



**FUNDS UNDER THE MANAGEMENT OF THE AWT INVESTMENTS LIMITED  
REVIEW REPORT OF THE DIRECTORS' OF THE MANAGEMENT COMPANY  
FOR THE PERIOD ENDED DECEMBER 31, 2022**

The Board of Directors of AWT Investments Limited, the Management Company of the AWT Money Market Fund, AWT Financial Sector Income Fund, AWT Income Fund, AWT Islamic Income Fund, AWT Islamic Stock Fund, and AWT Stock Fund (hereinafter collectively called as "Funds") is pleased to submit its review report together with Condensed Interim Financial Information for the period ended December 31, 2022.

**Economic Review**

After posting a strong GDP growth of 5.97% in FY22, as per the SBP & World Bank economic growth could fall below 2 percent in FY23, compared to the previous forecast of 3-4 percent before the floods. The dampening effect of pass-through of energy prices; and fiscal consolidation & the loss of purchasing power due to high inflation are also expected to restrain domestic demand. The Large-Scale Manufacturing (LSM) Sector activity also corroborate the headwinds facing economy as the output decreased by 3.51% for December, 2022 when compared with December, 2022. Overall LSM has shown a decline of 3.68% during July-December 2022-23 compared with the same period of last year.

Average CPI inflation jumped to 25.4% during 7MFY23 compared with 10.3% during the same period last year. Headline inflation clocked in at 27.6% (y/y) in January 2023. SPI inflation on YoY increased to 30.5% in Jan 2023 as compared to an increase of 27.8% a month earlier and 20.9% in Jan 2022. Spike was noted in both core and food inflation. Looking ahead, the supply-shock to food prices from the floods, recent increase in the retail fuel and gas prices, and hike in electricity tariff are expected to put additional pressure on headline inflation in the coming months. We project average CPI at 27% in FY23 and 15% in June 2023.

In its scheduled recent meeting held on January 23rd 2023, the Monetary Policy Committee (MPC) decided to increase the Policy Rate by 100bps to 17%, citing, persisting inflationary pressures and broad-based. The MPC further noted that if these remain unchecked, they could feed into higher inflation expectations over a longer-than-anticipated period. Considering the unabated pressures further hike in the Policy Rate cannot be ruled out.

PKR remained under severe pressures due to dwindling FX reserves that stood at USD 3.19 billion at the week ended February 10, 2023 as compared with USD 2.92 billion a week ago. The rupee-dollar parity stood at Rs239.7 on 23rd Sep 2022 to-a-dollar that strengthened to 217.8 on October 11th. PKR-USD parity stood at 264.38 on February 17th, making significant recovery as the government had met almost all the conditions set by the IMF for continuation of loan program under Extended Fund Facility (EFF). Real Effective Exchange Rate (REER) jumped to 96.2 at Dec-22 end. We may see further pressure on the PKR considering a large external financing requirement.



On external account, to put things into perspective, CAD ballooned to USD 17.4 billion (4.7% of the GDP) in FY22. During 1HFY23, the CAD shrank to USD 3.7bn from USD9.1bn in 1HFY22, mainly reflecting a decline in imports. In December 2023, CAD stood at USD 400 million. We expect continuation of demand compression policies in the near-term and project CAD in the range of USD 7-8 billion in FY23.

Regarding public finance, as per the provisional collection data, during 1HFY23, the provisional net tax collection stood at Rs 3,429 billion versus Rs 2,920 billion in the same period last year, showing an increase of 17.4%. The increase in growth is largely attributed to a 49% growth in direct taxes. The government and IMF agreed on the imposition of additional taxation measures of around Rs170 billion. The Finance (Supplementary) Bill 2023 would bring about an increase in the General Sales Tax (GST) from 17% to 18% apart from increasing the federal excise duty on sugary items, tobacco, airline tickets, marriage halls, and cement.

#### **Fixed Income Market Review**

The Monetary Policy Committee (MPC) in November 2022, raised the policy rate by 100 basis points to 16%. In its scheduled recent meeting held on January 23rd 2023, the MPC decided to further increase the Policy Rate by 100bps to 17%, citing, persisting inflationary pressures and broad-based. The net liquid foreign exchange reserves with SBP stand at USD 5.8 billion (as at 23-Dec-22), posing challenges and persistent risks to the financial stability and fiscal consolidation. In the last T-Bill auction of December 2022, an amount of Rs. 343 billion was accepted at a cut-off yield of 17.00%, 16.83% and 16.85% for 3-month, 6-month and 12-month tenures. Sovereign yields responded to hikes in the Policy Rate during 1HFY23 as T-Bills yields for 3-month, 6-month and 12-month closed at 16.69% (+171bps), 16.99% (+184bps) and 17.0% (+170bps) as on December 31, 2022. Similarly, yields on long term sovereign bonds also jumped as 3-year, 5-year and 10-year PIBs yields closed at 15.64% (+219bps), 14.61% (+168bps) and 13.76% (+84bps) as on December 31, 2022.

#### **Equity Market Review**

During the 1HFY23, the stock market remained under pressure as the KSE100 index witnessed a contraction of around 1,120 points (↓2.7%) and closed at 41,402 points (ranges between 43,390 to 39,026). Several factors contributed to this dismal stock market performance. Notably, political uncertainty, protracted delays in implementation of IMF's reforms agenda and floods adversely affect the overall economic situation. Other factors impacting the market are high domestic interest rates & inflation, weak external account position of the country, decline in credit rating by S&P & Fitch and growing political noise as the country moves closer to general elections. As a result, market valuation further de-rated to a multi-year low, as the KSE100 index trading 4x offers a dividend yield of 10%.

Average headline inflation surged significantly during the 1HFY23 to 25% vs. 9.8% in SPLY, which invited further tightening response from SBP as policy rate surged by 2.2ppt to 16% during the period.



On the positive side, foreign selling seems lower this year as they have sold ~\$0.9mn vs. ~\$250mn worth of securities in the same period last year. On the local front, Mutual Funds and Insurance Companies were the net seller, (~\$127mn), while Banks and Individuals bought shares worth \$98.1mn.

Overall, corporate results for the listed space are expected to remain depressed primarily for Auto sector and companies depending on imported raw materials. However, few recent developments are positive for heavyweight sectors such as E&Ps, Banks and export-oriented sectors i.e. Textile & Technology sectors. Given political uncertainty, we expect the stock market to remain volatile in the near term. Key developments that will set the stock market direction include the outcome of the 9th IMF review and the materialization of committed inflows from multilateral and bilateral institutions. We expect the stock market to deliver a strong rebound amid political stability and the implementation of structural reforms on both external and fiscal fronts.

## **PRINCIPAL ACTIVITIES AND REVIEW OF FUNDS PERFORMANCE:**

### **1) AWT MONEY MARKET FUND**

#### **Principal activities**

AWT Money Market Fund is an open-end money market scheme and is listed on Pakistan Stock Exchange Limited. The Fund invests in Government Securities, Certificate of Investments, Clean Placements, Term Deposit Receipts and other short-term instruments. The weighted average maturity of the portfolio is kept below 90 days. AWTMMF invests in only those securities that have been assigned at least an "AA" rating by a rating agency in Pakistan and are of less than 6 months maturity. Short maturity of the portfolio protects the Unit Holders against interest rate movements while enhancing the liquidity of the Fund.

#### **Fund performance**

During the month of December, AWT Money Market Fund delivered an outstanding return of 17.02% p.a., beating its benchmark return of (15.87% p.a.) by 115 bps. Owing to the active investment strategy, the Fund managed to improve its FYTD returns (i.e., 15.51% p.a.) versus benchmark return of 14.91% p.a. At the month's end, the Fund exposure in cash at the bank was around 16% while Govt Securities remained at 74% of the net assets. As of quarter end, Net Assets of the Fund stood at PKR 1,316 million, showing an increase of 253% from June 30, 2022, level of PKR 373 million. The weighted average time to maturity of the portfolio was 40 days. Net Asset value (NAV per unit) on December 31, 2022 was PKR 117.1204.

#### **Fund Stability Rating**

The Pakistan Credit Rating Agency (PACRA) has maintained stability rating AA+(f) to the Fund on October 14, 2022 (2022: AA+(f) on May 07, 2022).

#### **Income Distribution**

Rawalpindi :	2nd Floor, AWT Plaza, Mall Road.	: +92-51-9272379
Karachi :	3rd Floor, AWT Plaza, I.I. Chundrigar Road.	: +92-21-38658883
Lahore :	1st Floor, -33DD Block CCA Phase 4 DHA Cant	: +92-21-35694007-8



The Chief Executive Officer under the authority from Board of Directors of the Management Company during the period declared the interim payouts of PKR 8.1746 per unit (8.1746%) of face value of PKR 100/- amounting to PKR 47.52 million distribution in cash during the period ended December 31, 2022.

