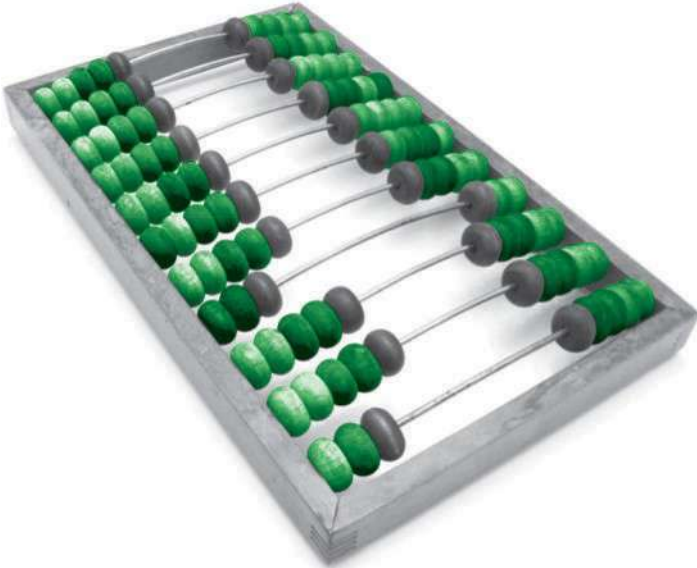


Faysal Funds

Islamic Savings Growth Fund

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



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Faysal Funds

Faysal Islamic 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 Islami Pakistan Limited

Dubai Islamic Bank Limited

Al Baraka Bank Limited

Bank Alfalah Limited

Silk Bank Limited

Soneri bank Limited

MCB bank Limited

Meezan Bank limited

Habib 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 Islamic Saving Growth Funds seeks to provide maximum possible preservation of capital and a responsible Shariah compliant return to its units holder.

**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 ISLAMIC 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 Islamic 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.

We would like to draw the attention of the Unit Holders toward the clause 2.2(2) of the Offering Document wherein the Fund is required to maintain the minimum exposure of 25% of net assets in cash & near cash instruments on the basis of the average for each calendar month. In this regard, the Fund was non-complied.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 27, 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 Islamic 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.Ferguson & Co.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Shahbaz Akbar**
Dated: February 28, 2023
Karachi
UDIN: RR2022100684ryQnk2jU

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

		December 31, 2022 (Audited)	June 30, 2022 (Audited)
	Note	----- (Rupees) -----	
Assets			
Balances with banks	4	1,309,971,285	616,949,777
Investments	5	1,246,516,636	2,119,744,750
Receivable against sale of units		2,166,389	185,000
Deposits, prepayments and other receivables		87,009,652	38,299,525
Total assets		2,645,663,962	2,775,179,052
Liabilities			
Payable to Faysal Asset Management Limited - Management Company	6	3,992,024	5,042,862
Payable to Central Depository Company of Pakistan Limited - Trustee	7	159,344	199,364
Payable to the Securities and Exchange Commission of Pakistan	8	239,860	716,757
Accrued expenses and other liabilities	9	19,826,302	9,590,482
Total liabilities		24,217,530	15,549,465
Net assets		<u>2,621,446,432</u>	<u>2,759,629,587</u>
Unit holders' fund (as per statement attached)		<u>2,621,446,432</u>	<u>2,759,629,587</u>
Contingencies and commitments	10		
		----- (Number of units) -----	
Number of units in issue		<u>23,741,315</u>	<u>26,581,169</u>
		----- (Rupees) -----	
Net asset value per unit		<u>110.42</u>	<u>103.82</u>

The annexed notes 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 ISLAMIC SAVINGS GROWTH FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022**

