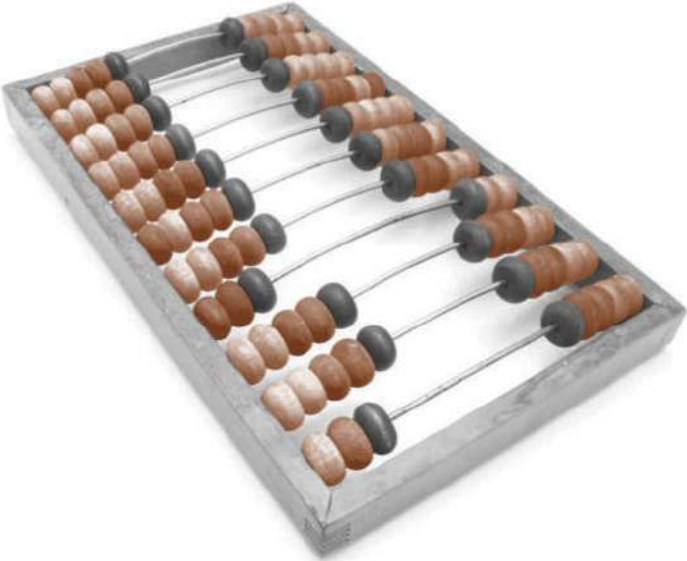


Faysal Funds

Savings Growth Fund

Condensed Interim Financial Statements
For The Half Year Ended December 31, 2022 (Un-audited)



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Faysal Funds

Faysal Saving Growth Fund

FUND INFORMATION

Management Company

Faysal Asset Management Limited

Board of Directors of the Management Company

Mr. Salman Ahmed Usmani, Chairman

Mr. Mian Salman Ali, Director

Syed Muhammad Fraz Zaidi, Director

Mr. Nadir Rahman, Director

Mr. Ali Waqar, Director

Ms. Samia Zuberi, Director

Mr. Khaldoon Bin Latif, Director/CEO

Chief Executive Officer

Mr. Khaldoon Bin Latif

Chief Financial Officer

Mr. Faisal Ali Khan

Company Secretary of the Management Company

Muhammad Umer Ilyas

Audit Committee

Mr. Nadir Rahman, Chairman

Mr. Mian Salman Ali, Member

Syed Fraz Muhammad Zaidi, Member

HR Committee

Ms. Samia Zuberi, Chairman

Mr. Nadir Rahman, Member

Syed Fraz Muhammad Zaidi, Member

Risk Committee

Mr. Mian Salman Ali, Chairman

Mr. Nadir Rahman, Member

Syed Fraz Muhammad Zaidi, Member

Mr. Ali Waqar, Member

Trustee to the Fund

Central Depository Company of Pakistan Limited

CDC House, 99B, Block B, SMCHS,

Main Sharah-e-Faisal, Karachi.

Auditors

A.F. Ferguson & Co. Chartered Accountants

Legal Advisor

Mohsin Tayebaly & Co.

2nd Floor, Dime Centre,

BC-4, Block-9, KDA-5,

Clifton, Karachi

Registrar

IT Minds Limited

Central Depository Company of Pakistan Limited

CDC House, 99B, Block-B, S.M.C.H.S.,

Main Shahra-e-Faisal, Karachi.

Bankers to the Fund

Faysal Bank Limited

Bank Alfalah Limited

Habib Bank Limited

Allied Bank Limited

JS Bank Limited

Kushhali Bank Limited

Soneri Bank Limited

MCB Bank Limited

U Micro Bank Limited

MISSION AND VISION

To provide world class investment management and advisory services for the benefit of clientele looking to maximize their financial returns while minimizing risk.

To amplify our client-centricity by inspiring innovation, championing customer service, generating competitive returns, and honoring the utmost ethical and professional standards.

MISSION STATEMENT

Faysal Savings Growth Fund seeks to provide investors a consistent income stream with maximum preservative of capital.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal
Karachi - 74400, Pakistan.