## 2) AWT FINANCIAL SECTOR INCOME FUND

### Principal activities

AWT Financial Sector Income Fund aims to provide income enhancement and preservation of Capital by investing primarily in financial sector, TFCs/Sukuk, Bank deposits and instruments issued by Government Securities.

### Fund performance

Since its inception on December 19th, 2022, AWT –Financial Sector Income Fund delivered an annualized return of 16.85%, against its benchmark return of 17.05%. At the month's end, the allocation of Fund in cash at the bank was around 93%, and TFC/Sukuk remained at around 7% of the net assets. As of quarter end, Net Assets of the Fund stood at PKR 229 million. The weighted average time to maturity of the portfolio was 238 days. Net Asset value (NAV per unit) on December 31, 2022 was PKR 100.5540.

## 3) AWT INCOME FUND

### Principal activities

The Fund is an open-end income fund and is listed on Pakistan Stock Exchange Limited. AWTIF invests in Investment-grade Debt Securities, Government Securities, Certificate of Investments, Clean Placements, Term Deposit Receipts, Certificate of Deposits, Certificate of Musharaka and other fixed income instruments. The overall duration of the portfolio is kept below 4 years while at least 25% of Net Assets are kept in the form of cash or Treasury Bills of maximum 90 days maturity. AWTIF is managed through a team-driven, top-down process utilizing active duration and yield curve management. Economic conditions are constantly monitored to forecast interest rate changes. The added value for AWTIF comes from identifying opportunities to shift investments between various maturities and between different instruments. AWTIF is allowed to borrow up to 15% of Net Assets to meet redemptions however did not utilize this facility during the period under review.

### Fund performance

During the first half of the Financial Year 2023 (1HFY23), the return of the Fund stood at 14.54% p.a. versus benchmark return of 16.07% p.a. At month end, allocation in TFC/ Sukuks was around 26%, while cash in the bank stood at 25%, and Govt Securities were 43% of the net assets, respectively. As of quarter end, Net Assets of the Fund stood at PKR 1,660 million, showing an increase of 12% from



June 30, 2022, level of PKR 1,480 million. The weighted average time to maturity of the portfolio was 1.6 years. Net Asset value (NAV per unit) on December 31, 2022 was PKR 117.3837.

#### **Fund Stability Rating**

The Pakistan Credit Rating Agency (PACRA) has maintained stability rating A+(f) to the Fund on October 13, 2022 (2022: A+(f) on April 08, 2022).

#### **4) AWT ISLAMIC INCOME FUND**

##### **Principal activities**

AWT Islamic Income Fund is an open-end Shariah Compliant scheme listed on Pakistan Stock Exchange Limited. AWTIIF invests in Investment-grade Shariah Compliant Debt Securities, Government Securities, Spread transactions, Bank Deposits, Certificate of Deposit, Certificate of Musharaka, and other Shariah Compliant fixed income avenues. AWTIIF is managed through a team-driven, top-down process utilizing active sector rotation, duration and yield curve management. Economic conditions are constantly monitored to forecast interest rate changes. The added value for AWTIIF comes from identifying opportunities to shift investments between various maturities and between different instruments.

##### **Fund performance**

During 1HFY23, return of the Fund stood at 13.98% p.a. versus 5.37% p.a. return of the benchmark. At month end, allocation in Sukuks was around 12%, 11% in GOP Ijara Sukuk, while cash in the bank stood at 59%, and Certificate of Musharaka (COM) was 11% of the net assets respectively. As of quarter end, Net Assets of the Fund stood at PKR 456.9 million, showing an increase of 75% from June 30, 2022, level of PKR 261.2 million. The weighted average time to maturity of the portfolio was 225 days. Net Asset value (NAV per unit) on December 31, 2022 was PKR 112.2016.

##### **Fund Stability Rating**

The Pakistan Credit Rating Agency (PACRA) has maintained stability rating A+(f) to the Fund on October 13, 2022 (2022: A+(f) on April 08, 2022).

#### **5) AWT STOCK FUND**

##### **Principal activities**

AWT Stock Fund is an actively managed open-end equity fund and is listed on Pakistan Stock Exchange Limited. AWTSF maintains an average exposure of 70% of Net Assets in listed equity securities. The asset allocation to different sectors and stocks is made on the basis of relative attractiveness of each sector and individual stocks in that particular sector. The allocations may change from time to time keeping in view the market conditions, opportunities, political and economic factors. AWTSF is allowed.



### **Fund performance**

During 1HFY23, the NAV of AWT Stock Fund declined by 1.4% compared to 2.7% decline in the benchmark KSE-100 Index, thus showing a slight underperformance. The key drag on the Fund's performance during the period under review were HBL, PSO, MARI and NML, whereas stocks that contributed positively in return included SYS, SNGP, HUBC and ENGRO. Exposure in equities was around 92% of net assets in Dec'22. Top Five holdings in the portfolio are SYS, ENGRO, OGDC, PPL and HUBC. As of quarter end, Net Assets of the Fund stood at PKR 105 million, showing an increase of 102% from June 30, 2022, level of PKR 52 million. Net Asset value (NAV per unit) on December 31, 2022 was PKR 85.2830.

## **6) AWT ISLAMIC STOCK FUND**

### **Principal activities**

The Fund is an actively managed open-end Shariah Compliant Equity fund and is listed on Pakistan Stock Exchange Limited. AWTISF maintains an average exposure of investments 70% of Net Assets in Shariah Compliant stocks of listed on PSX. The asset allocation to different sectors and stocks is made on the basis of relative attractiveness of each sector and individual stocks in that particular sector. The allocations may change from time to time keeping in view the market conditions, opportunities, political and economic factors. AWTISF is allowed to borrow up to 15% of Net Assets to meet redemptions however AWTISF did not utilize this facility during the period under review.

### **Fund performance**

During 1HFY23, the NAV of AWT Stock Fund declined by 1.2% compared to 0.7% decline in the benchmark KMI 30 Index, thus showing a slight underperformance. Stocks which gave major contributions in the negative return during 1HFY23 were PSO, EFERT, MARI and NML, whereas stocks that contributed positively in return included SYS, SNGP, HUBC and ENGRO. Exposure in equities was around 91% of net assets in Dec'22. Top Five holdings in the portfolio are PPL, SYS, MEBL, ENGRO and OGDC. As of quarter end, Net Assets of the Fund stood at PKR 106 million, showing an increase of 3% from June 30, 2022, level of PKR 102.9 million. Net Asset value (NAV per unit) on December 31, 2022 was PKR 80.1742.

### **Earning per Unit (EPU)**

EPU has not been disclosed as we feel the determination of weighted average units for calculating EPU is not practicable for open end funds.

### **Asset Manager Rating**

The Pakistan Credit Rating Agency Limited (PACRA) has upgraded Asset Manager Rating 'AM3++' of AWT Investments Limited rating outlook from stable to positive vide its report dated August 05, 2022.

### **Acknowledgement**



The Board is thankful to its valued investors, the Securities & Exchange Commission of Pakistan, the State Bank of Pakistan, the Trustee of the Fund – Central Depository Company of Pakistan Limited and the management of the Pakistan Stock Exchange Limited for their continued cooperation and support. The Directors of the Management Company also acknowledge the efforts put in by the team of the Management Company for the growth and the prudent management of the Fund.

**For and on Behalf of the Board**

s/d

\_\_\_\_\_  
**Chief Executive Officer**

s/d

\_\_\_\_\_  
**Director**

Dated: February 23, 2023



## اے ڈبلیو ٹی انویسٹمنٹس لمیٹڈ کے انتظام کے تحت فنڈز مینجمنٹ کمپنی کے ڈائریکٹرز کی جائزہ رپورٹ 31 دسمبر 2022 کو ختم ہونے والی مدت کے لیے

اے ڈبلیو ٹی انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز، اے ڈبلیو ٹی منی مارکیٹ فنڈ کی مینجمنٹ کمپنی، اے ڈبلیو ٹی فنانشل سیکٹر انکم فنڈ، اے ڈبلیو ٹی انکم فنڈ، اے ڈبلیو ٹی اسلامک انکم فنڈ، اے ڈبلیو ٹی اسلامک اسٹاک فنڈ، اور اے ڈبلیو ٹی اسٹاک فنڈ (اس کے بعد رپورٹ میں اجتماعی طور پر " فنڈز " کہا گیا ہے) کی 31 دسمبر 2022 کو ختم ہونے والی مدت کے لیے کنڈینسڈ عبوری مالیاتی معلومات کے ساتھ اپنی جائزہ رپورٹ جمع کرانے پر خوشی محسوس کرتے ہیں۔

