہی کے دوران اعلان کردہ مالیاتی پالیسی میں، اسٹیٹ بینک نے شیخ مارک پالیسی شرح کو 7.00 فیصد برقرار رکھنے کا فیصلہ کیا۔ یہ فیصلہ بنیادی افراط زر اور لارج سکیل مینوفیکچرنگ انڈیکس میں نمایاں نمو کو مستحکم رکھنے کے لئے کیا گیا۔ SBP نے یہ نتیجہ اخذ کیا کہ Covid-19 کے پھیلاؤ کے بعد، قرضہ کی کم لاگت نے اقتصادی بحالی میں اہم حصہ شامل کیا ہے۔

آگے بڑھتے ہوئے، حکومت کو سب سے بڑا چیلنج مالی عدم توازن کو کم اور غیر ملکی بہاؤ کا انتظام کرنا ہوگا۔ اسٹیٹ بینک کو توقع ہے کہ مالی سال 21 میں افراط زر 7 فیصد -9 فیصد کے بینڈ میں رہے گا۔ تاہم، EFF پروگرام کو دوبارہ شروع کرنے کے لئے آئی ایم ایف کے ساختی معیار کے مطابق توانائی کی قیمتوں میں متوقع اضافے کے بعد افراط زر بڑھنے کا رجحان پایا جاسکتا ہے۔

ASYE

9MFY21 میں، ASYE نے 7.20 فی صد شیخ مارک کے مقابلے میں 1.83 فی صد منفعت درج کرائی۔ فنڈ نے گورنمنٹ سیکورٹیز پر مارکیٹ قیمت کے اثرات کی وجہ سے اسٹیٹ بینک مارک میں اختراع کردگی دکھائی۔ فنڈ کے زیر انتظام اثاثہ جات کی قدر میں معمولی کمی ہوئی اور مارچ 21 کے اختتام تک 230 ملین روپے پر قائم رہی ہے۔

مدت کے دوران، ٹریژری بلز کی مد میں اوسط 57.23 فی صد سرمایہ کاری ہوئی جبکہ 9MFY20 میں 63.08 فیصد اور 2QFY21 میں 53.32 فیصد رہی۔ PIBs کے عوض ایکسپوزر اوسطاً 21.72 فی صد رہا جبکہ 9MFY21 میں 8.34 فیصد رہی۔ جون 2020ء - مارچ 2021 کے دوران فنڈ کا اوسط ایکسپوزر 9MFY20 میں 23.49% کے مقابلے میں فنڈ سائز کا 21.05 فی صد رہا۔ زیر جائزہ مدت کے دوران، قیمت کی مزید کمی سے بچنے کیلئے زیادہ ایکسپوزر نقد اور مختصر مدتی اثاثوں میں برقرار رکھا گیا۔

اظہار تشکر

ہم ان تمام سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، فنڈ کے متولیوں اور پاکستان اسٹاک ایکسچینج کی انتظامیہ مخلصانہ کوششوں پر ان کے مشکور ہیں۔ منتظم کمپنی کے ملازمین کے لئے ہم اپنی ستائش ریکارڈ پر لانا چاہتے ہیں۔

صدر کاظمی

چیف ایگزیکٹو آفیسر

12 اپریل 2021ء

کراچی - پاکستان



پونٹ ہولڈرز کو ڈائریکٹران کی رپورٹ

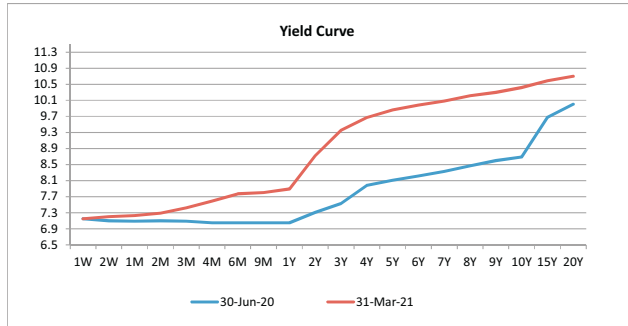
پاک اومان ایٹمنجمنٹ کمپنی لمیٹڈ ("منظم کمپنی" یا "POAMCL" یا "کمپنی") کے بورڈ آف ڈائریکٹرز عسکری سوورینٹیٹیڈ ایسٹریٹس (ASYE) کی 31 مارچ 2021ء کو ختم ہونے والی نو ماہی کے لئے پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

