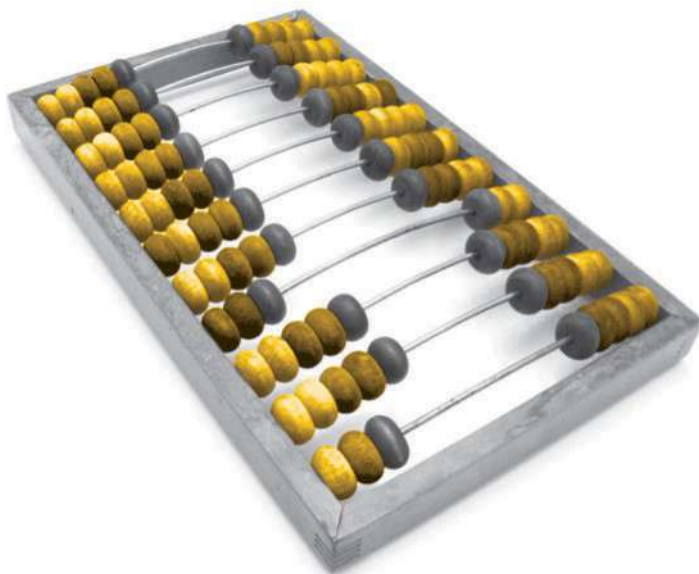


Faysal Funds

Financial Value Fund

Condensed Interim Financial Statements

For The Half Year Ended December 31, 2022 (Un-audited)



CONTENTS

Fund Information	02
Mission Statement	03
Trustee Report to the Unit Holders	04
Independent Auditor's Report to the Unit Holders	05
Condensed Interim Statement of Assets and Liabilities	06
Condensed Interim Income Statement	07
Condensed Interim Statement of Comprehensive Income	08
Condensed Interim Statement of Movement in Unit Holders' Fund	09
Condensed Interim Cash Flow Statement	10
Notes to the Condensed Interim Financial Statements	11

Faysal Funds

Faysal Financial Value 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 Shakra-e-Faisal, Karachi.

Bankers to the Fund

Bank Alfalah Limited

Faysal Bank Limited

Soneri 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 Financial Value Fund is to seek long term capital appreciation by investing in money market and debt instrument with major exposure in financial sector.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-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 FINANCIAL VALUE 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 Financial Value 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 Financial Value 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.
Chartered Accountants
Engagement Partner: **Shahbaz Akbar**
Dated: February 28, 2023
Karachi
UDIN: RR202210068Bz50Yko8q

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

	Note	December 31, 2022 (Un-audited) ----- (Rupees) -----	June 30, 2022 (Audited) -----
Assets			
Balances with banks	4	354,966,990	708,795,389
Investments	5	1,606,268,458	1,433,206,880
Advances, deposits and other receivables	6	73,573,418	40,723,185
Receivable against settlement contracts		89,563,280	-
Preliminary expenses and floatation costs	7	398,299	498,947
Total assets		<u>2,124,770,445</u>	<u>2,183,224,401</u>
Liabilities			
Payable to Faysal Asset Management Limited - Management Company	8	972,747	1,034,604
Payable to Central Depository Company of Pakistan Limited - Trustee	9	158,026	151,188
Payable to the Securities and Exchange Commission of Pakistan	10	220,347	403,223
Accrued expenses and other liabilities	11	2,597,056	22,425,276
Total liabilities		<u>3,948,176</u>	<u>24,014,291</u>
Net assets		<u>2,120,822,269</u>	<u>2,159,210,110</u>
Unit holders' fund (as per the statement attached)		<u>2,120,822,269</u>	<u>2,159,210,110</u>
Contingencies and commitments	12		
		----- (Number of units) -----	
Number of units in issue		<u>15,208,794</u>	<u>16,652,943</u>
		----- (Rupees) -----	
Net asset value per unit		<u>139.45</u>	<u>129.66</u>