Tel: (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

FAYSAL SAVINGS GROWTH FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of Faysal Savings Growth Fund (the Fund) are of the opinion that Faysal Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 22, 2023



REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Faysal Savings Growth Fund** (the Fund) as at December 31, 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the half year ended December 31, 2022. The Management Company (Faysal Asset Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2022 and December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2022.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

A.F. Ferguson & Co.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Shahbaz Akbar**
Dated: February 28, 2023
Karachi
UDIN: RR202210068lrMZj3SB5

**FAYSAL SAVINGS GROWTH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022**

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	----- (Rupees) -----	-----
Assets			
Balances with banks	4	1,311,987,631	1,649,208,381
Investments	5	1,146,216,509	742,375,297
Deposits, prepayments and other receivables		57,390,048	27,812,100
Total assets		<u>2,515,594,188</u>	<u>2,419,395,778</u>
Liabilities			
Payable to Faysal Asset Management Limited - Management Company	6	5,211,866	5,363,324
Payable to Central Depository Company of Pakistan Limited - Trustee	7	179,372	182,660
Payable to the Securities and Exchange Commission of Pakistan	8	267,009	550,444
Accrued expenses and other liabilities	9	27,703,710	29,742,476
Total liabilities		<u>33,361,957</u>	<u>35,838,904</u>
Net assets		<u>2,482,232,231</u>	<u>2,383,556,874</u>
Unit holders' fund (as per statement attached)		<u>2,482,232,231</u>	<u>2,383,556,874</u>
Contingencies and commitments	10		
		----- (Number of units) -----	
Number of units in issue		<u>22,579,741</u>	<u>23,149,526</u>
		----- (Rupees) -----	
Net asset value per unit		<u>109.93</u>	<u>102.96</u>

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

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

Chief Financial Officer

Chief Executive Officer

Director

FAYSAL SAVINGS GROWTH FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half year ended December 31,		Quarter ended December 31,	
	2022	2021	2022	2021
Note	(Rupees)		(Rupees)	
Income				
Profit on balances with banks	86,232,357	38,565,813	43,838,723	24,419,764
Profit on Term Finance Certificates	29,512,304	13,342,065	14,949,797	5,491,045
Profit on Sukuk Certificates	24,120,539	16,568,585	11,509,934	8,491,965
Income on Market Treasury Bills	55,520,038	25,314,958	26,200,513	13,124,083
Income on Pakistan Investment Bonds	3,894,809	7,586,748	1,952,993	1,035,661
Income on Letter of Placements	3,745,206	246,576	-	246,576
Interest on GOP Ijarah sukuks	3,939,978	-	3,939,978	-
Profit on Commercial Papers	-	8,755,486	-	6,855,478
Income from spread transactions - net	-	1,568,583	-	641,275
Realised loss on sale of investments	(1,476,512)	(2,685,043)	(493,413)	(1,329,192)
Other income	-	1,378,791	-	1,378,791
	205,488,719	110,642,562	101,898,525	60,355,446
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.7	(3,537,072)	(3,740,220)	4,947,571
Total income		201,951,647	98,158,305	65,303,017
Expenses				
Remuneration of Faysal Asset Management Limited - Management Company	6.1	20,027,557	9,808,871	10,404,584
Sindh Sales Tax on remuneration of the Management Company	6.2	2,603,582	1,275,153	1,352,596
Selling and marketing expenses	6.3	3,337,926	1,634,812	1,734,097
Remuneration of Central Depository Company of Pakistan Limited - Trustee	7.1	1,001,378	490,444	520,229
Sindh Sales Tax on remuneration of the Trustee	7.2	130,180	63,759	67,977
Annual fee to the Securities and Exchange Commission of Pakistan	8.1	267,034	130,785	138,728
Auditors' remuneration		403,512	201,756	179,032
Legal and professional charges		79,120	39,560	199,119
Fees and subscription		209,392	104,696	109,944
Transaction charges		238,306	116,811	320,709
Settlement and bank charges		10,788	9,409	56,088
Printing charges		17,112	8,556	17,104
Total expenses		28,325,887	13,884,612	15,100,207
Net income from operating activities		173,625,760	84,273,693	50,202,810
Reversal of provision for Sindh Workers' Welfare Fund		-	-	-
Net income for the period before taxation		173,625,760	84,273,693	50,202,810
Taxation	12	-	-	-
Net income for the period after taxation		173,625,760	84,273,693	50,202,810
Earnings per unit				
Allocation of net income for the period				
Net income for the period after taxation		173,625,760	105,729,013	
Income already paid on units redeemed		(29,120,335)	(4,896,634)	
		144,505,425	100,832,379	
Accounting income available for distribution				
- Relating to capital gains		-	3,854,994	
- Excluding capital gains		144,505,425	96,977,385	
		144,505,425	100,832,379	