	Note	Half year ended December 31,		Quarter ended December 31,	
		2022	2021	2022	2021
		----- (Rupees) -----		----- (Rupees) -----	
Income					
Profit on corporate sukuk certificates		63,369,440	40,425,413	5,295,008	6,640,581
Profit on GoP Ijarah sukuk certificates		51,275,827	32,632,388	51,275,827	32,632,388
Profit on commercial papers		710,528	11,698,913	(69,669)	8,761,319
Profit on certificates of musharakah		24,913,031	9,138,557	12,527,626	4,885,121
Profit on murabaha share financing		-	1,679,642	-	1,238,311
Profit on savings accounts with banks		33,857,308	62,559,505	13,955,979	28,605,744
Income from spread transactions - net		-	(294,446)	-	-
Other income		-	114,595	-	114,595
Realised loss on sale of investments - net		(4,322,299)	(124,340)	(1,982,007)	(447,797)
Unrealised diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.5	(6,898,156)	(3,658,125)	(4,196,076)	(7,220,547)
Total income		162,905,679	154,172,102	76,806,688	75,209,715
Operating expenses					
Remuneration of Faysal Asset Management Limited - Management Company	6.1	11,993,018	19,635,494	5,604,363	9,676,048
Sindh Sales Tax on remuneration of the Management Company	6.2	1,559,092	2,552,614	728,567	1,257,886
Selling and marketing expenses	6.3	1,199,302	1,518,587	560,437	967,605
Remuneration of Central Depository Company of Pakistan Limited - Trustee	7.1	900,007	1,472,662	420,858	725,704
Sindh Sales Tax on remuneration of the Trustee	7.2	117,001	192,428	54,392	94,826
Auditors' remuneration		306,372	306,360	153,836	120,060
Annual fee to the Securities and Exchange Commission of Pakistan	8.1	239,860	392,710	112,087	193,522
Fees and subscription		194,718	183,817	96,967	95,374
Legal and professional charges		79,120	79,120	39,560	79,120
Transaction charges		78,993	80,474	25,000	64,134
Printing charges		15,812	17,112	7,252	10,856
Bank charges		1,309	4,400	831	4,291
Total operating expenses		16,684,604	26,435,778	7,804,150	13,289,426
Net income from operating activities		146,221,075	127,736,324	69,002,538	61,920,289
Reversal of provision for Sindh Workers' Welfare Fund		-	12,867,251	-	-
Net income for the period before taxation		146,221,075	140,603,575	69,002,538	61,920,289
Taxation	12	-	-	-	-
Net income for the period after taxation		146,221,075	140,603,575	69,002,538	61,920,289
Allocation of net income for the period					
Net income for the period after taxation		146,221,075	140,603,575		
Income already paid on units redeemed		(33,453,280)	(24,818,802)		
		<u>112,767,795</u>	<u>115,784,773</u>		
Accounting income available for distribution					
- Relating to capital gains		-	-		
- Excluding capital gains		112,767,795	115,784,773		
		<u>112,767,795</u>	<u>115,784,773</u>		

The annexed notes 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 ISLAMIC 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	146,221,075	140,603,575	69,002,538	61,920,289
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>146,221,075</u>	<u>140,603,575</u>	<u>69,002,538</u>	<u>61,920,289</u>

The annexed notes 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 ISLAMIC 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)	2,712,548,999	47,080,588	2,759,629,587	3,976,563,415	37,045,246	4,013,608,661
Issuance of 8,947,304 units (2021: 10,406,098 units)						
- Capital value (at net asset value per unit at the beginning of the period)	928,909,101	-	928,909,101	1,076,302,716	-	1,076,302,716
- Element of income	49,579,473	-	49,579,473	15,881,325	-	15,881,325
Total proceeds on issuance of units	978,488,574	-	978,488,574	1,092,184,041	-	1,092,184,041
Redemption of 11,787,158 units (2021: 15,862,958 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(1,223,742,744)	-	(1,223,742,744)	(1,640,705,746)	-	(1,640,705,746)
- Element of loss	(5,696,780)	(33,453,280)	(39,150,060)	(4,652,040)	(24,818,802)	(29,470,842)
Total payments on redemption of units	(1,229,439,524)	(33,453,280)	(1,262,892,804)	(1,645,357,786)	(24,818,802)	(1,670,176,588)
Total comprehensive income for the period	-	146,221,075	146,221,075	-	140,603,575	140,603,575
Net assets at the end of the period (un-audited)	2,461,598,049	159,848,383	2,621,446,432	3,423,389,670	152,830,019	3,576,219,689
Undistributed income brought forward						
- Realised income		54,903,518			33,933,258	
- Unrealised (loss) / income		(7,822,930)			3,111,988	
		47,080,588			37,045,246	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		112,767,795			115,784,773	
		112,767,795			115,784,773	
Undistributed income carried forward		159,848,383			152,830,019	
Undistributed income carried forward						
- Realised income		166,746,539			156,488,144	
- Unrealised loss		(6,898,156)			(3,658,125)	
		159,848,383			152,830,019	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			103.82			103.43
Net asset value per unit at the end of the period			110.42			107.24