The annexed notes from 1 to 20 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 FINANCIAL VALUE FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Note	Half year ended		Quarter ended	
		December 31,		December 31,	
		2022	2021	2022	2021
		----- (Rupees) -----		----- (Rupees) -----	
Income					
Profit on balances with banks		56,663,561	21,026,442	28,171,415	11,250,474
Profit on sukuk certificates		-	538,190	-	234,654
Interest income on term finance certificates		99,919,360	60,140,539	43,486,081	30,437,437
(Loss) / income on spread transactions		(9,686,651)	674,547	(9,686,651)	(534,091)
Profit on commercial papers		-	874,344	-	615,944
Dividend income		14,008,000	751,250	13,969,250	751,250
Income on market treasury bills		14,272,770	2,469,852	14,272,770	2,469,852
Other income		554,908	302,926	554,908	302,926
Realised (loss) / gain on sale of investments - net		(11,217,059)	1,912,401	(11,430,621)	1,933,975
		<u>164,514,889</u>	<u>88,690,491</u>	<u>79,337,152</u>	<u>47,462,421</u>
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.4	282,218	5,576,348	333,278	2,453,651
Total income		<u>164,797,107</u>	<u>94,266,839</u>	<u>79,670,430</u>	<u>49,916,072</u>
Operating expenses					
Remuneration of Faysal Asset Management Limited - Management Company	8.1	2,754,651	2,452,062	1,385,771	1,250,477
Sindh sales tax on remuneration of the Management Company	8.2	358,105	318,768	180,151	139,150
Selling and marketing expenses	8.3	984,612	980,825	437,060	500,191
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	826,395	735,619	415,731	375,144
Sindh sales tax on remuneration of the Trustee	9.2	107,431	95,630	53,771	48,528
Annual fee to the Securities and Exchange Commission of Pakistan	10.1	220,372	196,105	110,862	99,978
Transaction costs		177,713	66,457	122,142	29,346
Bank and settlement charges		8,434	1,529	8,264	851
Auditors' remuneration		246,008	246,928	123,004	122,452
Legal and professional charges		79,120	253,359	39,560	253,359
Fees and subscription		13,800	13,845	6,900	6,914
Printing charges		17,112	17,605	8,556	11,345
Amortisation of preliminary expenses and floatation costs	7.1	100,648	100,648	50,324	50,350
Total operating expenses		<u>5,894,401</u>	<u>5,479,380</u>	<u>2,942,096</u>	<u>2,888,085</u>
Net income from operating activities		<u>158,902,706</u>	<u>88,787,459</u>	<u>76,728,334</u>	<u>47,027,987</u>
Reversal of provision for Sindh Workers' Welfare Fund (SWWF)		-	4,917,502	-	-
Net income for the period before taxation		<u>158,902,706</u>	<u>93,704,961</u>	<u>76,728,334</u>	<u>47,027,987</u>
Taxation	15	-	-	-	-
Net income for the period after taxation		<u>158,902,706</u>	<u>93,704,961</u>	<u>76,728,334</u>	<u>47,027,987</u>
Earnings per unit	16				
Allocation of net income for the period					
Net income for the period after taxation		158,902,706	93,704,961		
Income already paid on units redeemed		(10,584,138)	(1,233,381)		
		<u>148,318,568</u>	<u>92,471,580</u>		
Accounting income available for distribution					
- Relating to capital gain		-	7,488,749		
- Excluding capital gain		148,318,568	84,982,831		
		<u>148,318,568</u>	<u>92,471,580</u>		

The annexed notes from 1 to 20 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 FINANCIAL VALUE 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	158,902,706	93,704,961	76,728,334	47,027,987
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u><u>158,902,706</u></u>	<u><u>93,704,961</u></u>	<u><u>76,728,334</u></u>	<u><u>47,027,987</u></u>