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

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**FAYSAL SAVINGS GROWTH FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022**

	Half year ended December 31,		Quarter ended December, 31	
	2022	2021	2022	2021
	----- (Rupees) -----		----- (Rupees) -----	
Net income for the period after taxation	173,625,760	105,729,013	84,273,693	50,202,810
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>173,625,760</u>	<u>105,729,013</u>	<u>84,273,693</u>	<u>50,202,810</u>

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

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

Chief Financial Officer

Chief Executive Officer

Director

**FAYSAL SAVINGS GROWTH FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	Half year ended December 31, 2022			Half year ended December 31, 2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees) -----			----- (Rupees) -----		
Net assets at the beginning of the period (audited)	2,314,814,677	68,742,197	2,383,556,874	2,368,990,654	65,516,500	2,434,507,154
Issuance of 9,607,062 units (2021: 7,942,199 units)						
- Capital value (at net asset value per unit at the beginning of the period)	989,143,137	-	989,143,137	816,616,901	-	816,616,901
- Element of income	19,848,150	-	19,848,150	18,776,169	-	18,776,169
Total proceeds on issuance of units	1,008,991,287	-	1,008,991,287	835,393,070	-	835,393,070
Redemption of 10,176,847 units (2021: 2,479,238 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(1,047,808,179)	-	(1,047,808,179)	(254,915,230)	-	(254,915,230)
- Element of loss	(7,013,176)	(29,120,335)	(36,133,511)	(664,019)	(4,896,634)	(5,560,653)
Total payments on redemption of units	(1,054,821,355)	(29,120,335)	(1,083,941,690)	(255,579,249)	(4,896,634)	(260,475,883)
Total comprehensive income for the period	-	173,625,760	173,625,760	-	105,729,013	105,729,013
Net assets at the end of the period (un-audited)	2,268,984,609	213,247,622	2,482,232,231	2,948,804,475	166,348,879	3,115,153,354
Undistributed income brought forward						
- Realised income		67,258,652			56,586,535	
- Unrealised income		1,483,545			8,929,965	
		68,742,197			65,516,500	
Accounting income available for distribution						
- Relating to capital gains		-			3,854,994	
- Excluding capital gains		144,505,425			96,977,385	
		144,505,425			100,832,379	
Undistributed income carried forward		213,247,622			166,348,879	
Undistributed income carried forward						
- Realised income		216,784,694			159,808,842	
- Unrealised (loss) / income		(3,537,072)			6,540,037	
		213,247,622			166,348,879	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			102.96			102.82
Net asset value per unit at the end of the period			109.93			106.90