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

	Half year ended December 31,	
	2022	2021
Note	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	146,221,075	140,603,575
Adjustments for		
Unrealised diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.5 6,898,156	3,658,125
Reversal of provision for Sindh Workers' Welfare Fund	-	(12,867,251)
	<u>153,119,231</u>	<u>131,394,449</u>
Decrease / (increase) in assets		
Investments - net	866,329,958	(830,496,928)
Deposits, prepayments and other receivables	<u>(48,710,127)</u>	<u>(3,288,387)</u>
	817,619,831	(833,785,315)
Increase / (decrease) in liabilities		
Payable to Faysal Asset Management Limited - Management Company	(1,050,838)	(5,157,928)
Payable to Central Depository Company of Pakistan Limited - Trustee	(40,020)	(44,377)
Payable to the Securities and Exchange Commission of Pakistan	(476,897)	(306,955)
Accrued expenses and other liabilities	10,235,820	(7,123,777)
	8,668,065	(12,633,037)
Net cash generated from / (used in) operating activities	<u>979,407,127</u>	<u>(715,023,903)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance of units	976,507,185	1,094,897,598
Payments against redemption of units	(1,262,892,804)	(1,672,638,764)
Dividend paid	-	(12,221,157)
Net cash used in financing activities	<u>(286,385,619)</u>	<u>(589,962,323)</u>
Net increase / (decrease) in cash and cash equivalents during the period	<u>693,021,508</u>	<u>(1,304,986,226)</u>
Cash and cash equivalents at the beginning of the period	616,949,777	2,259,400,107
Cash and cash equivalents at the end of the period	4 <u><u>1,309,971,285</u></u>	<u><u>954,413,881</u></u>

The annexed notes 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 ISLAMIC 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 Islamic 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 April 22, 2009 between Faysal Asset Management Limited (FAML) as the Management Company and the 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, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act). The Fund was required to be registered under the Sindh Trust Act. Accordingly, on July 29, 2022, the above-mentioned Trust Deed had 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 a 'Shariah Compliant Islamic Income 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 for public subscription on a continuous basis from June 15, 2010 and are transferable and redeemable by surrendering them to the Fund.

1.4 According to the Trust Deed, the objective of the Fund is to provide a reasonable rate of return along with maximum possible preservation of capital by investing in Shariah compliant money market and debt securities having good credit quality rating and liquidity. 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. Furthermore, VIS Credit Rating Company Limited has reaffirmed the stability rating of "A+(f)" [June 30, 2022: A+(f)" dated January 07, 2022] of the Fund dated December 13, 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.

Wherever 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 the 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 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, 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 and for the half year ended December 31, 2022.

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

- 3.1 The accounting policies adopted and all the methods of computation 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 the condensed interim financial statements in conformity with 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 the condensed interim financial statements, the significant judgments made by 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 annual financial statements of the Fund as at and 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 standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2023. However, these are not expected to have any significant impact on the Fund's operations and, therefore, have been not detailed in these condensed interim financial statements.

	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
4	BALANCES WITH BANKS		
	Balances with banks in savings accounts	4.1	1,309,971,285 616,949,777

- 4.1 These include a balance of Rs. 9.039 million (June 30, 2022: Rs. 5.572 million) maintained with Faysal Bank Limited (a related party) that carries profit at 16.00% (June 30, 2022: 15.50%) per annum. Other savings accounts of the Fund carry profit rates ranging from 5.00% to 16.00% (June 30, 2022: 5.00% to 15.50%) per annum.

4.2 Balances with banks - non-compliance

As per the offering document, the total exposure of the Fund's net assets in cash and / or near cash instruments shall not be less than 25% calculated on a monthly average basis at the end of each month. In lieu of above, the Fund was in non-compliance of the limit prescribed by the offering document during the month ended December 31, 2022 whereby the Fund held 23.85% of the net assets in cash and / or near cash instruments. The disclosure for breach of exposure limit is made as required by Circular No. 16 of 2010 dated July 07, 2010 issued by the SECP.