The annexed notes from 1 to 20 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 FINANCIAL VALUE 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)	2,150,673,896	8,536,214	2,159,210,110	1,862,889,068	5,970,556	1,868,859,624
Issuance of 96,695 (2021: 1,017,319) units						
- Capital value (at net asset value per unit at the beginning of the period)	12,537,503	-	12,537,503	118,599,049	-	118,599,049
- Element of income	541,950	-	541,950	2,386,666	-	2,386,666
Total proceeds on issuance of units	13,079,453	-	13,079,453	120,985,715	-	120,985,715
Redemption of 1,540,844 (2021: 542,474) units						
- Capital value (at net asset value per unit at the beginning of the period)	(199,785,862)	-	(199,785,862)	(63,241,619)	-	(63,241,619)
- Element of loss	-	(10,584,138)	(10,584,138)	-	(1,233,381)	(1,233,381)
Total payments on redemption of units	(199,785,862)	(10,584,138)	(210,370,000)	(63,241,619)	(1,233,381)	(64,475,000)
Total comprehensive income for the period	-	158,902,706	158,902,706	-	93,704,961	93,704,961
Net assets at the end of the period (un-audited)	1,963,967,487	156,854,782	2,120,822,269	1,920,633,164	98,442,136	2,019,075,300
Undistributed income brought forward						
- Realised (loss) / income		(1,335,580)			1,131,014	
- Unrealised income		9,871,794			4,839,542	
		<u>8,536,214</u>			<u>5,970,556</u>	
Accounting income available for distribution						
- Relating to capital gains		-			7,488,749	
- Excluding capital gains		148,318,568			84,982,831	
		<u>148,318,568</u>			<u>92,471,580</u>	
Undistributed income carried forward		<u>156,854,782</u>			<u>98,442,136</u>	
Undistributed income carried forward						
- Realised income		156,572,564			92,865,788	
- Unrealised income		282,218			5,576,348	
		<u>156,854,782</u>			<u>98,442,136</u>	
			(Rupees)			(Rupees)
Net asset value per unit at beginning of the period			<u>129.66</u>			<u>116.58</u>
Net asset value per unit at end of the period			<u>139.45</u>			<u>122.33</u>

The annexed notes from 1 to 20 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 FINANCIAL VALUE 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	158,902,706	93,704,961
Adjustments for:		
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(282,218)	(5,576,348)
Reversal of provision for Sindh Workers' Welfare Fund (SWWF)	-	(4,917,502)
Amortisation of preliminary expenses and floatation costs	100,648	100,648
	<u>158,721,136</u>	<u>83,311,759</u>
Decrease / (increase) in assets		
Investments	73,159,098	214,283,287
Advances, deposits and other receivables	(32,850,233)	56,238,865
Receivable against settlement contracts	(89,563,280)	-
	<u>(49,254,415)</u>	<u>270,522,152</u>
(Decrease) / increase in liabilities		
Payable to Faysal Asset Management Limited - Management Company	(61,857)	(1,293,990)
Payable to Central Depository Company of Pakistan Limited - Trustee	6,838	15,067
Payable to the Securities and Exchange Commission of Pakistan	(182,876)	(152,455)
Accrued expenses and other liabilities	(19,828,220)	(14,694,208)
	<u>(20,066,115)</u>	<u>(16,125,586)</u>
Net cash generated from operating activities	<u>89,400,606</u>	<u>337,708,325</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	13,079,453	120,985,715
Payments against redemption and conversion of units	(210,370,000)	(64,475,000)
Net cash (used in) / generated from financing activities	<u>(197,290,547)</u>	<u>56,510,715</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>(107,889,941)</u>	<u>394,219,040</u>
Cash and cash equivalents at the beginning of the period	708,795,389	390,956,700
Cash and cash equivalents at the end of the period	<u>13</u> <u>600,905,448</u>	<u>785,175,740</u>

The annexed notes from 1 to 20 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 FINANCIAL VALUE 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 Financial Value Fund (the Fund) is an open-end mutual fund constituted under a Trust Deed entered into on October 29, 2019 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. The Management Company of the Fund has been licensed 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, West Wing, Faysal House, Shahrah-e-Faisal, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

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 November 16, 2021, the above-mentioned Trust Deed had been registered under the Sindh Trust Act.