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

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

Chief Financial Officer

Chief Executive Officer

Director

**FAYSAL SAVINGS GROWTH FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	Note	Half year ended December 31,	
		2022	2021
		----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		173,625,760	105,729,013
Adjustments for:			
Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.7	3,537,072	(6,540,037)
Reversal of provision for Sindh Workers' Welfare Fund		-	(17,946,961)
		<u>177,162,832</u>	<u>81,242,015</u>
(Increase) / decrease in assets			
Investments - net		(407,378,284)	18,157,868
Deposits, prepayments and other receivables		(29,577,948)	54,616,765
		(436,956,232)	72,774,633
(Decrease) / increase in liabilities			
Payable to Faysal Asset Management Limited - Management Company		(151,458)	(1,662,576)
Payable to Central Depository Company of Pakistan Limited - Trustee		(3,288)	35,274
Payable to the Securities and Exchange Commission of Pakistan		(283,435)	(210,623)
Accrued expenses and other liabilities		(2,038,766)	(6,522,428)
		(2,476,947)	(8,360,353)
Net cash (used in) / generated from operating activities		<u>(262,270,347)</u>	<u>145,656,295</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance of units		1,008,991,287	835,909,738
Payments against redemption of units		(1,083,941,690)	(258,477,551)
Dividend paid		-	(40,946,900)
Net cash (used in) / generated from financing activities		<u>(74,950,403)</u>	<u>536,485,287</u>
Net (decrease) / increase in cash and cash equivalents during the period		<u>(337,220,750)</u>	<u>682,141,582</u>
Cash and cash equivalents at the beginning of the period		<u>1,649,208,381</u>	<u>1,071,562,772</u>
Cash and cash equivalents at the end of the period	4	<u><u>1,311,987,631</u></u>	<u><u>1,753,704,354</u></u>

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

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

Chief Financial Officer

Chief Executive Officer

Director

FAYSAL SAVINGS GROWTH FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Faysal Savings Growth Fund (the Fund) is an open-ended collective investment scheme established through a Trust Deed under the Trust Act, 1882, entered into on December 28, 2006 between Faysal Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The investment activities and administration of the Fund are managed by the Management Company.

During the year ended June 30, 2021, Trust Act, 1882 had been repealed due to promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act). The Fund was required to be registered under the Sindh Trusts Act. Accordingly, on April 14, 2022 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Management Company of the Fund has been licensed by the SECP to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th Floor, Faysal House, ST-02, Main Shahrah-e-Faisal, Karachi, Pakistan. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.3 The Fund has been categorised as an open end 'Income Scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from May 7, 2007 and are transferable and redeemable by surrendering them to the Fund.

1.4 The objective of the Fund is to generate competitive returns by investing primarily in debt and fixed income instruments having investment grade credit rating. The investment objectives and policies are explained in the Fund's offering document.

1.5 The Management Company has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 30, 2022 (2021: 'AM2+' dated December 31, 2021). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. Moreover, PACRA has maintained the stability rating of the Fund at 'AA-(f)' dated October 14, 2022 (2021: 'AA-(f)' dated April 18, 2022).

1.6 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting' 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 requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the IAS 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2022.

- 2.2 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 affairs of the Fund as at December 31, 2022.

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

- 3.1 The accounting policies applied and the methods of computations of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2022.

- 3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2022.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2023. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	----- (Rupees) -----	-----
4	BALANCES WITH BANKS		
	Balance with banks in savings accounts	4.1	<u>1,311,987,631</u> <u>1,649,208,381</u>

- 4.1 These savings accounts carry mark-up at rates ranging from 10.00% to 17.45% (June 30, 2022: 7.00% to 16.50%) per annum. Deposits in savings accounts also include Rs. 0.782 million (June 30, 2022: Rs. 7.318 million) maintained with Faysal Bank Limited, a related party, and carry mark-up at the rate of 11.00% (June 30, 2022: 7.00%) per annum.

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	----- (Rupees) -----	-----
5	INVESTMENTS		
	At fair value through profit or loss		
	Term Finance Certificates (TFCs)	5.1	339,287,509 367,990,916
	Sukuk certificates	5.2	276,312,500 300,384,381
	Government securities - Pakistan Investment Bonds	5.3	49,050,000 50,000,000
	Letter of placement	5.4	- -
	Government securities - Market Treasury Bills	5.5	- -
	GOP ijarah	5.6	481,566,500 24,000,000
		<u>1,146,216,509</u>	<u>742,375,297</u>