مستقل آمدنی تجزیہ نو ماہی مالیاتی سال 2021ء

مالیاتی سال 2021 کی نو ماہی میں ثانوی مارکیٹ افادہ شارج ٹرم سپر زکی مد میں اپنی زیریں سطحوں سے واپس مڑ گیا۔ شارج ٹرم سپر زکی آمدنی 6.3 اور 12 ماہ سپر زکی 33bps، 72bps اور 84bps تک بڑھ گئی اور یہ 21 مارچ تک اختتام تک بالترتیب 7.42 فی صد، 7.77 فی صد اور 7.89 فی صد پر بند ہوئی۔ دوسری جانب، طویل مدتی بانڈز پر آمدنی 182bps، 175bps اور 173bps بڑھ گئی اور تین، پانچ اور دس سالہ بانڈز پر آمدنی بالترتیب 9.35 فی صد، 9.86 فی صد اور 10.42 فی صد رہی۔ رواں سہ ماہی کے دوران، نئی مارکیٹ جمود کا شکار رہی اور اسٹیٹ بینک پاکستان کے پالیسی شرح کو 7.00% پر برقرار رکھنے کے فیصلے کے بعد کم از کم سرگرمی دیکھی گئی۔

مالی سال 2021 کی پہلی ششماہی کے دوران اعلان کردہ مالیاتی پالیسی میں، اسٹیٹ بینک نے بیچ مارک پالیسی شرح کو 7.00 فی صد برقرار رکھنے کا فیصلہ کیا۔ بنیادی افراط زر کو مستحکم رکھنے اور لارج اسکیل مینوفیکچرنگ انڈیکس میں نمایاں نمو کے لئے یہ فیصلہ کیا گیا۔ SBP نے نتیجہ اخذ کیا ہے کہ COVID-19 پھیلنے کے بعد، قرضہ کی کم لاگت نے اقتصادی بحالی میں اہم حصہ شامل کیا ہے۔ اس کے علاوہ، اسٹیٹ بینک پاکستان کا موقف ہے کہ قرضہ کی لاگت میں کمی کے نتیجے میں مقامی صنعتوں کی مدد کے لئے مارکیٹ میں نمایاں لیکویڈیٹی موجود ہے۔

اس مدت کے دوران منصفانہ ٹی بلز کی بنیاد میں، SBP نے 8,500 بلین روپے ہدف اور وصول شدہ 9,564 بلین روپے کے مقابلہ میں مجموعی 9,681 بلین روپے اکٹھے کئے۔ 3 اور 6 ماہ سپر زکی پر کٹ آف منافع بالترتیب 7.5398 فی صد اور 7.8000 فی صد رہا جبکہ 12 ماہ کے سپر زکی کے لئے تمام بولیاں مسترد کر دی گئیں۔ مستقل شرح کے بانڈز پر PIB بنیاد میں SBP نے 448 بلین روپے اکٹھے کئے جبکہ بینکوں نے 1,120 بلین روپے کی پیشکش کی۔ 3 سالہ اور 5 سالہ سپر میں اہم شرکت دیکھی گئی۔ 3 اور 10 سالہ بانڈز پر نظر ثانی شدہ منافع بالترتیب 9.41 فی صد، 9.90 فی صد اور 10,2890 فی صد کے ساتھ کیا گیا۔



اقتصادی جائزہ برائے نو ماہی مالیاتی سال 2021ء

9M-FY21 میں CPI اوسط گزشتہ سال کی اسی مدت میں 11.53% کے مقابلے میں 8.34% رہی۔ مالی سال 2021 کی نو ماہی میں CPI کم ہی رہا کیونکہ اس مدت میں دیگر CPI ہینڈز میں کمی کے باعث COVID-19 کے بیچ تیل کی قیمتوں میں کمی دیکھی گئی۔ تاہم، مالی سال 21 کی دوسری سہ ماہی اور مالی سال 21 کی تیسری سہ ماہی میں، سی پی آئی نے ایندھن کی قیمتوں میں اضافے، بجلی کی قیمتوں میں اضافہ اور کھانے پینے کی اشیاء کی قیمتوں میں اضافے کے باعث اضافہ ہونا شروع ہو گیا، خاص طور پر خراب ہونے والی اشیاء خورد و نوش میں قابل ذکر اضافہ دیکھا گیا۔ زبر جائزہ مدت کے دوران، SPI اور WPI بالترتیب اوسطاً 11.91 فی صد اور 6.35 فی صد رہے۔