### اقتصادی جائزہ

مالی سال 22 میں 5.97 فیصد کی مضبوط جی ڈی پی گروتھ پوسٹ کرنے کے بعد، ایس بی پی اور ورلڈ بینک کے مطابق مالی سال 23 میں معاشی نمو 2 فیصد سے نیچے آسکتی ہے، جو کہ سیلاب سے پہلے 3-4 فیصد کی سابقہ پیش گوئی کے مقابلے میں ہے۔ توانائی کی قیمتوں کے گزرنے کا کم اثر؛ اور مالیاتی استحکام اور بلند افراط زر کی وجہ سے قوت خرید میں کمی سے بھی ملکی طلب کو روکنے کی توقع ہے۔ بڑے پیمانے پر مینوفیکچرنگ (ایل ایس ایم) کے شعبے کی سرگرمیاں بھی معیشت کو درپیش مشکلات کی تصدیق کرتی ہیں کیونکہ دسمبر 2022 کے مقابلے دسمبر 2022 کے لیے پیداوار میں 3.51 فیصد کی کمی واقع ہوئی ہے۔ مجموعی طور پر ایل ایس ایم نے جولائی تا دسمبر 2022-23 کے دوران 3.68 فیصد کی کمی ظاہر کی ہے۔ گزشتہ سال کی اسی مدت کے مقابلے میں۔

7MFY23 کے دوران اوسط CPI افراط زر بڑھ کر 25.4% ہو گیا جبکہ گزشتہ سال اسی مدت کے دوران 10.3% تھا۔ جنوری 2023 میں بیڈ لائن افراط زر 27.6% (y/y) پر پہنچ گیا۔ سال 2023 میں ایس پی آئی افراط زر جنوری 2023 میں بڑھ کر 30.5% ہو گیا جب کہ ایک ماہ قبل 27.8% اور جنوری 2022 میں 20.9% اضافہ ہوا۔ دونوں میں اضافہ نوٹ کیا گیا۔ بنیادی اور خوراک کی افراط زر آگے دیکھتے ہوئے، سیلاب سے ایشیائی خوردونوش کی قیمتوں کو رسد کا جھٹکا، خوردہ ایندھن اور گیس کی قیمتوں میں حالیہ اضافہ، اور بجلی کے نرخوں میں اضافے سے آنے والے مہینوں میں بیڈ لائن افراط زر پر اضافی دباؤ کی توقع ہے۔ ہم FY23 میں اوسط سی پی آئی کو 23% اور جون 2023 میں 15% پر پیش گوئی کرتے ہیں۔

23 جنوری 2023 کو ہونے والی اپنی طے شدہ حالیہ میٹنگ میں، مانیٹری پالیسی کمیٹی (ایم پی سی) نے پالیسی کی شرح کو 100bps سے بڑھا کر 17% کرنے کا فیصلہ کیا، اس کا حوالہ دیتے ہوئے، مہنگائی کے دباؤ اور وسیع البنیاد کو برقرار رکھا۔ ایم پی سی نے مزید نوٹ کیا کہ اگر ان کی جانچ نہ کی گئی تو وہ متوقع مدت سے زیادہ مہنگائی کی توقعات میں اضافہ کر سکتے ہیں۔ بے لگام دباؤ کو مدنظر رکھتے ہوئے پالیسی ریٹ میں مزید اضافے کو خارج از امکان قرار نہیں دیا جا سکتا۔

پی کے آر غیر ملکی زر مبادلہ ذخائر میں کمی کی وجہ سے شدید دباؤ کا شکار رہا جو کہ 10 فروری 2023 کو ختم ہونے والے ہفتے میں 3.19 بلین امریکی ڈالر تھا جو ایک ہفتہ قبل USD 2.92 بلین تھا۔ روپے اور ڈالر کی برابری 23 ستمبر 2022 کو 239.7 روپے تھی جو کہ 11 اکتوبر کو مضبوط ہو کر 217.8 ہو گئی۔ پی کے آر - امریکن ڈالر برابری 17 فروری کو 264.38 پر رہی، جس سے اہم بحالی ہوئی کیونکہ حکومت نے توسیعی فنڈ سہولت (ای ایف ایف) کے تحت قرض کے پروگرام کو جاری رکھنے کے لیے آئی ایم ایف کی طرف سے مقرر کردہ تقریباً تمام شرائط کو پورا کر لیا ہے۔ حقیقی مؤثر شرح مبادلہ (REER) دسمبر 22 کے آخر میں 96.2 تک پہنچ گئی۔ ہم ایک بڑی بیرونی فنانسنگ کی ضرورت پر غور کرتے ہوئے پی کے آر پر مزید دباؤ دیکھ سکتے ہیں۔

بیرونی اکاؤنٹ پر، چیزوں کو تناظر میں رکھنے کے لیے، CAD FY22 میں USD 17.4 بلین (GDP کا 4.7%) ہو گیا۔ 1HFY23 کے دوران، CAD 1HFY22 میں USD9.1bn سے کم ہو کر امریکن ڈالر 3.7bn ہو گیا، جو بنیادی طور پر درآمدات میں کمی کو ظاہر کرتا ہے۔ دسمبر 2023 میں، CAD 400 ملین امریکی ڈالر تھا۔ ہم توقع کرتے ہیں کہ



ڈیمانڈ کمپریشن پالیسیوں کو قریب ترین مدت میں جاری رکھا جائے گا اور مالی سال 23 میں امریکی ڈالر 7-8 بلین کی حد میں CAD کا منصوبہ ہوگا۔

پبلک فنانس کے حوالے سے، عارضی وصولی کے اعداد و شمار کے مطابق، 1HFY23 کے دوران، عارضی خالص ٹیکس کی وصولی 3,429 بلین روپے رہی جو کہ گزشتہ سال کی اسی مدت میں 2,920 بلین روپے تھی، جس میں 17.4 فیصد کا اضافہ ظاہر ہوتا ہے۔ نمو میں اضافے کی بڑی وجہ براہ راست ٹیکسوں میں 49 فیصد اضافہ ہے۔ حکومت اور آئی ایم ایف نے تقریباً 170 ارب روپے کے اضافی ٹیکس کے اقدامات کے نفاذ پر اتفاق کیا۔ فنانس (ضمنی) بل 2023 چینی اشیاء، تمباکو، ایئر لائن ٹکٹ، شادی بالز اور سیمنٹ پر فیڈرل ایکسائز ڈیوٹی بڑھانے کے علاوہ جنرل سیلز ٹیکس (جی ایس ٹی) میں 17 فیصد سے 18 فیصد تک اضافہ کرے گا۔

## فکسڈ انکم مارکیٹ کا جائزہ

مانیٹری پالیسی کمیٹی (MPC) نے نومبر 2022 میں پالیسی ریٹ کو 100 بیس پوائنٹس سے بڑھا کر 16% کر دیا۔ 23 جنوری 2023 کو ہونے والی اپنی طے شدہ حالیہ میٹنگ میں، MPC نے پالیسی کی شرح کو مزید 100bps تک بڑھا کر 17% کرنے کا فیصلہ کیا، مہنگائی کے مسلسل دباؤ اور وسیع البنیاد کا حوالہ دیتے ہوئے SBP کے پاس خالص مائع زرمبادلہ کے ذخائر 5.8 بلین امریکی ڈالر (23-دسمبر-22 تک) ہیں، جو مالی استحکام اور مالی استحکام کے لیے چیلنجز اور مستقل خطرات کا باعث ہیں۔ دسمبر 2022 کی آخری ٹی بل نیلامی میں، روپے کی رقم 343 بلین 17.00%، 16.83% اور 16.85% کی کٹ آف پیداوار پر 3-ماہ، 6-ماہ اور 12-ماہ کی مدت کے لیے قبول کیے گئے۔ خودمختار پیداوار نے 1HFY23 کے دوران پالیسی ریٹ میں اضافے کا جواب دیا کیونکہ 3-ماہ، 6-ماہ اور 12-ماہ کے لیے T-Bills کی پیداوار 16.69% (+171bps، +184bps) اور 17.0% (+17.0%) پر بند ہوئی۔ 31 دسمبر 2022 تک۔ اسی طرح طویل مدتی خودمختار بانڈز کی پیداوار بھی 3 سالہ، 5 سالہ اور 10 سالہ PIBs کی پیداوار 15.64% (+219bps، +168bps) اور 13.76% (+13.76%) پر بند ہوئی۔ 31 دسمبر 2022 تک۔