1.2 The Fund has been categorised as an open ended asset allocation scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the SECP. 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 December 27, 2019 and are transferable and redeemable by surrendering them to the Fund.

1.3 The investment objective of the Fund is to seek long term capital appreciation through investments in equity instrument, fixed income instruments, money market instruments, bank deposits primarily from the financial sector and any other instrument as defined in Constitutive documents of the Fund and allowed by the SECP.

1.4 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

1.5 The Management Company has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 30, 2022 (June 30, 2022: 'AM2+' dated December 31, 2021). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

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 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 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 International Accounting Standard 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 accordance with the accounting and reporting standards as applicable in Pakistan requires the 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.

	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
4	BALANCES WITH BANKS		
	Balances with bank in savings accounts	4.1	354,966,990
		<u>354,966,990</u>	<u>708,795,389</u>
4.1	These savings accounts carry mark-up at rates ranging from 11% to 16.6% (June 30, 2022: 5.50% to 16.00%) per annum. Deposits in savings accounts include Rs. 0.501 million (June 30, 2022: Rs. 4.686 million) maintained with Faysal Bank Limited, a related party, and carry mark-up at the rate of 11% (June 30, 2022: 7%) per annum.		
		Note	December 31, 2022 (Un-audited)
			June 30, 2022 (Audited)
			----- (Rupees) -----
5	INVESTMENTS		
	At fair value through profit or loss		
	Term Finance Certificates (TFCs)	5.1	1,360,330,000
	Listed equity securities	5.2	-
	Government securities - Market Treasury Bills	5.3	245,938,458
			<u>1,606,268,458</u>
			<u>1,433,206,880</u>

Name of the Investee Company	Note	As at July 1, 2022	Purchased during the period	Disposed off during the period	As at December 31, 2022	Balance as at December 31, 2022			Market Value as a percentage of		Holding as a percentage of Investee company paid-up capital
						Carrying Value	Market Value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the Fund	
Number of shares											
ASSET ALLOCATION											
TPL Properties Limited		-	181,000	181,000	-	-	-	-	-	-	-
REFINERY											
Attock Refinery Limited		-	1,500	1,500	-	-	-	-	-	-	-
Cnergyco PK Limited		-	237,500	237,500	-	-	-	-	-	-	-
National Refinery Limited		-	170,500	170,500	-	-	-	-	-	-	-
Pakistan Refinery Limited		-	194,000	194,000	-	-	-	-	-	-	-
Foods & Personal Care Products											
Unity Foods Limited		-	873,000	873,000	-	-	-	-	-	-	-
TEXTILE COMPOSITE											
Nishat Chunian Limited		-	110,500	110,500	-	-	-	-	-	-	-
Nishat Mills Limited		-	148,000	148,000	-	-	-	-	-	-	-
INDUSTRIAL ENGINEERING											
International Steels Limited		-	25,500	25,500	-	-	-	-	-	-	-
FERTILIZER											
Engro Fertilizers Limited		-	11,000	11,000	-	-	-	-	-	-	-
CHEMICALS											
Engro Polymer & Chemicals Limited		-	69,500	69,500	-	-	-	-	-	-	-
Ghani Global Holdings Limited		-	52,000	52,000	-	-	-	-	-	-	-
Lotte Chemical Pakistan Limited		-	670,000	670,000	-	-	-	-	-	-	-
TECHNOLOGY AND COMMUNICATION											
Avanceon Limited		-	10,500	10,500	-	-	-	-	-	-	-
Hum Network Limited		-	30,500	30,500	-	-	-	-	-	-	-
NetSol Technologies Limited		-	3,500	3,500	-	-	-	-	-	-	-
Systems Limited		-	3,500	3,500	-	-	-	-	-	-	-
TRG Pakistan Limited - Class 'A'		-	1,365,000	1,365,000	-	-	-	-	-	-	-
Total as at December 31, 2022						-	-	-	-	-	-
Total as at June 30, 2022						-	-	-	-	-	-

5.2.1 All shares have a nominal value of Rs. 10 each except for the shares of Hum Network Limited which have a face value of Rs.1.