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT 31 MARCH 2021

	31 March 2021 Un-audited	30 June 2020 Audited
Note	----- (Rupees in '000) -----	
Assets		
Balances with bank	94,663	10,383
Investments	140,762	255,678
Mark up accrued	6,368	3,105
Advances, deposits, prepayments and other receivables	1,950	1,924.00
Total assets	243,743	271,090
Liabilities		
Payable to Asset Management Company	9,331	9,187
Payable to Trustee	17	19
Payable to the Securities & Exchange Commission of Pakistan	36	42
Dividend payable	486	15,734
Accrued expenses and other liabilities	4,360	3,878.20
Total liabilities	14,230	28,860
NET ASSETS	229,512	242,230
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	229,512	242,230
CONTINGENCIES AND COMMITMENTS		
NUMBER OF UNITS IN ISSUE	2,208,331	2,360,439
NET ASSET VALUE PER UNIT	104.0322	102.6207

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

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



ASKARI SOVEREIGN YIELD ENHANCER

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2021

Note	For Nine Months Ended 31 March		For Quarter Ended 31 March	
	2021 (Rupees in '000)	2020 (Rupees in '000)	2021 (Rupees in '000)	2020 (Rupees in '000)
Income				
Profit on saving and term deposits	3,226	5,382	1,267	2,623
Income from government securities	11,308	13,990	3,500	5,043
Income from term finance certificates	-	707	-	-
Capital gain / (loss) on sale of investments - net	(2,618)	1,429	(108)	123
Net unrealised gain / (loss) on remeasurement of investments at fair value through profit or loss'	(4,215)	1,612	(581)	1,867
Other income	-	-	-	-
	7,701	23,120	4,078	9,656
Expenses				
Remuneration of the Management Company	6.1	2,402	1,951	760
Sindh Sales Tax on remuneration of the Management Company	6.2	312	254	99
Reimbursement of operational expenses to the Management Company	6.4	178	145	56
Remuneration of the trustee inclusive of SST		150	122	47
Annual fees to the Securities & Exchange Commission of Pakistan		36	29	11
Auditors' remuneration		518	419	141
Fees and Subscription		172	154	53
Securities transaction cost		284	343	94
Shariah Fees		6	-	6
Advertisement and Marketing Expense	6.5	225	-	225
Amortization of premium		84	-	84
Printing expenses		24	24	8
Legal and professional charges		57	7	7
Bank and Settlement Charges		12	7	(1)
Provision for Sindh Workers' Welfare Fund	7.1	65	394	50
Other Charges		-	-	-
		4,525	3,889	1,634
				1,423
Net income for the period before taxation		3,176	19,231	2,444
				8,233
Taxation	10	-	-	-
Net income for the period after taxation		3,176	19,231	2,444
				8,233
Allocation of Net Income for the year				
- Income already paid on units redeemed		(59)	(601)	-
		(59)	(601)	(122)
Accounting income available for distribution				
- Relating to capital gains		(6,833)	-	(6,833)
- Excluding capital gains		9,950	18,630	9,278
		3,117	18,630	2,444
				8,111

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

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Nine Months and Quarter Ended 31 March 2021

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ASKARI SOVEREIGN YIELD ENHANCER

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2021

	For Nine Months Ended 31 March		For Quarter Ended 31 March	
	2021 (Rupees in '000)	2020 (Rupees in '000)	2021 (Rupees in '000)	2020 (Rupees in '000)
Net income for the period after taxation	3,176	19,231	2,444	8,233
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	3,176	19,231	2,444	8,233

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

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Nine Months and Quarter Ended 31 March 2021

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ASKARI SOVEREIGN YIELD ENHANCER

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2021

	'Nine Months Ended 31 March 2021			'Nine Months Ended 31 March 2020		
	Capital Value	Undistributed Income	Net Assets	Capital Value	Undistributed Income	Net Assets
	(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period (Units outstanding: 2,360,439 (2020: 1,081,837))	233,524	8,706	242,230	152,655	14,532	167,187
Issue of 98,410 (2019: 152,781 units)						
- Capital value(at net asset per unit at beginning of year)	10,099	-	10,099	60,883	-	60,883
- Element of income / loss	(85)	-	(85)	2,824	-	2,824
	10,014	-	10,014	63,707	-	63,707
Redemption of 250,519 (2020: 191,950 units)						
- Capital value(at net asset per unit at beginning of year)	(25,933)	-	(25,933)	(21,291)	-	(21,291)
- Element of income / loss	86	(59)	27	(11)	(601)	(612)
	(25,847)	(59)	(25,908)	(21,302)	(601)	(21,903)
Total comprehensive income for the period	-	3,176	3,176	-	19,231	19,231
Net assets at the end of the period	217,691	11,823	229,512	195,060	33,162	228,222
Undistributed income brought forward comprising of:						
-Realized		16,319			16,319	
-Unrealised loss		(1,787)			(1,787)	
		14,532			14,532	
Accounting income available for distribution:						
-Relating to capital gains	(6,833)			3,041		
-Excluding capital gains	9,950			15,589		
		3,117			18,630	
Net income for the year after taxation						
Undistributed income carried forward - net	17,649			33,162		
Undistributed income carried forward comprising of:						
-Realized		21,864			31,550	
-Unrealised gain / (loss)		(4,215)			1,612	
		17,649			33,162	