## ایکویٹی مارکیٹ کا جائزہ

1HFY23 کے دوران، اسٹاک مارکیٹ دباؤ میں رہی کیونکہ KSE100 انڈیکس میں تقریباً 1,120 پوائنٹس (↓2.7%) کی کمی دیکھی گئی اور 41,402 پوائنٹس پر بند ہوا (43,390 سے 39,026 کے درمیان)۔ اسٹاک مارکیٹ کی اس مایوس کن کارکردگی میں کئی عوامل نے کردار ادا کیا۔ قابل ذکر بات یہ ہے کہ سیاسی غیر یقینی صورتحال، آئی ایم ایف کے اصلاحاتی ایجنڈے پر عمل درآمد میں طویل تاخیر اور سیلاب مجموعی اقتصادی صورتحال کو بری طرح متاثر کرتے ہیں۔ مارکیٹ پر اثر انداز ہونے والے دیگر عوامل میں ملکی شرح سود اور افراط زر، ملک کی کمزور بیرونی اکاؤنٹ پوزیشن، P&S اور Fitch کی کریڈٹ ریٹنگ میں کمی اور ملک میں عام انتخابات کے قریب آنے کے ساتھ بڑھتا ہوا سیاسی شور ہے۔ نتیجتاً، مارکیٹ ویلیویشن کو مزید کم کر کے کئی سال کی کم ترین سطح پر لے جایا گیا، کیونکہ KSE100 انڈیکس ٹریڈنگ 4% x 10 کی ڈیویڈنڈ پیداوار پیش کرتا ہے۔

1HFY23 کے دوران اوسط بیڈ لائن افراط زر میں نمایاں اضافہ ہوا SPLY میں 25% بمقابلہ 9.8%، جس نے SBP کی طرف سے مزید سخت ردعمل کو مدعو کیا کیونکہ اس مدت کے دوران پالیسی کی شرح 2.2 ppt سے 16% تک بڑھ گئی۔

مثبت پہلو پر، اس سال غیر ملکی فروخت کم دکھائی دیتی ہے کیونکہ انہوں نے پچھلے سال اسی عرصے میں ~mn0.9\$ بمقابلہ ~mn250\$ مالیت کی سیکیورٹیز فروخت کی ہیں۔ مقامی محاذ پر، میوچل فنڈز اور انشورنس کمپنیاں خالص فروخت کنندہ تھیں، (mn127\$)، جبکہ بینکوں اور افراد نے mn98.1\$ کے شیئرز خریدے۔

مجموعی طور پر، فہرست شدہ جگہ کے لیے کارپوریٹ نتائج میں بنیادی طور پر آٹو سیکٹر اور درآمد شدہ خام مال پر منحصر کمپنیوں کے لیے افسردہ رہنے کی توقع ہے۔ تاہم، چند حالیہ پیش رفت بیوی ویٹ شعبوں جیسے E&Ps، بینکوں اور برآمد پر مبنی شعبوں یعنی ٹیکسٹائل اور ٹیکنالوجی کے شعبوں کے لیے مثبت ہیں۔ سیاسی غیر یقینی صورتحال کے

پیش نظر، ہم توقع کرتے ہیں کہ سٹاک مارکیٹ قریبی مدت میں اتار چڑھاؤ کا شکار رہے گی۔ اہم پیش رفت جو سٹاک مارکیٹ کی سمت متعین کرے گی ان میں 9ویں IMF کے جائزے کے نتائج اور کثیر جہتی اور دوطرفہ اداروں سے پرعزم رقوم کی تکمیل شامل ہیں۔ ہم توقع کرتے ہیں کہ سیاسی استحکام اور بیرونی اور مالی دونوں محاذوں پر ساختی اصلاحات کے نفاذ کے درمیان اسٹاک مارکیٹ میں ایک مضبوط بحالی ہوگی۔

## پرنسپل سرگرمیاں اور فنڈز کی کارکردگی کا جائزہ:

### (1) اے ڈبلیوٹی منی مارکیٹ فنڈ

#### پرنسپل سرگرمیاں

اے ڈبلیوٹی منی مارکیٹ فنڈ ایک اوپن اینڈ منی مارکیٹ اسکیم ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج ہے۔ فنڈ گورنمنٹ سیکیورٹیز، سٹریٹجک آف انویسٹمنٹ، کلین پلیسمنٹس، ٹرم ڈپازٹ کی رسیدیں اور دیگر قلیل مدتی آلات میں سرمایہ کاری کرتا ہے۔ پورٹ فولیو کی وزنی اوسط میچورٹی 90 دن سے کم رکھی گئی ہے۔ اے ڈبلیوٹی منی مارکیٹ فنڈ صرف ان سیکیورٹیز میں سرمایہ کاری کرتا ہے جنہیں پاکستان میں کسی ریٹنگ ایجنسی کی جانب سے کم از کم "AA" ریٹنگ تفویض کی گئی ہے اور ان کی میچورٹی 6 ماہ سے کم ہے۔ پورٹ فولیو کی مختصر پختگی یونٹ ہولڈرز کو شرح سود کی نقل و حرکت کے خلاف تحفظ فراہم کرتی ہے جبکہ فنڈ کی لیکویڈٹی میں اضافہ کرتی ہے۔

#### فنڈ کی کارکردگی

دسمبر کے مہینے کے دوران، اے ڈبلیوٹی منی مارکیٹ فنڈ نے 17.02% p.a کی شاندار واپسی کی، جو اس کے بینچ مارک ریٹرن (15.87% p.a) کو 115 bps سے پیچھے چھوڑ دیا۔ فعال سرمایہ کاری کی حکمت عملی کی وجہ سے، فنڈ اپنے FYTD ریٹرن (یعنی 15.51% p.a) کے مقابلہ 14.91% p.a کے بینچ مارک ریٹرن کو بہتر کرنے میں کامیاب رہا۔ مہینے کے اختتام پر، بینک میں کیش میں فنڈ کی نمائش تقریباً 16% تھی جبکہ گورنمنٹ سیکیورٹیز خالص اثاثوں کے 74% پر رہیں۔ سہ ماہی کے اختتام تک، فنڈ کے خالص اثاثے 1,316 PKR ملین تھے، جو کہ 30 جون 2022 کے مقابلے میں 373 PKR ملین کی سطح پر 253% اضافہ دکھاتے ہیں۔ پورٹ فولیو کی پختگی کا وزنی اوسط وقت 40 دن تھا۔ 31 دسمبر 2022 کو خالص اثاثے کی قیمت (NAV فی یونٹ) 117.1204 PKR تھی۔

#### فنڈ استحکام کی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے 14 اکتوبر 2022 کو فنڈ کی استحکام کی درجہ بندی (AA+(f)) کو برقرار رکھا ہے (2022 AA+(f): 07 مئی 2022)۔

#### آمدنی کی تقسیم

اس مدت کے دوران مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے اختیار کے تحت چیف ایگزیکٹو آفیسر نے 8.1746 فی یونٹ (8.1746%)/PKR 100 کی فیس ویلیو کی عبوری ادائیگیوں کا 31 دسمبر 2022 کو ختم ہونے والی مدت کے دوران 47.52 PKR ملین نقد رقم کی تقسیم اعلان کیا۔

### (2) AWT فنانشل سیکٹر انکم فنڈ

#### پرنسپل سرگرمیاں

اے ڈبلیوٹی فنانشل سیکٹر انکم فنڈ کا مقصد بنیادی طور پر مالیاتی شعبے، ٹی ایف سی/سکوک، بینک ڈپازٹس اور گورنمنٹ سیکیورٹیز کے جاری کردہ آلات میں سرمایہ کاری کر کے کیپیٹل کی آمدنی میں اضافہ اور تحفظ فراہم کرنا ہے۔

## فنڈ کی کارکردگی

19 دسمبر 2022 کو اپنے قیام کے بعد سے، اے ڈبلیوٹی - فنانشل سیکٹر انکم فنڈ نے 17.05% کے بینچ مارک ریٹرن کے مقابلے میں 16.85% کا سالانہ منافع دیا ہے۔ مہینے کے اختتام پر، بینک میں نقد رقم کی رقم تقریباً 93% تھی، اور ٹی ایف سی/ سکوک خالص اثاثوں کا تقریباً 7% رہا۔ سہ ماہی کے اختتام تک، فنڈ کے خالص اثاثے 229 ملین PKR تھے۔ پورٹ فولیو کی پختگی کا وزنی اوسط وقت 238 دن تھا۔ 31 دسمبر 2022 کو خالص اثاثہ کی قیمت (NAV فی یونٹ) PKR 100.5540 تھی۔