5	INVESTMENTS	Note	December 31,	June 30,
			2022 (Un-audited)	2022 (Audited)
			(Rupees)	
	At fair value through profit or loss			
	Corporate sukuk certificates	5.1	730,426,636	820,855,654
	GoP Ijarah sukuk certificates	5.2	291,090,000	753,572,998
	Certificates of musharakah	5.3	225,000,000	356,013,939
	Commercial papers	5.4	-	189,302,159
			<u>1,246,516,636</u>	<u>2,119,744,750</u>

5.1 Corporate sukuk certificates

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at	Purchases	Sales /	As at	Carrying	Market value	Unrealised	Percentage in	
				July 1, 2022	during the period	redemptions during the period	December 31, 2022	value as at December 31, 2022	as at December 31, 2022	appreciation / (diminution)	Net assets of the Fund	Total market value of investment
				Number of certificates			Rupees in '000			%		
OIL & GAS MARKETING COMPANIES												
Cinergyco PK Limited (AAA, PACRA, non-traded) (Face value of Rs 8,333 per certificate)	Quarterly	January 18, 2023	3 months KIBOR plus base rate of 1.05%	500	-	-	500	4,293,683	4,175,227	(118,456)	0.16%	0.33%
POWER GENERATION & DISTRIBUTION												
The Hub Power Company Limited (AA+, PACRA, traded) (Face value of Rs 75,000 per certificate)	Semi-annually	March 19, 2024	12 months KIBOR plus base rate of 1.90%	2,500	-	-	2,500	193,126,928	190,781,250	(2,345,678)	7.28%	15.31%
The Hub Power Company Limited (AA+, PACRA, traded) (Face value of Rs 50,000 per certificate)	Quarterly / Semi-annually	August 22, 2023	3 months KIBOR plus base rate of 1.90%	-	500	-	500	26,383,711	25,292,500	(1,091,211)	0.96%	2.03%
Pakistan Energy Sukuk - II (AAA, PACRA, non-traded) (Face value of Rs 5,000 per certificate)	Semi-annually / At maturity	May 21, 2030	6 months KIBOR minus base rate of 0.1%	20,000	-	-	20,000	100,700,000	100,000,000	(700,000)	3.81%	8.02%
Hub Power Holdings Limited (AA+, PACRA, non-traded) (Face value of Rs 100,000 per certificate)	Semi-annually / At maturity	November 12, 2025	6 months KIBOR plus base rate of 2.50%	3,500	-	-	3,500	350,000,000	350,000,000	-	13.35%	28.08%
COMMERCIAL BANKS												
Al Baraka Bank Pakistan Limited (A+, VIS, traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually / At maturity	December 22, 2031	6 months KIBOR minus base rate of 1.50%	-	50	-	50	50,000,000	49,367,650	(632,350)	1.88%	3.96%
CHEMICALS												
Ghani Chemical Industries Limited (A, PACRA, non-traded) (Face value of 20,833 per certificate)	Quarterly	February 2, 2023	3 months KIBOR plus base rate of 1.00%	564	-	-	564	10,453,141	10,810,009	356,868	0.41%	0.87%
Total as at December 31, 2022								<u>734,957,463</u>	<u>730,426,636</u>	<u>(4,530,827)</u>	<u>27.85%</u>	<u>58.60%</u>
Total as at June 30, 2022								<u>818,281,024</u>	<u>820,855,654</u>	<u>2,574,630</u>	<u>29.75%</u>	<u>38.72%</u>

5.2 GoP Ijarah sukuk certificates

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 appreciation / (diminution)	Percentage in relation to	
					Number of certificates				Rupees			Net assets of the Fund	Total market value of investment
GoP Ijarah Sukuk Certificates - XI - FRR (note 5.2.1)	Semi-annually / At maturity	December 15, 2021	December 15, 2026	11.40%	1,500	-	-	1,500	144,000,000	142,095,000	(1,905,000)	5.42%	11.40%
GoP Ijarah Sukuk Certificates - XIX - VRR (note 5.2.1)	Semi-annually / At maturity	May 29, 2020	May 29, 2025	Weighted average 6 months T-Bills	-	4,600	4,600	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXV - VRR (note 5.2.1)	Semi-annually / At maturity	April 27, 2022	April 27, 2027	Weighted average 6 months T-Bills	500	-	-	500	49,655,000	49,075,000	(580,000)	1.87%	3.94%
GoP Ijarah Sukuk Certificates - XXII - VRR (note 5.2.1)	Semi-annually / At maturity	December 9, 2020	December 9, 2025	Weighted average 6 months T-Bills	1,000	-	-	1,000	99,802,329	99,920,000	117,671	3.81%	8.02%
Total as at December 31, 2022									293,457,329	291,090,000	(2,367,329)	11.10%	23.36%
Total as at June 30, 2022									763,970,558	753,572,998	(10,397,560)	27.31%	35.55%