(Rupees)

Net asset value at the beginning of the period	112,7808	102,6207
Net asset value at the end of the period	104,0322	112,7808

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

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Nine Months and Quarter Ended 31 March 2021

10



ASKARI SOVEREIGN YIELD ENHANCER

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2021

	31 March	
	2021	2020
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period after taxation	3,176	19,231
Adjustments for:		
Capital (gain) / loss on sale of investments - net	2,618	(1,429)
Net unrealised (gain) / loss on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	4,215	(1,612)
Provision for Sindh Workers Welfare Fund	65	394
	6,898	(2,647)
Decrease / (Increase) in assets		
Investments - Net	108,083	(19,565)
Mark up accrued	(3,263)	1,969
Advances, deposits, prepayments an other receivables	(26)	198
	104,794	(17,398)
(Decrease) in liabilities		
Payable to Asset Management Company	144	(268)
Payable to Trustee	(2)	(3)
Payable to the Securities & Exchange Commission of Pakistan	(6)	(13)
Dividend payable	(15,248)	(15,248)
Accrued expenses and other liabilities	418	(672)
	(14,694)	(16,204)
Net cash (used in) / generated from operating activities	100,174	(17,018)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	10,014	63,621
Payments against redemption of units	(25,908)	(21,818)
Net cash generated from / (used in) financing activities	(15,894)	41,803
Net increase in cash and cash equivalents	84,280	24,785
Cash and cash equivalents at the beginning of the period	10,383	10,383
Cash and cash equivalents at the end of the period	94,663	35,168

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

For Pak Oman Asset Management Company Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

For The Nine Months and Quarter Ended 31 March 2021

11



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2021**

1 LEGAL STATUS AND NATURE OF BUSINESS

Askari Sovereign Yield Enhancer (the Fund) was established under a Trust deed executed between Askari Investment Management Limited as the Management Company and 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 Icon House, 83-C, 12th Commercial Street, Phase-II Extension, DHA, Karachi.

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+ (Positive)" to the Management Company as at 15 February 2021. Furthermore, JCR-VIS has assigned a rating of "AA-(f)" to the Fund as at 31 December 2020.

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 condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

This condensed interim financial statements does not include all the information and disclosures



required in the annual financial statements and should be read in conjunction with the annual published financial statements of the Fund for the year ended 30 June 2020.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2020.

		31 March 2021 Un-audited	30 June 2020 Audited
	Note	---- (Rupees in '000) ----	
4. BALANCE WITH BANKS			
-Saving accounts	4.1	<u>94,663</u>	<u>10,383</u>
4.1	These savings accounts carry mark-up at the rates ranging from 6.5% to 9% (30 June 2020: 3.75% to 8.00%) per annum.		

		31 March 2021 Un-audited	30 June 2020 Audited
	Note	---- (Rupees in '000) ----	
5. INVESTMENTS			
At fair value through profit or loss - held for trading			
Treasury Bills	5.1.1	24,472	179,476
Term Finance Certificates			-
Pakistan Investment Bonds	5.1.2	116,290	76,202
Loans and receivables			
Letter of Placement		-	-
		<u>140,762</u>	<u>255,678</u>



5.1.1 Treasury Bills

Issue Date	Tenor	Face value				Market value as at 31 March 2021	Market Value as a percentage of	
		As at 01 July 2020	Purchased during the period	Sold / matured during the period	As at 31 March 2021		Net assets	Market value of total investments
		------(Rupees in '000)-----				Rupees in '000'	------%age-----	
23-Apr-20	3 months	180,000	-	180,000	-	-	-	-
16-Jul-20	3 months	-	75,000	75,000	-	-	-	-
27-Aug-20	3 months	-	75,000	75,000	-	-	-	-
16-Jul-20	12 months	-	25,000	-	25,000	24,472	17.39%	14.41%
8-Oct-20	3 months	-	75,000	75,000	-	-	-	-
30-Nov-20	3 months	-	44,000	44,000	-	-	-	-
31-Dec-20	3 months	-	100,000	100,000	-	-	0.00%	0.00%
28-Jan-21	3 months	-	100,000	100,000	-	-	-	-
11-Mar-21	3 months	-	75,000	75,000	-	-	-	-
25-Mar-21	3 months	-	90,000	90,000	-	-	-	-
						<u>24,472</u>	<u>17.39%</u>	<u>14.41%</u>
						<u>24,558</u>		