## (3) اے ڈبلیوٹی انکم فنڈ

### پرنسپل سرگرمیاں

فنڈ ایک اوپن اینڈ انکم فنڈ ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج ہے۔ اے ڈبلیوٹی انکم فنڈ انوسٹمنٹ گریڈ ڈیبٹ سیکورٹیز، گورنمنٹ سیکورٹیز، سرٹیفکیٹ آف انویسٹمنٹ، کلین پلیسمنٹ، ٹرم ڈپازٹ رسیدیں، ڈپازٹس کا سرٹیفکیٹ، مشرکہ کا سرٹیفکیٹ اور دیگر فکسڈ انکم انسٹرومنٹس میں سرمایہ کاری کرتا ہے۔ پورٹ فولیو کی مجموعی مدت 4 سال سے کم رکھی گئی ہے جبکہ کم از کم 25% خالص اثاثے نقد یا زیادہ سے زیادہ 90 دن کی میچورٹی کے ٹریژری بلز کی شکل میں رکھے گئے ہیں۔ اے ڈبلیوٹی انکم فنڈ کا انتظام ایک ٹیم سے چلنے والے، اوپر سے نیچے کے عمل کے ذریعے کیا جاتا ہے جس میں فعال دورانیے اور پیداوار کے منحنی انتظام کو استعمال کیا جاتا ہے۔ شرح سود میں تبدیلی کی پیش گوئی کرنے کے لیے معاشی حالات کی مسلسل نگرانی کی جاتی ہے۔ اے ڈبلیوٹی انکم فنڈ کے لیے اضافی قدر مختلف میچورٹیز اور مختلف آلات کے درمیان سرمایہ کاری کو منتقل کرنے کے مواقع کی نشاندہی سے حاصل ہوتی ہے۔ اے ڈبلیوٹی انکم فنڈ کو چھٹکارے کو پورا کرنے کے لیے خالص اثاثوں کا 15% تک قرض لینے کی اجازت ہے تاہم اس نے اس سہولت کو زیر جائزہ مدت کے دوران استعمال نہیں کیا۔

## فنڈ کی کارکردگی

مالی سال 2023 (1HFY23) کی پہلی ششماہی کے دوران، فنڈ کی ریٹرن 14.54% p.a. بمقابلہ بینچ مارک کی ریٹرن 16.07% p.a. مہینے کے آخر میں، ٹی ایف سی/ سکوک میں مختص تقریباً 26% تھی، جب کہ بینک میں نقد رقم 25% تھی، اور گورنمنٹ سیکورٹیز بالترتیب خالص اثاثوں کا 43% تھیں۔ سہ ماہی کے اختتام تک، فنڈ کے خالص اثاثے 1,660 ملین PKR تھے، جو کہ 30 جون 2022 سے 12% اضافے کو ظاہر کرتے ہیں، 1,480 ملین کی سطح پر۔ پورٹ فولیو کی پختگی کا وزنی اوسط وقت 1.6 سال تھا۔ 31 دسمبر 2022 کو خالص اثاثہ جات (NAV فی یونٹ) PKR 117.3837 تھی۔

## فنڈ استحکام کی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے 13 اکتوبر 2022 کو فنڈ کی استحکام کی درجہ بندی (A+(f)) کو برقرار رکھا ہے (2022: A+(f) اپریل 08 2022)۔

## (4) اے ڈبلیوٹی اسلامک انکم فنڈ

### پرنسپل سرگرمیاں

اے ڈبلیوٹی اسلامک انکم فنڈ ایک اوپن اینڈ شریعہ کمپلائنٹ اسکیم ہے جو پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج ہے۔ اے ڈبلیوٹی اسلامک انکم فنڈ انویسٹمنٹ گریڈ شریعہ کمپلائنٹ ڈیبٹ سیکورٹیز، گورنمنٹ سیکورٹیز، اسپریڈ ٹرانزیکشنز، بینک ڈپازٹس، سرٹیفکیٹ آف ڈپازٹ، سرٹیفکیٹ آف مشرکہ، اور دیگر شرعی کمپلائنٹ فکسڈ انکم ایوبینوز میں سرمایہ کاری کرتا ہے۔ اے ڈبلیوٹی اسلامک انکم فنڈ کا انتظام ایک ٹیم سے چلنے والے، اوپر سے نیچے کے عمل کے ذریعے کیا جاتا ہے جس میں فعال شعبے کی گردش، دورانیہ اور پیداوار کے منحنی انتظام کو استعمال کیا جاتا ہے۔ شرح سود میں تبدیلی کی پیش گوئی کرنے کے لیے معاشی حالات کی مسلسل نگرانی کی جاتی ہے۔ اے ڈبلیوٹی اسلامک

انکم فنڈ کے لیے اضافی قدر مختلف میچورٹیز اور مختلف آلات کے درمیان سرمایہ کاری کو منتقل کرنے کے مواقع کی نشاندہی سے حاصل ہوتی ہے۔

## فنڈ کی کارکردگی

1HFY23 کے دوران، فنڈ کی ریٹرن 13.98% p.a. بمقابلہ 5.37% p.a. بینچ مارک کی ریٹرن مہینے کے آخر میں، سکوک میں مختص تقریباً 12%، GOP اجارہ سکوک میں 11%، جب کہ بینک میں نقد رقم 59% تھی، اور مشرکہ کا سرٹیفکیٹ (COM) بالترتیب خالص اثاثوں کا 11% تھا۔ سہ ماہی کے اختتام تک، فنڈ کے خالص اثاثے PKR 456.9 ملین تھے، جو کہ 30 جون 2022 سے PKR 261.2 ملین کی سطح پر 75% اضافہ دکھاتے ہیں۔ پورٹ فولیو کی پختگی کا وزنی اوسط وقت 225 دن تھا۔ 31 دسمبر 2022 کو خالص اثاثے کی قیمت (NAV فی یونٹ) PKR 112.2016 تھی۔

## فنڈ استحکام کی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے 13 اکتوبر 2022 کو فنڈ کی استحکام کی درجہ بندی (A+f) کو برقرار رکھا ہے (2022: A+f اپریل 08 2022)۔

## (5) اے ڈبلیو ٹی اسٹاک فنڈ

### پرنسپل سرگرمیاں

اے ڈبلیو ٹی اسٹاک فنڈ ایک فعال طور پر منظم اوپن اینڈ ایکویٹی فنڈ ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج ہے۔ اے ڈبلیو ٹی اسٹاک فنڈ درج کردہ ایکویٹی سیکیورٹیز میں خالص اثاثوں کے 70% کی اوسط نمائش کو برقرار رکھتا ہے۔ مختلف شعبوں اور اسٹاکس کے لیے اثاثوں کی تقسیم ہر شعبے اور اس مخصوص شعبے میں انفرادی اسٹاک کی نسبتہ کشش کی بنیاد پر کی جاتی ہے۔ مارکیٹ کے حالات، مواقع، سیاسی اور اقتصادی عوامل کو مدنظر رکھتے ہوئے وقتاً فوقتاً رقم میں تبدیلی ہو سکتی ہے۔ اے ڈبلیو ٹی اسٹاک فنڈ کی اجازت ہے۔

## فنڈ کی کارکردگی

1HFY23 کے دوران، بنچ مارک KSE-100 انڈیکس میں 2.7% کمی کے مقابلے اے ڈبلیو ٹی اسٹاک فنڈ کی NAV میں 1.4% کمی واقع ہوئی، اس طرح یہ معمولی کم کارکردگی کو ظاہر کرتا ہے۔ زیر جائزہ مدت کے دوران فنڈ کی کارکردگی پر اہم ڈراگ، LBH، OSP، IRAM اور LMN تھے، جبکہ بدلے میں مثبت حصہ ڈالنے والے اسٹاک میں HUBC، SNGP، SYS اور ENGRO شامل تھے۔ دسمبر 22 میں ایکویٹیز میں 92 فیصد خالص اثاثوں کی نمائش تھی۔ پورٹ فولیو میں سرفہرست پانچ ہولڈنگز، SYS، ENGRO، OGDC، PPL اور HUBC ہیں۔ سہ ماہی کے اختتام تک، فنڈ کے خالص اثاثے PKR 105 ملین تھے، جو کہ 30 جون 2022 سے PKR 52 ملین کی سطح پر 102% اضافہ دکھاتے ہیں۔ 31 دسمبر 2022 کو خالص اثاثے کی قیمت (NAV فی یونٹ) PKR 85.2830 تھی۔