5.1 Term finance certificates

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2022	Purchased during the period	Sold / redeemed during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation / (diminution) as at December 31, 2022	Market value as percentage of	
				Number of certificates	(Rupees)			%				
COMMERCIAL BANKS												
The Bank of Punjab (AA, PACRA, traded) (Face value of 99,800 per certificate)	Semi-annually	December 23, 2026	6 months KIBOR plus base rate of 1.00%	1,300	-	-	1,300	130,206,763	129,688,000	(518,763)	5.22%	11.31%
INVESTMENT COMPANIES												
Jahangir Siddiqui & Company Limited (AA+, PACRA, non-traded) (Face value of 2,250 per certificate)	Semi-annually	July 18, 2022	6 months KIBOR plus base rate of 1.40%	20,000	-	-	20,000	25,780,234	25,448,230	(332,004)	1.03%	2.22%
Jahangir Siddiqui & Company Limited (AA+, PACRA, non-traded) (Face value of 3,333 per certificate)	Semi-annually	March 6, 2023	6 months KIBOR plus base rate of 1.40%	20,000	-	-	20,000	34,595,551	34,151,279	(444,272)	1.38%	2.98%
MISCELLANEOUS												
TPL Corp Limited (AA-, PACRA) (Face value of 100,000 per certificate)	Quarterly	December 31, 2026	3 months KIBOR plus base rate of 2.50%	1,500	-	-	1,500	150,000,000	150,000,000	-	6.04%	13.09%
Total as at December 31, 2022								<u>340,582,548</u>	<u>339,287,509</u>	<u>(1,295,039)</u>	<u>13.67%</u>	<u>29.60%</u>
Total as at June 30, 2022								<u>365,832,229</u>	<u>367,990,916</u>	<u>2,158,687</u>	<u>15.43%</u>	<u>49.57%</u>

5.2 Sukuk certificates

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2022	Purchased during the period	Sold during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation / (diminution) as at December 31, 2022	Market value as percentage of	
				Number of certificates	(Rupees)			%				
POWER GENERATION & DISTRIBUTION												
The Hub Power Company Limited (AA+, PACRA, traded) (Face value of 100,000 per certificate)	Semi-annually	March 19, 2024	12 months KIBOR plus base rate of 1.90%	1,000	-	-	1,000	77,009,366	76,312,500	(696,866)	3.07%	10.28%
Hub Power Holdings Limited (AA+, PACRA, non-traded) (Face value of 100,000 per certificate)	Semi-annually	November 12, 2025	6 months KIBOR plus base rate of 2.50%	2,000	-	-	2,000	200,000,000	200,000,000	-	8.06%	26.94%
Total as at December 31, 2022								<u>277,009,366</u>	<u>276,312,500</u>	<u>(696,866)</u>	<u>11.13%</u>	<u>37.22%</u>
Total as at June 30, 2022								<u>299,905,781</u>	<u>300,384,381</u>	<u>478,600</u>	<u>12.60%</u>	<u>40.46%</u>

5.3 Pakistan Investment Bonds

Name of the security	Issue date	As at July 1, 2022	Purchased during the period	Matured / sold during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation / (diminution) as at December 31, 2022	Market value as percentage of	
		Face value			Rupees			%		
Pakistan Investment Bonds - 10 years	June 28, 2018	50,000,000	-	-	50,000,000	50,000,000	49,050,000	(950,000)	1.98%	4.28%
Total as at December 31, 2022						<u>50,000,000</u>	<u>49,050,000</u>	<u>(950,000)</u>	<u>1.98%</u>	<u>4.28%</u>
Total as at June 30, 2022						<u>49,600,000</u>	<u>50,000,000</u>	<u>400,000</u>	<u>0.74%</u>	<u>2.10%</u>