5.2.1 The nominal value of these sukuk certificates is Rs. 100,000 each.

5.3 Certificates of musharakah

Name of the Investee Company	Maturity date	Profit rate	-----Face Value-----				Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation / (diminution)	Percentage in relation to				
			As at July 1, 2022	Placed during the period	Matured during the period	As at December 31, 2022				Net assets of the Fund	Total market value of investment of the Fund			
OLP Modaraba (AA, PACRA)	March 20, 2023	3 months KIBOR plus base rate of 0.05%	225,000,000	-	-	225,000,000	225,000,000	-	8.58%	18.05%				
OLP Modaraba (AA, PACRA)	December 23, 2022	3 months KIBOR plus base rate of 0.05%	-	100,000,000	100,000,000	-	-	-	-	-				
Total as at December 31, 2022									225,000,000	225,000,000	225,000,000	-	8.58%	18.05%
Total as at June 30, 2022									356,013,939	356,013,939	356,013,939	12.90%	16.79%	

5.4 Commercial papers

Name of the security	Maturity date	Profit rate	----- Face value -----				Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation / (diminution) as at December 31, 2022	Percentage in relation to			
			As at July 1, 2022	Purchased during the period	Matured during the period	As at December 31, 2022				Net assets of the Fund	Total market value of investments of the Fund		
Lucky Electric Power Company Limited ICP-1 (A-1, PACRA)	July 12, 2022	6 months KIBOR plus base rate of 1.50%	190,000,000	-	190,000,000	-	-	-	-	-			
Total as at December 31, 2022									-	-	-	-	-
Total as at June 30, 2022									189,302,159	189,302,159	-	6.86%	8.93%

5.4.1 The nominal value of these commercial papers is Rs. 1,000,000 each.

	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
5.5 Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'			
Market value of investments	5.1, 5.2, 5.3 & 5.4	1,246,516,636	2,119,744,750
Less: carrying value of investments	5.1, 5.2, 5.3 & 5.4	1,253,414,792	2,127,567,680
		<u>(6,898,156)</u>	<u>(7,822,930)</u>
6 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Remuneration payable	6.1	1,874,538	2,353,839
Sindh Sales Tax payable on remuneration of the Management Company	6.2	243,690	306,000
Selling and marketing expenses payable	6.3	560,437	751,482
Sales load payable		1,313,359	1,631,541
		<u>3,992,024</u>	<u>5,042,862</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% (June 30, 2022: 1%) of average annual net assets of the Fund. The remuneration is payable to the Management Company monthly in arrears.		
6.2	During the period, an amount of Rs. 1.559 million (December 31, 2021: Rs. 2.553 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (June 30, 2022: 13%).		
6.3	In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the rate of 0.1% (June 30, 2022: 0.1%) of the average annual net assets of the Fund.		
7 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
Remuneration payable	7.1	141,012	176,057
Sindh Sales Tax payable on remuneration of the Trustee	7.2	18,332	23,307
		<u>159,344</u>	<u>199,364</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.		
7.2	During the period, an amount of Rs. 0.117 million (December 31, 2021: 0.192 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% (June 30, 2022: 13%).		
8 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
Annual fee payable	8.1	239,860	716,757
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 at the rate of 0.02% (June 30, 2022: 0.02%) per annum of the daily net assets of the Fund.		

9	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31,	June 30,
			2022 (Un-audited)	2022 (Audited)
			(Rupees)	
	Provision for Federal Excise Duty on remuneration of the Management Company	9.1	5,271,869	5,271,869
	Auditors' remuneration payable		522,046	678,526
	Withholding and capital gain tax payable		12,311,825	2,078,520
	Zakat payable		237,033	237,033
	Legal and professional charges payable		1,344,941	1,241,192
	Shariah advisory fee payable		138,588	83,342
			19,826,302	9,590,482

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 and sales load were 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 Honourable 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. 5.272 million (June 30, 2022: Rs. 5.272 million) is being retained in these financial statements 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 0.222 (June 30, 2022: Re 0.198) 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 Total Expense Ratio (TER) of the Fund as at December 31, 2022 based on the current period results is 1.39% (December 31, 2021: 1.35%) which includes 0.16% (December 31, 2021: 0.16%) representing government levies on the Fund such as 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 an 'Income Scheme'.