## (6) اے ڈبلیو ٹی اسلامک اسٹاک فنڈ

### پرنسپل سرگرمیاں

فنڈ ایک فعال طور پر منظم اوپن اینڈ شریعہ کمپلائنٹ ایکویٹی فنڈ ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج ہے۔ اے ڈبلیو ٹی اسلامک اسٹاک فنڈ PSX پر درج شریعہ کمپلائنٹ اسٹاک میں خالص اثاثوں کا 70% سرمایہ کاری کی اوسط نمائش کو برقرار رکھتا ہے۔ مختلف شعبوں اور اسٹاکس کے لیے اثاثوں کی تقسیم ہر شعبے اور اس مخصوص شعبے میں انفرادی اسٹاک کی نسبتہ کشش کی بنیاد پر کی جاتی ہے۔ مارکیٹ کے حالات، مواقع، سیاسی اور اقتصادی عوامل کو مدنظر رکھتے ہوئے وقتاً فوقتاً رقم میں تبدیلی ہو سکتی ہے۔ اے ڈبلیو ٹی اسلامک اسٹاک فنڈ کو چھٹکارے کو پورا کرنے کے لیے خالص اثاثوں کا 15% تک قرض لینے کی اجازت ہے تاہم اے ڈبلیو ٹی اسلامک اسٹاک فنڈ نے زیر جائزہ مدت کے دوران اس سہولت کا استعمال نہیں کیا۔

## فنڈ کی کارکردگی

1HFY23 کے دوران، بنچ مارک KMI 30 انڈیکس میں 0.7% کی کمی کے مقابلے اے ڈبلیوٹی اسٹاک فنڈ کی NAV میں 1.2% کی کمی واقع ہوئی، اس طرح ایک معمولی کم کارکردگی دکھائی گئی۔ جن اسٹاکس نے 1HFY23 کے دوران منفی ریٹرن میں اہم حصہ ڈالا وہ تھے PSO، EFERT، MARI اور NML، جب کہ جن اسٹاک نے بدلے میں مثبت حصہ ڈالا ان میں SYS، SNGP، HUBC اور ENGRO شامل تھے۔ دسمبر 22 میں ایکویٹیز کی نمائش خالص اثاثوں کا تقریباً 91 فیصد تھی۔ پورٹ فولیو میں ٹاپ فائیو ہولڈنگز PPL، SYS، MEBL، ENGRO اور OGDC ہیں۔ سہ ماہی کے اختتام تک، فنڈ کے خالص اثاثے PKR 106 ملین تھے، جو کہ 30 جون 2022 سے 3% کا اضافہ ظاہر کرتے ہیں، PKR 102.9 ملین کی سطح۔ 31 دسمبر 2022 کو خالص اثاثے کی قیمت (NAV فی یونٹ) PKR 80.1742 تھی۔

## فی یونٹ آمدنی (EPU)

EPU کا انکشاف نہیں کیا گیا ہے کیونکہ ہمیں لگتا ہے کہ EPU کا حساب لگانے کے لیے وزنی اوسط یونٹس کا تعین اوپن اینڈ فنڈز کے لیے قابل عمل نہیں ہے۔

## مینجمنٹ کمپنی کی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 05 اگست 2022 کو اپنی رپورٹ کے مطابق اے ڈبلیوٹی انوسٹمنٹ لمیٹڈ کے ریٹنگ آؤٹ لک کی اٹاٹہ منیجر ریٹنگ '++AM3' کو مستحکم سے مثبت کر دیا ہے۔

## اعتراف

بورڈ اپنے قابل قدر سرمایہ کاروں، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، فنڈ کے ٹرسٹی - سنٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کا مسلسل تعاون اور تعاون کا شکریہ ادا کرتا ہے۔ مینجمنٹ کمپنی کے ڈائریکٹرز بھی مینجمنٹ کمپنی کی ٹیم کی طرف سے فنڈ کی ترقی اور دانشمندانہ انتظام کے لیے کی گئی کوششوں کو تسلیم کرتے ہیں۔

## بورڈ کی طرف سے اور بورڈ کے لئے

## چیف ایگزیکٹو آفیسر

بتاریخ: 23 فروری 2023

ڈائریکٹر

**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

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Email: [info@cdcpak.com](mailto:info@cdcpak.com)



## **TRUSTEE REPORT TO THE UNIT HOLDERS**

### **AWT INCOME 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 AWT Income Fund (the Fund) are of the opinion that AWT Investments 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; and
- (ii) 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 Unit holder's attention towards the fact that Management Company has not provided financial statements of the Fund therefore we are neither able to obtain the assurances we get from the audited financial statement nor able to verify the methodology and procedures adopted by the Management Company for the calculation of the value of units as on December 31, 2022.

**Badiuddin Akber**

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 28, 2023

**AWT Income Fund**  
**Condensed Interim Financial Statements**  
**For the half year ended December 31,2022**



## **INDEPENDENT AUDITOR'S REVIEW REPORT**

### **TO THE UNIT HOLDERS OF AWT INCOME FUND**

#### **REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION**

##### **Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AWT Income Fund** (the Fund) as at December 31, 2022, and the related condensed interim income statement, the condensed interim statement of comprehensive income, the condensed interim statement of movement in unit holders' fund, the condensed interim statement of cash flows and notes to the condensed interim financial information for the half year then ended (here-in-after referred to as the 'condensed interim financial information'). **AWT Investments Limited** (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

The figures of 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 subject to limited scope review, as we are only required to review the cumulative figures for the half year ended December 31, 2022.

##### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information 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 information, as at and for the half year ended December 31, 2022, is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's report is Syed Asmatullah.



##### **Chartered Accountants**

**Place:** Islamabad

**Date:**

**UDIN:**

**AWT INCOME FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT DECEMBER 31, 2022**

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
<b>Assets</b>			
Bank balances	4	438,815	1,370,846
Investments	5	1,259,381	136,228
Prepayments, deposits and other receivables	6	22,337	35,099
<b>Total assets</b>		<b>1,720,533</b>	<b>1,542,173</b>
<b>Liabilities</b>			
Payable to AWT Investments Limited - Management Company	7	35,087	30,873
Payable to the Central Depository Company of Pakistan Limited - Trustee		206	188
Annual fee payable to the Securities and Exchange Commission of Pakistan		158	265
Payable against redemption of units		1,010	-
Accrued expenses and other liabilities	8	23,587	30,837
<b>Total liabilities</b>		<b>60,048</b>	<b>62,163</b>
<b>Net assets</b>		<b>1,660,485</b>	<b>1,480,010</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>1,660,485</b>	<b>1,480,010</b>
<b>Contingencies and Commitments</b>	9		
		----- (Number) -----	
<b>Number of units in issue</b>		<b>14,145,780</b>	<b>13,532,423</b>
		----- (Rupees) -----	
<b>Net assets value per unit</b>		<b>117.3837</b>	<b>109.3676</b>

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

**For AWT Investments Limited  
(Management Company)**

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Chief Financial Officer

  
\_\_\_\_\_  
Director

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

Half year ended		Quarter ended	
December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021

Note

(Rupees in '000)

**Income**

Return / mark-up calculated using the effective interest method:

- Bank balances at amortised cost	87,528	37,744	34,257	22,042
- Clean placements at amortised cost	229	-	229	-
- Cash margin held with NCCPL	-	2,527	-	-
- Government Securities - Held at fair value through profit or loss	23,759	8,939	21,773	1,739
- Sukuk certificates / Term Finance Certificates - Held at fair value through profit or loss	12,823	5,725	10,104	4,160
- Certificate of Musharika - Held at amortised cost	2,786	-	187	-
Net realised gain / (loss) on sale of investments	(429)	(9,764)	(429)	(10,061)
Dividend income on spread transactions	-	12,200	-	6,653
Net unrealised loss on revaluation of investments at fair value through profit or loss-net	(999)	(518)	(993)	719

**Total income**

125,697 56,853 65,127 25,252

**Expenses**

Remuneration of the Management Company	7,925	7,250	4,088	3,168
Sindh Sales Tax on the Management Company's remuneration	1,030	942	531	411
Remuneration of the Trustee	594	544	306	238
Sindh Sales Tax on Trustee's remuneration	77	71	40	31
Annual fee to the Securities and Exchange Commission of Pakistan	158	145	81	63
Selling, marketing and back office expenses	3,878	3,614	1,965	1,930
NCCPL fee	108	154	108	77
Annual listing fee	14	14	7	7
Rating fee	213	185	111	94
Brokerage expenses	18	584	17	309
Auditors' remuneration	236	144	130	72
Provision against non-performing debt security	279	3,053	141	-
Settlement and bank charges	11	-	11	-

**Total operating expenses**

14,541 16,700 7,536 6,400

**Net income from operating activities**

111,156 40,153 57,591 18,852

Reversal of provision / (provision) for Sindh Workers' Welfare Fund

- 21,464 - (489)

**Net income for the period before taxation**

111,156 61,617 57,591 18,363

Taxation

11

- - - -

**Net income for the period after taxation**

111,156 61,617 57,591 18,363

**Allocation of income for the period**

Net income for the period after taxation

111,156 61,617 57,591 18,363

Income already paid on units redeemed

(15,357) (21,479) (5,241) (12,142)

**Net income for the period after taxation**

95,799 40,138 52,350 6,221

**Accounting income available for distribution**

- Relating to capital gains

(1,428) (10,282) (1,422) (9,342)