Carrying value before marked to market as at 31 March 2021

5.1.2 Pakistan Investment Bonds

Issue Date	Tenor	Face value				Market value as at 31 March 2021	Market Value as a percentage of	
		As at 01 July 2020	Purchased during the period	Sold / matured during the period	As at 31 March 2021		Net assets	Market value of total investments
Pakistan Investment Bonds								
12-Jul-2018	10 Years	75,000	-	25,000	50,000	46,516	33.05%	27.40%
12-Jul-2018	10 Years	-	75,000	-	75,000	69,774	49.57%	41.10%
						<u>116,290</u>	<u>82.62%</u>	<u>68.5%</u>
						<u>120,620</u>		

Carrying value before marked to market as at 31 March 2021



6.	PAYABLE TO THE MANAGEMENT COMPANY	Note	31 March 2021	30 June 2020
			Un-audited	Audited
			------(Rupees in '000)-----	
	Remuneration of the Management Company	6.1	266	298
	Sindh Sales Tax on remuneration of the Management Company	6.2	1,045	1,049
	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	326	371
	Advertisement and Marketing Fee Payable	6.5	225	-
			<u>9,331</u>	<u>9,187</u>

- 6.1** The Management Company has charged its remuneration at the rate of 1.35% (30 June 2020: 1.35%) per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.
- 6.2** The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (30 June 2020: 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 2020: Rs. 7.469 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 31 March 2021 would have been higher by Rs. 3.38 (30 June 2020: Rs. 3.16) per unit.

- 6.4** In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I)/2015 dated 25 November 2015), the Management Company of the Fund is entitled to



reimbursement of fees and expenses in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less. Accordingly, the Management Company has charged accounting and operational charges to the Fund in respect of the back office accounting function @ 0.1% of average annual assets of the scheme to an independent service provider.

- 6.5 SECP vide Circular No. 11 of 2019 dated July 05, 2019 has super seeded circular 40 of 2016, 05 of 2017 and 05 of 2018 and has prescribed certain conditions on Asset Management Companies (AMCs) for charging of selling and marketing expenses to collective investment schemes managed by them. Selling and Marketing expenses has been allowed on all categories of Open and mutual funds except fund of funds 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 starting from 01-January-2021, being the lower amount.

	Note	31 March	30 June
		2021	2020
		Un-audited	Audited
		----- Rupees in ('000) -----	
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		428	435
Printing charges payable		88	-
Withholding tax payable		75	42
Capital Gain Tax payable		1	4
Provision for Sindh Workers' Welfare Fund	7.1	3,137	3,072
Legal and professional charges payable		65	68
Advertisement and Marketing Fee Payable		225	-
Others		341	257
		4,360	3,878

- 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 2020.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 March 2021 and 30 June 2020.

9 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2021 is 2.26% which includes 0.21% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.50% prescribed under the NBFC Regulations for respective collective investment 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 Nine Months Ended	
	31 March	
	2021	2020
	Un-audited	
	----- (Rupees in '000) -----	
11.1 Transactions for the period:		
Pak Oman Asset Management Company Limited (Management Company)		
Remuneration of the Management Company	2,402	1,951
Sindh Sales tax on Remuneration of Management Company	312	254
Reimbursement of operational expenses to the Management Company	178	145
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee inclusive of sales tax there on	150	122
Key Management Personnel of the Management Company		
Issue of 2,345 (2020: 2345) units	251	251
Redemption of 2,335 (2020: 2335) units	251	251
Unit Holders Holds 10% or more units		
Issue of 465,387 (2020: 465387) units	50,000	50,000
	31 March	30 June
	2021	2020
	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	266	298
Reimbursement of operational expenses to the Management Company	326	371
Sindh Sales Tax on remuneration of the Management Company	1,045	1,049
Federal Excise Duty payable on Remuneration of the Management Company	7,469	7,469
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee inclusive of sales tax there on	17	19
Security deposit	100	100
Askari Bank Limited*		
Balances with banks	94,663	211
Outstanding 1,000,000 (30 June 2020: 1,000,000) units	104,032	102,621
Dividend payable	-	14,065
Hommie Jamshed Nusserwanjee Charitable Trust*		
Outstanding 247,716 (30 June 2020: 270,786) units	-	27,871
Dividend payable	-	-
Key Management Personnel of the Management Company		
Outstanding Nil units (2020: 10 units)	-	1
* 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 12th April, 2021.

For Pak Oman Asset Management Company Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