12 TAXATION

The income of the Fund is exempt from 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 percent 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 NBFC Regulations, the Fund is required to distribute not less than 90 percent 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 intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2023 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements during the period.

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, the determination of the cumulative weighted average number of outstanding units for calculating EPU is not practicable.

14 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

- 14.1** Connected persons / related parties include Faysal Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes being 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 and their close family members and officers of the Management Company and the Trustee, key management personnel, other associated undertakings and any person or company beneficially owning directly or indirectly 10% or more of the net assets of the Fund.
- 14.2** Transactions with connected persons essentially comprise 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.
- 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 during the period and balances with them as at period / year end are as follows:

	Half year ended	
	December 31,	
	2022	2021
	(Un-audited)	
	----- (Rupees) -----	
Transactions during the period		
Faysal Asset Management Limited - Management Company		
Remuneration of the Management Company	11,993,018	19,635,494
Sindh Sales Tax on remuneration of the Management Company	1,559,092	2,552,614
Selling and marketing expenses	1,199,302	1,518,587
Units issued: 1,931,151 units (December 31, 2021: 1,493 units)	211,731,424	155,582
Units redeemed: 2 units (December 31, 2021: 1,493 units)	266	156,644
Faysal Bank Limited - Group Company		
Profit on balance with bank	973,910	4,810,585
Bank charges	1,053	2,257
Units issued: 3,897,399 units (December 31, 2021: Nil units)	430,000,000	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	900,007	1,472,662
Sindh Sales Tax on remuneration of the Trustee	117,001	192,428
Settlement charges	3,993	27,093
Directors and Key Management Personnel of the Management Company		
Units issued: 29 units (December 31, 2021: 5,705 units)	3,057	595,115
Units redeemed: Nil units (December 31, 2021: 23,885 units)	-	2,503,892
Unit holders with more than 10% unit holding		
Units issued: Nil units (December 31, 2021: 700,635 units)	-	72,466,756
Units redeemed: Nil units (December 31, 2021: 964,878 units)	-	100,000,000
CDC - Trustee Faysal Savings Growth Fund		
Sale of GoP Ijarah sukuk certificates	458,022,000	-

	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	----- (Rupees) -----	
Amounts / balances outstanding as at period / year end		
Faysal Asset Management Limited - Management Company		
Remuneration payable	1,874,538	2,353,839
Sindh Sales Tax payable on remuneration of the Management Company	243,690	306,000
Selling and marketing expenses payable	560,437	751,482
Sales load payable	1,313,359	1,631,541
Units in issue: 1,931,149 units (June 30, 2022: Nil units)	213,237,473	-
Faysal Bank Limited - Group Company		
Balance with bank	9,038,829	5,527,488
Profit receivable on balance with bank	-	696,961
Units in issue: 5,718,734 units (June 30, 2022: 1,821,335 units)	631,462,608	189,090,981
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	141,012	176,057
Sindh Sales Tax payable on remuneration of the Trustee	18,332	23,307
Security deposit	100,000	100,000
Faysal Bank Limited - Staff Provident Fund		
Units in issue: 4,873,310 units (June 30, 2022: 4,873,310 units)	538,110,890	505,947,084
Faysal Bank Limited - Staff Gratuity Fund		
Units in issue: 2,526,617 units (June 30, 2022 : 2,526,617 units)	278,989,049	262,313,424
Directors and Key Management Personnel of the Management Company		
Units in issue: 30 units (June 30, 2022: 1 unit)	3,313	104

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 on the statement of assets and liabilities 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 value:

(Un-audited)			
As at December 31, 2022			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
Financial assets at fair value through profit or loss			
Corporate sukuk certificates	-	730,426,636	-
GoP Ijarah sukuk certificates	-	291,090,000	-
Certificates of musharakah **	-	225,000,000	-
	-	<u>1,246,516,636</u>	-
			<u>1,246,516,636</u>
(Un-audited)			
As at June 30, 2022			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
Financial assets at fair value through profit or loss			
Corporate sukuk certificates	-	820,855,654	-
GoP Ijarah sukuk certificates	-	753,572,998	-
Certificates of musharakah	-	356,013,939	-
Commercial papers *	-	189,302,159	-
	-	<u>2,119,744,750</u>	-
			<u>2,119,744,750</u>

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

** The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

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 on February 20, 2023 by the Board of Directors of the Management Company.

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

Chief Financial Officer

Chief Executive Officer

Director

Head Office

West wing, 7th Floor, Faysal House, ST-02,
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