- Excluding capital gains

97,227 50,420 53,773 15,563

95,799 40,138 52,350 6,221

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

For AWT Investments Limited  
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



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

	Half year ended		Quarter ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	------(Rupees in '000)-----			
Net income for the period after taxation	111,156	61,617	57,591	18,363
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>111,156</b>	<b>61,617</b>	<b>57,591</b>	<b>18,363</b>

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

**For AWT Investments Limited**  
**(Management Company)**

  
 \_\_\_\_\_  
 Chief Executive Officer

  
 \_\_\_\_\_  
 Chief Financial Officer

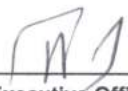
  
 \_\_\_\_\_  
 Director

**AWT INCOME FUND**  
**Condensed Interim Statement of Movement in Unit Holders' Fund (Un-audited)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	December 31, 2022			December 31, 2021		
	Value	Undistributed income	Total	Value	Undistributed income	Total
----- (Rupees in '000) -----						
Net assets at beginning of the period	1,529,746	(49,736)	1,480,010	1,584,565	(53,629)	1,530,936
Issuance of 6,521,197 units (2021: 6,733,381 units)						
- Capital value	713,208	-	713,208	732,525	-	732,525
- Element of income	21,891	-	21,891	12,054	-	12,054
<b>Total proceeds on issuance of units</b>	<b>735,099</b>	<b>-</b>	<b>735,099</b>	<b>744,579</b>	<b>-</b>	<b>744,579</b>
Redemption of 5,907,840 units (2021: 10,525,335 units)						
- Capital value	(646,126)	-	(646,126)	(1,145,051)	-	(1,145,051)
- Element of loss	(4,297)	(15,357)	(19,654)	(6,425)	(21,479)	(27,904)
<b>Total payments on redemption of units</b>	<b>(650,423)</b>	<b>(15,357)</b>	<b>(665,780)</b>	<b>(1,151,476)</b>	<b>(21,479)</b>	<b>(1,172,955)</b>
Total comprehensive income for the period	-	111,156	111,156	-	61,617	61,617
	-	111,156	111,156	-	61,617	61,617
<b>Net assets as at end of the period</b>	<b>1,614,422</b>	<b>46,063</b>	<b>1,660,485</b>	<b>1,177,668</b>	<b>(13,491)</b>	<b>1,164,177</b>
Undistributed (loss) / income brought forward:						
- Realized (loss)		(49,921)			(52,360)	
- Unrealized (loss) / income		185			(1,269)	
		(49,736)			(53,629)	
Accounting income available for distribution:						
Relating to capital gains		(1,428)			(10,282)	
Excluding capital gains		97,227			50,420	
		95,799			40,138	
Distribution during the year		-			-	
<b>Undistributed loss carried forward</b>		<b>46,063</b>			<b>(13,491)</b>	
Undistributed loss carried forward comprises of:						
- Realized income / (loss)		45,064			(12,973)	
- Unrealized income / (loss)		(999)			(518)	
		46,063			(13,491)	
<b>Net assets value per unit as at the beginning of the period</b>			(Rupees) 109.3676			(Rupees) 108.79
<b>Net assets value per unit as at the end of the period</b>			<b>117.3837</b>			<b>113.24</b>

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

For AWT Investments Limited  
(Management Company)

  
Chief Executive Officer

  
Chief Financial Officer

  
Director

**AWT INCOME FUND**  
**Condensed Interim Cash Flow Statement (Un-audited)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	December 31, 2022	December 31, 2021
<i>Note</i>	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	111,156	61,617
<b>Adjustments for:</b>		
Return / mark-up on;		
- Bank balances	(87,528)	(37,744)
- Cash margin held with NCCPL	-	(2,527)
- Letters of placement	-	-
- Term deposit receipt	-	-
- Government securities	(229)	(8,939)
- Term finance certificates / sukuks	(12,823)	(5,725)
- Certificate of Musharika - Held at amortised cost	(2,786)	-
Dividend Income on spread transaction	-	(12,200)
Net unrealised loss on revaluation of investments at fair value through profit or loss-net	999	518
Net realised gain / (loss) on sale of investments	429	9,764
Reversal of provision / (provision) for Sindh Workers' Welfare Fund		(21,464)
<b>Net cash used in operating activities</b>	<b>(101,938)</b>	<b>(78,317)</b>
<b>(Increase) / decrease in assets</b>		
Investments - net	(681,530)	807,862
Other receivables	13,108	103,647
	(668,422)	911,509
<b>Increase / (decrease) in liabilities</b>		
Payable to the Management Company	4,214	3,354
Payable to the Central Depository Company of Pakistan Limited - Trustee	18	(25)
Annual fee payable to the Securities and Exchange Commission of Pakistan	(107)	(167)
Payable against redemption of units	1,010	(24,920)
Accrued expenses and other liabilities	(7,250)	(7,733)
	(2,115)	(29,491)
Return on bank balances and placements received	101,912	36,378
Return on government / debt securities received	1,108	19,789
Cash margin held with NCCPL	-	1,996
Dividend income received during the period	-	12,200
<b>Net cash (used in) / generated from operating activities</b>	<b>(558,299)</b>	<b>935,681</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of units	735,099	744,579
Payment on redemption of units	(665,780)	(1,172,955)
Dividend Income on spread transaction	-	-
<b>Net cash flows from financing activities</b>	<b>69,319</b>	<b>(428,376)</b>
<b>Net Increase / (decrease) in cash and cash equivalents</b>	<b>(488,980)</b>	<b>507,305</b>
Cash and cash equivalents at the beginning of the year	1,370,846	603,159
<b>Cash and cash equivalents at the end of the year</b>	<b>881,866</b>	<b>1,110,464</b>

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

**For AWT Investments Limited**  
**(Management Company)**

  
 Chief Executive Officer

  
 Chief Financial Officer

  
 Director



## **AWT INCOME FUND**

### **NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

#### **1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** AWT - Income Fund (the Fund) has been established under a Trust Deed, dated June 20, 2012, between AWT Investments Limited (Management Company) and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. Securities and Exchange Commission of Pakistan (SECP) registered the Fund as a Notified Entity on August 01, 2012, under Regulation 44 of the Non Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).
- 1.2** The Management Company of the Fund has been licensed by the SECP to undertake Asset Management Services and Investment Advisory Services as a Non-Banking Finance Company under The Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The registered office of Management Company at 3th Floor, AWT Plaza, I.I Chundrigar Road, Karachi.
- 1.3** The Fund offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited. As per the offering document, the Fund shall invest in debt securities including government securities, commercial papers, certificate of musharika and other money market instruments and in listed equity securities through spread transactions.
- 1.4** The Fund is categorised as "Income Scheme" as per the Circular 07 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP) and it primarily invests in Government securities, certificates of investment, certificates of deposits, term deposit receipts, commercial papers, reverse repo, preference shares, spread transactions and corporate debt securities, etc. subject to the guidelines issued by SECP from time to time.
- 1.5** The Pakistan Credit Rating Agency Limited has maintained 'A+(f)' Fund stability rating to the Fund vide its report dated October 13, 2022 based on the performance review of period year ended June 30, 2022 (June 30, 2021: 'A+(f)').  
The Pakistan Credit Rating Agency Limited (PACRA) maintained 'AM3++' Asset Manager Rating (Positive stable outlook) vide its report dated August 05, 2022. (August 05, 2021 'AM3++') initial stable outlook.
- 1.6** Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund.

#### **2 BASIS OF PREPARATION**

##### **2.1 Statement of Compliance**

- 2.1.1** This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of 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 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

- 2.1.2** The SECP/Commission through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Currently, the Asset Management Companies are required to continue to follow the requirements of Circular 33 of 2012 for impairment of debt securities on mutual funds.



- 2.1.3 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does 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.
- 2.1.4 The comparative condensed interim statement of assets and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2022, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the half year ended December 31, 2021.
- 2.1.5 This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (g) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations) and are unaudited.
- 2.1.6 In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2022.

## 2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that investments are measured at fair values.

## 2.3 Functional And Presentation Currency

This condensed interim financial information is presented in Pak Rupees, which is the Fund's functional and presentation currency. All amount has been rounded off to the nearest thousand rupees, unless otherwise indicated.

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

- 3.1 The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.
- 3.2 The significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended June 30, 2022.
- 3.3 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial informations are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2022.
- 3.4 The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2022.

4. BANK BALANCES	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	(Rupees in '000)
Profit and loss sharing accounts	4.1	438,815
		1,370,846

- 4.1 These accounts carry profit rates ranging from 7% to 17.50% (30 June 2022: 7% to 16% ) per annum.