5.3 Government securities - Market Treasury Bills

Particulars	Issue date	Face value				Balance as at December 31, 2022			Market value as percentage of	
		As at July 01, 2022	Purchased during the period	Sold / matured during the period	As at December 31, 2022	Carrying value	Market value	Unrealised appreciation/ (diminution)	net assets of the Fund	total investments of the Fund
Market treasury bills - 06 months	10-Mar-22	70,000,000	-	70,000,000	-	-	-	-	-	
Market treasury bills - 06 months	21-Apr-22	200,000,000	-	200,000,000	-	-	-	-	-	
Market treasury bills - 03 months	17-Nov-22	250,000,000	-	-	250,000,000	245,656,240	245,938,458	282,218	11.60	
Total as at December 31, 2022						245,656,240	245,938,458	282,218	11.60	15.31
Total as at June 30, 2022						260,747,986	259,402,720	(1,345,266)	0.18	0.12

5.4 Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
----- (Rupees) -----			
Market value of investments	5.1, 5.2 & 5.3	1,606,268,458	1,433,206,880
Less: Carrying value of investments	5.1, 5.2 & 5.3	(1,605,986,240)	(1,423,335,086)
		<u>282,218</u>	<u>9,871,794</u>

6 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Profit / interest receivable on:			
Balances with banks		6,203,574	4,320,165
Term finance certificates		47,040,880	33,581,425
		53,244,454	37,901,590
Security deposit with Central Depository Company of Pakistan Limited		100,000	100,000
Security deposit with National Clearing Company of Pakistan Limited		2,500,000	2,500,000
Cash margin against MTM futures losses		17,494,571	-
Advance tax	6.1	221,595	221,595
Other Receivables		12,798	-
		<u>73,573,418</u>	<u>40,723,185</u>

- 6.1 As per clause 47(B) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding tax on profit on debt paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholders. The tax withheld on dividends, profit on bank deposits and profit on debt securities amounts to Rs. 221,595 (June 30,2022: Rs. 221,595).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on dividends and profit on debt has been shown as other receivable as at December 31, 2022 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

7 PRELIMINARY EXPENSES AND FLOATATION COSTS	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
----- (Rupees) -----			
At the beginning of the period / year		498,947	698,602
Less: amortisation during the period / year		(100,648)	(199,655)
At the end of the period / year	7.1	<u>398,299</u>	<u>498,947</u>

- 7.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These are being amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

8 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
----- (Rupees) -----			
Remuneration of the Management Company	8.1	461,662	443,116
Sindh sales tax on remuneration of the Management Company	8.2	64,025	61,614
Selling and marketing expenses payable	8.3	417,060	509,874
Other payable		30,000	20,000
		<u>972,747</u>	<u>1,034,604</u>

- 8.1 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 remuneration at the following rates:

Rate applicable from July 1, 2022 to December 31, 2022
0.25% of the average annual net assets of the fund

The remuneration is payable to the Management Company monthly in arrears.

- 8.2 During the period, Sindh sales tax on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (June 30, 2022: 13%).
- 8.3 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 authorised by the Board of Directors) while keeping in view the annual plan, overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rate of 0.1% (June 30, 2022: 0.1%) of average annual net assets of the Fund from July 01, 2022 to December 11, 2022 & Nil expense charged during the period December 12, 2022 to December 31, 2022.