5.4 Letter of placement

Name of the investee company	Profit rate	Maturity date	Face value (Rupees)				(Rupees)		Unrealised appreciation / (diminution) as at December 31, 2022	Market value as percentage of	
			As at July 1, 2022	Purchased during the period	Matured during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022		net assets of the Fund	total investments of the Fund
			Rupees								
Pak Oman Investment Company Limited (AA+, VIS)	13.30%	July 13, 2022	-	200,000,000	200,000,000	-	-	-	-	-	-
Pak Oman Investment Company Limited (AA+, VIS)	13.60%	July 14, 2022	-	200,000,000	200,000,000	-	-	-	-	-	-
Pak Oman Investment Company Limited (AA+, VIS)	14.00%	July 22, 2022	-	200,000,000	200,000,000	-	-	-	-	-	-
Zarai Taraqati Bank Limited (AAA, VIS)	14.00%	July 22, 2022	-	200,000,000	200,000,000	-	-	-	-	-	-
Pak Brunei Investment Company Limited (AA+, VIS)	14.00%	July 28, 2022	-	200,000,000	200,000,000	-	-	-	-	-	-
Pak Oman Investment Company Limited (AA+, VIS)	14.70%	August 23, 2022	-	200,000,000	200,000,000	-	-	-	-	-	-
Total as at December 31, 2022							-	-	-	-	-
Total as at June 30, 2022							-	-	-	-	-

5.5 Market Treasury Bills

Name of the security	Issue date	As at July 1, 2022	Purchased during the period	Sold / matured during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation as at December 31, 2022	Market value as percentage of	
									net assets of the Fund	total investments of the Fund
									%	
Market Treasury Bills - 3 months	July 14, 2022	-	100,000,000	100,000,000	-	-	-	-	-	
Market Treasury Bills - 6 months	August 11, 2022	-	275,000,000	275,000,000	-	-	-	-	-	
Market Treasury Bills - 6 months	August 25, 2022	-	1,000,000,000	1,000,000,000	-	-	-	-	-	
Market Treasury Bills - 3 months	September 8, 2022	-	834,000,000	834,000,000	-	-	-	-	-	
Market Treasury Bills - 3 months	September 22, 2022	-	1,000,000,000	1,000,000,000	-	-	-	-	-	
Market Treasury Bills - 3 months	October 6, 2022	-	700,000,000	700,000,000	-	-	-	-	-	
Market Treasury Bills - 3 months	October 20, 2022	-	2,700,000,000	2,700,000,000	-	-	-	-	-	
Market Treasury Bills - 3 months	December 29, 2022	-	500,000,000	500,000,000	-	-	-	-	-	
Market Treasury Bills - 6 months	January 12, 2023	-	790,000,000	790,000,000	-	-	-	-	-	
Market Treasury Bills - 6 months	February 23, 2023	-	500,000,000	500,000,000	-	-	-	-	-	
Total as at December 31, 2022							-	-	-	-
Total as at June 30, 2022							-	-	-	-

5.6 GOP ijarah Sukuks

Name of the security	Profit payments / principal redemptions	Issue date	Maturity date	Profit rate	As at July 1, 2022	Purchased during the period	Sold during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised (diminution)/ appreciation as at December 31, 2022	Market value as percentage of	
												net assets of the Fund	total investments of the Fund
												%	
GoP Ijarah Sukuk Certificates - GIS23	Semi-annually / At maturity	May 29, 2020	December 15, 2026	11.40%	250	-	-	250	24,113,027	23,682,500	(430,527)	0.95%	2.07%
GoP Ijarah Sukuk Certificates - GIS21	Semi-annually / At maturity	May 29, 2020	May 29, 2025	15.63%	-	4,600	-	4,600	458,048,640	457,884,000	(164,640)	18.45%	18.20%
Total as at December 31, 2022									482,161,667	481,566,500	(595,167)	19.40%	20.27%
Total as at June 30, 2022									25,553,742	24,000,000	(1,553,742)	3.23%	1.01%