	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	----- (Rupees) -----
9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Remuneration of the Trustee	9.1	138,453	132,889
Sindh sales tax on remuneration of the Trustee	9.2	19,573	18,299
		<u>158,026</u>	<u>151,188</u>
9.1	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% per annum of the average annual net assets of the fund.		
9.2	During the period, Sindh sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (June 30, 2022: 13%).		
		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	----- (Rupees) -----
10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Annual fee payable		<u>220,347</u>	<u>403,223</u>
10.1	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.		
		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	----- (Rupees) -----
11 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		285,164	376,548
Fees and subscription payable		-	385,557
Printing charges payable		27,237	25,780
Capital gain tax payable		962,094	21,400,041
Brokerage payable		506,252	86,161
Legal and professional charges payable		230,309	151,189
Other liabilities		586,000	-
		<u>2,597,056</u>	<u>22,425,276</u>

12 CONTINGENCIES AND COMMITMENTS

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

	Half year ended	
	December 31,	
	2022	2021
	(Un-audited)	
	----- (Rupees) -----	
13 CASH AND CASH EQUIVALENTS		
Balances with banks	354,966,990	536,965,740
Market Treasury Bills - 3 months	<u>245,938,458</u>	<u>248,210,000</u>
	<u><u>600,905,448</u></u>	<u><u>785,175,740</u></u>

14 TOTAL EXPENSE RATIO

The annualised Total Expense Ratio (TER) of the Fund for the period is 0.54% (December 31, 2021: 0.56%) which includes 0.07% (December 31, 2021: 0.07%) representing government levies on the Fund such as sales taxes and annual fee payable to the SECP, etc. This ratio is within the maximum limit of 4.5% (December 31, 2021: 4.5%) prescribed under the NBFC Regulations for a collective investment scheme categorised as an Asset Allocation Scheme.

15 TAXATION

The income of the fund is exempt from income tax as per clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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 period 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

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.

16 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.

17 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

17.1 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% or more units / net assets of the Fund at period end.

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

17.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

17.4 Remuneration to the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

- 17.5 Selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 17.6 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 / 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	2,754,651	2,452,062
Sindh sales tax on remuneration of the Management Company	358,105	318,768
Selling and marketing expenses	984,612	980,825
Faysal Bank Limited - Group Company / Associated Company		
Profit on balance with bank	221,994	453,261
Bank charges	678	1,529
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	826,395	735,619
Sindh sales tax on remuneration of the Trustee	107,431	95,630
Unit holders with more than 10% unit holding		
Issuance of 71,209 units (December 31, 2021: 1,006,075 units)	9,633,632	119,650,872
Redemption of 1,492,834 units (December 31, 2021: 512,888 units)	203,870,000	60,950,000
	December 31,	June 30,
	2022	2022
	(Un-audited) (Audited)	
	----- (Rupees) -----	
Amounts / balances outstanding as at period / year end		
Faysal Asset Management Limited - Management Company		
Management fee payable	461,662	443,116
Sindh sales tax payable on remuneration of the Management Company	64,025	61,614
Selling and marketing expenses payable	417,060	509,874
Other payable	30,000	20,000
Faysal Bank Limited (Group / Associated Company)		
Balance with bank	501,410	4,685,820
Profit receivable on balance with bank	42,610	155,021
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	138,453	132,889
Sindh sales tax payable on remuneration of the Trustee	19,573	18,299
Unit holders with more than 10% unit holding		
Outstanding units: 8,212,007 (June 30, 2022: 9,633,632 units)	1,145,164,347	1,249,096,703

18 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.

18.1 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, 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 (TFCs)	-	1,360,330,000	-	1,360,330,000
Government securities - Market Treasury Bills		245,938,458	-	245,938,458
	-	1,606,268,458	-	1,606,268,458
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 (TFCs)	-	1,173,804,160	-	1,173,804,160
Government securities - Market Treasury Bills		259,402,720	-	259,402,720
	-	1,433,206,880	-	1,433,206,880

19 GENERAL

19.1 Figures have been rounded off to the nearest rupee.

20 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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