	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
5.7	Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'- net		
	Market value of investments	1,146,216,509	742,375,297
	Less: carrying value of investments	1,149,753,581	740,891,753
		<u>(3,537,072)</u>	<u>1,483,544</u>
6	PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY		
	Management remuneration payable	3,162,223	3,226,173
	Sindh Sales Tax payable on remuneration of the Management Company	411,088	419,402
	Selling and marketing expenses payable	1,638,555	1,717,749
		<u>5,211,866</u>	<u>5,363,324</u>
6.1	As per Regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1.50% (June 30, 2022: 1.50%) per annum of the average annual net assets of the Fund during the period ended December 31, 2022. The remuneration is payable to the Management Company monthly in arrears.		
6.2	During the period, an amount of Rs. 2.604 million (December 31, 2021: Rs. 2.660 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011.		
6.3	The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan.		
	Accordingly, the Management Company has charged selling and marketing expenses based on its discretion (duly approved by the Board of Directors) while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008. Keeping in view the maximum allowable threshold, the Management Company has charged such expenses at the rate of 0.25% (June 30, 2022: 0.25%) of the average annual net assets of the Fund.		
7	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
	Remuneration payable	158,110	161,308
	Sindh Sales Tax payable on remuneration of the Trustee	21,262	21,352
		<u>179,372</u>	<u>182,660</u>
7.1	The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.075% (June 30, 2022: 0.075%) per annum of average annual net assets of the Fund. Accordingly, the Fund has charged trustee fee at the above mentioned rate during the period.		
7.2	During the period, an amount of Rs. 0.131 million (2021: 0.133 million) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 at the rate of 13%.		
8	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
	Annual fee payable	267,009	550,444
8.1	In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.02% (June 30, 2022: 0.02%) of average annual net assets of the Fund.		

9	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31,	June 30,
			2022	2022
			(Un-audited)	(Audited)
			----- (Rupees) -----	
	Brokerage payable		1,136,430	1,528,131
	Auditors' remuneration payable		529,609	730,465
	Printing charges payable		159,521	158,228
	Zakat payable		33,331	33,331
	Withholding tax payable		6,464,623	7,916,610
	Provision for Federal Excise Duty and related			
	Sindh Sales Tax on management fee	9.1	18,281,365	18,281,365
	Legal and professional charges payable		236,070	156,950
	Capital gain tax payable		31,285	-
	Settlement charges payable		294,138	-
	Fees and subscription payable		155,099	-
	Other liabilities		382,239	937,396
			<u>27,703,710</u>	<u>29,742,476</u>

- 9.1 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 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.

During the year ended June 30, 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.

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 July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 18.281 million (June 30, 2022: Rs. 18.281 million) is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the net asset value of the Fund as at December 31, 2022 would have been higher by Re 0.810 (June 30, 2022: Re 0.790) per unit.

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

11 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at December 31, 2022 based on current period results is 2.12% (2021: 2.15%) which includes 0.22% (2021: 0.23%) representing government levies on the Fund such as Sales Taxes, Federal Excise Duties, 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 an 'Income Scheme'.

12 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income for the year ending June 30, 2023 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore no provision for taxation has been made in these condensed interim financial statements.

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

13 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these condensed interim financial statements as, in the opinion of the management, determination of weighted average outstanding number of units for calculating EPU is not practicable.

14 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

- 14.1** Connected persons and related parties include Faysal Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, Faysal Asset Management Limited - Staff Provident Fund, Faysal Asset Management Limited - Staff Gratuity Fund, Faysal Bank Limited, Faysal Bank Limited - Staff Provident Fund, Faysal Bank Limited - Staff Gratuity Fund and other entities under common management and / or directorship and the directors, their close family members and officers of the Management Company and the Trustee, key management personnel, other associated undertakings and unit holders holding more than 10 percent units of the Fund at period end.
- 14.2** Transactions with connected persons essentially comprise of sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 14.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 14.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 14.5** Selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 14.6** The details of transactions carried out by the Fund with connected persons and related parties during the period and balances with them as at period end are as follows:

Transactions during the period	Half year ended December 31,	
	2022	2021
	(Un-audited)	
	----- (Rupees) -----	
Faysal Asset Management Limited - Management Company		
Remuneration of the Management Company	20,027,557	20,460,083
Sindh Sales Tax on remuneration of the Management Company	2,603,582	2,659,811
Selling and marketing expenses	3,337,926	3,410,014
Units issued: 7,122 units (December 31, 2021: 1,895,458 units)	753,369	202,045,559
Units redeemed: 7,122 units (December 31, 2021: 172,205 units)	755,078	18,381,931
Faysal Bank Limited - Group Company / Associated Company		
Profit on balances with banks	192,823	915,074
Bank charges	4,184	4,635
Units issued: Nil (December 31, 2021: 1,871,257) units	-	200,000,000
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	1,001,378	1,023,004
Sindh Sales Tax on remuneration of the Trustee	130,180	133,338
Settlement charges	4,868	-
CDC Trustee Faysal Financial Sector Opportunity Fund		
Market treasury bills - sold	399,672,400	-
CDC Trustee Faysal Financial Money Market Fund		
Market treasury bills - purchased	99,961,700	-

Transactions during the period	Half year ended December 31,	
	2022 (Un-audited)	2021 (Un-audited)
	----- (Rupees) -----	
CDC Trustee Faysal Islamic Savings Growth Fund		
GOP ijara - purchased	458,022,000	-
Directors and Key Management Personnel of the Management Company		
Units redeemed: 7 units (December 31, 2021: 6 units)	685	635
Unit holders holding more than 10% units		
Units issued: 6,342,799 units (December 31, 2021: Nil units)	662,885,957	-
Units redeemed: Nil units (December 31, 2021: 1,430,133 units)	-	150,000,000
Balances outstanding as at period / year end	December 31,	June 30,
	2022	2022
	(Un-audited)	(Audited)
	----- (Rupees) -----	
Faysal Asset Management Limited - Management Company		
Management remuneration payable	3,162,223	3,226,173
Sindh Sales Tax payable on remuneration of the Management Company	411,088	419,402
Selling and marketing expenses payable	1,638,555	1,717,749
Faysal Bank Limited - Group Company / Associated Company *		
Balance with bank	781,509	7,318,049
Units in issue: 6,555,452 units (June 30, 2022: 6,555,452 units)	720,640,838	674,949,338
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	158,110	161,308
Sindh Sales Tax payable on remuneration of the Trustee	21,262	21,352
Security deposit	100,000	100,000
Directors and Key Management Personnel of the Management Company		
Units in issue: Nil units (June 30, 2022: 7 units)	-	721
Unit holders holding more than 10% units		
Units in issue: 6,342,799 (June 30, 2022: 11,991,086) units	697,263,929	102,446,147

* Faysal Bank Limited also holds more than 10% units in the Fund

15 FAIR VALUE MEASUREMENT

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

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing at the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

15.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair value measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

As at December 31, 2022 and June 30, 2022, the Fund held the following financial instruments measured at fair values:

As at December 31, 2022				
----- (Un-audited) -----				
	Level 1	Level 2	Level 3	Total
----- (Rupees) -----				
Financial assets at fair value through profit or loss				
Term finance certificates	-	339,287,509	-	339,287,509
Sukuk certificates	-	276,312,500	-	276,312,500
Government securities - Pakistan				
Investment Bonds	-	49,050,000	-	49,050,000
GOP ijarah	-	481,566,500	-	481,566,500
	<u>-</u>	<u>1,146,216,509</u>	<u>-</u>	<u>1,146,216,509</u>
	<u>-</u>	<u>1,146,216,509</u>	<u>-</u>	<u>1,146,216,509</u>
As at June 30, 2022				
----- (Audited) -----				
	Level 1	Level 2	Level 3	Total
----- (Rupees) -----				
Financial assets at fair value through profit or loss				
Term finance certificates	-	367,990,916	-	367,990,916
Sukuk certificates	-	300,384,381	-	300,384,381
Government securities - Pakistan				
Investment Bonds	-	50,000,000	-	50,000,000
GOP ijarah	-	24,000,000	-	24,000,000
	<u>-</u>	<u>742,375,297</u>	<u>-</u>	<u>742,375,297</u>
	<u>-</u>	<u>742,375,297</u>	<u>-</u>	<u>742,375,297</u>

16 GENERAL

16.1 Figures have been rounded off to the nearest rupee unless otherwise stated.

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 20, 2023.

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

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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