5

**INVESTMENTS**

December  
31, 2022  
(Un-audited)  
----- (Rupees in '000) -----

June 30, 2022  
(Audited)

**Investments by Category****At fair value through profit or loss**

Government securities

- Market Treasury Bills

5.1	729,059		-
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Term finance certificates and sukuk bonds

- Term Finance Certificate - unlisted

5.2	285,000		50,000
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- Sukuk certificate - unlisted

5.3	145,877		15,989
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	<u>1,159,936</u>		<u>65,989</u>
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**At amortised cost**

Orix Mudaraba Sukuk

5.4	-		70,239
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Lucky Electric - Commercial Paper

5.5	99,445		-
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	<u>1,259,381</u>		<u>136,228</u>
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5.1 Government Securities - Market Treasury Bills at fair value through profit or loss

Tenor	Face Value				As at December 31, 2022			Market value of investments as a 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	Unrealized gain / (loss) on revaluation	Total investments	Net assets
- 3 months	-	26,439,850	21,920,850	4,519,000	442,809	443,051	242	35.18%	26.68%
- 6 months	-	2,000,000	-	2,000,000	197,806	197,944	138	15.72%	11.92%
- 1 Year	-	2,000,000	1,000,000	1,000,000	89,163	88,064	(1,099)	6.99%	5.30%
<b>Total</b>	-	<b>30,439,850</b>	<b>22,920,850</b>	<b>7,519,000</b>	<b>729,778</b>	<b>729,059</b>	<b>(719)</b>	<b>57.89%</b>	<b>43.91%</b>

June 30, 2022

5.2 Term Finance Certificates - unlisted at fair value through profit or loss

Name of Investee Company	Note	As at July 01, 2022	Purchased during the period	Disposed during the period	As at December 31, 2022	As at December 31, 2022			Market value of investments as a percentage of	
						Carrying Value	Market value	Unrealized gain / (loss) on revaluation	Total investments	Net assets
Bank Al-Habib Limited	5.2.1	10,000	-	-	10,000	50,000	50,000	-	4%	3%
Bank Al-Habib Limited (Tier-II)	5.2.1	-	20,000	-	20,000	100,000	100,000	-	8%	6%
Soneri Bank Limited (Tier-II)	5.2.1	-	1,350	-	1,350	135,000	135,000	-	11%	8%
<b>Total</b>						<b>285,000</b>	<b>285,000</b>	<b>-</b>	<b>23%</b>	<b>17%</b>

June 30, 2022

5.2.1 Significant Terms and Conditions of term finance certificate are as follows:

Name of Security	Number of certificates	Face value per certificate	Mark-up rate per annum	Maturity date	Secured/ Unsecured	Rating
Bank Al-Habib Limited	10,000	5,000	6 months KIBOR + 1.5%	20-Dec-22	Unsecured	AAA (Long Term)
Bank Al-Habib Limited (Tier-II)	20,000	5,000	6 months KIBOR + 1.35%	23-Dec-32	Unsecured	AA+
Soneri Bank Limited (Tier-II)	1,350	100,000	6 months KIBOR + 1.70%	26-Dec-32	Unsecured	A+

December 31, 2022 (Un-audited) ----- (Rupees in '000) -----  
 June 30, 2022 (Audited) -----

5.3 Sukuk Certificates at fair value through profit or loss

Market Value as at December 31, 2022	5.3.1	146,156	19,439
Less: Provision against sukuk certificates - Hascol Petroleum Limited	5.3.2	(279)	(3,450)
		<u>145,877</u>	<u>15,989</u>

5.3.1 Sukuk Certificates

Name of Investee Company	Note	As at December 31, 2022				Market value of investments as a percentage of				
		As at July 01, 2022	Purchased during the period	Disposed during the period	As at December 31, 2022	Carrying Value	Market value	Unrealized (loss) / gain on revaluation	Total investments	Net assets
		----- (Number of certificates) -----				----- (Rupees in '000) -----		----- % -----		
<b>- Sukuk certificate (privately placed)</b>										
Aspin Pharma (Private) Limited	5.3.1.1	500	-	-	500	10,436	10,156	(280)	1%	1%
Nishat Mills Limited	5.3.1.1	-	27,200	-	27,200	136,000	136,000	-	11%	8%
<b>Total</b>						<b>146,436</b>	<b>146,156</b>	<b>(280)</b>	<b>12%</b>	<b>9%</b>
June 30, 2022						19,268	19,439	171		



5.3.1.1 Significant Terms and Conditions of sukuk certificates are as follows:

Name of Security	Number of certificates	Face value per certificate	Mark-up rate per annum	Maturity date	Secured/ Unsecured	Rating	Repayment term	Securities
<b>Sukuk certificate (privately placed)</b>								
Aspin Pharma (Private) Limited	500	100,000	3 months KIBOR + 1.5%	30-Nov-23	Secured	A	Interest is payable quarterly while the principal is payable quarterly in twenty equal installments of Rs. 2.5 million.	Ranking charge on all present and future fixed assets (land, building, plant and machinery) of the company inclusive of 15% margin on the issue amount.
Nishat Mills Limited	27,200	5,000	6 months KIBOR + 0.90%	2-May-23	Un-secured	A	Interest is payable half yearly while the principal is payable half yearly in bullet final payment Rs. 136 million.	IPO

**Sukuk certificate (listed)**

Hascol Petroleum Limited	3,800	5,000	3 months KIBOR + 1.5%	7-Jan-22	Secured	D	Interest is payable quarterly while the principal is also payable quarterly at twenty equal principal installments of Rs. 0.95 million.	First pari-pasu charge over specific depots and retail outlets of the company inclusive of a 25% margin.
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5.3.2

Hascol Petroleum Limited (HASCOL) is liable to repay principal amount against sukuk certificate, semi-annually, whose original maturity was dated January 07, 2021. However during the previous year, HASCOL defaulted in making timely repayment of principal. Therefore, the sukuk certificate has been classified as non-performing by Mutual Funds Association of Pakistan w.e.f April 01, 2021. Accordingly, provision is made in accordance with circular 33 issued by Securities Exchange Commission of Pakistan dated October 24, 2012.

Name of the non-compliant investment	Type of investment	Carrying value of investment before provision	Provision	Carrying value of investment after provision	Carrying value of investment as a percentage of net assets	Carrying value of investment as a percentage of gross assets
Hascol Petroleum Limited	Sukuk certificate (listed)	4,668	4,394	274	0.28%	0.27%

**5.4 Mudaraba- At amortised cost**

Name of Investee Company	Note	(Rupees in '000)				As at December 31, 2022	Market Value Percentage of total value of investments	Market value Percentage of net assets
		As at July 01, 2022	Acquired during the period	Matured during the period				
Orix Mudaraba	5.4.1	70,239	-	70,239	-	0%	0%	
June 30, 2022		<u>70,239</u>	<u>-</u>	<u>70,239</u>	<u>-</u>	<u>0%</u>	<u>0%</u>	
					70,239			

**5.4.1** This carries mark up rate of 15.85% per annum, maturity date is October 28, 2022.

**5.5 Commercial paper- At amortised cost**

Name of Investee Company	Note	(Rupees in '000)				As at December 31, 2022	Market Value Percentage of total value of investments	Market value Percentage of net assets
		As at July 01, 2022	Acquired during the period	Matured during the period				
Lucky Electric Commercial Paper	5.5.1	-	99,445	-	99,445	8%	6%	
June 30, 2022		<u>-</u>	<u>99,445</u>	<u>-</u>	<u>99,445</u>	<u>8%</u>	<u>6%</u>	

**5.5.1** This carries mark up rate of 18.31% per annum, maturity date is May 2, 2023.

- 8.1 As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company was applied with effect from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh High Court (SHC) on September 04, 2013.

While disposing the above petition through order dated July 16, 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from July 01, 2011. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

Further, the Finance Act 2016 also introduced an amendment to the Federal Excise Act, 2005 whereby FED was withdrawn on services of different industries including Non Banking Financial Institutions, which are already subject to provincial sales tax. The amount is payable to the Management Company for onward payment to the Government.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, has retained provision for FED aggregating to Rs. 20.813 million (2022: Rs. 20.813 million). Had the provision not been made, NAV per unit of the Fund as at December 31, 2022 would have been higher by Re. 1.47 (2022: Rs. 1.54) per unit.

## 9. CONTINGENCIES AND COMMITMENTS

- 9.1 There are no other contingencies during the period other than those already disclosed in the Annual report June 30, 2022.
- 9.2 There is no commitments as of December 31, 2022

## 10 TOTAL EXPENSE RATIO

Total expense ratio (comprising all the expenses, including government levies, incurred during the period divided by average net asset value for the period) of the Fund for the period ended December 31, 2022 is 0.93% (2021: 2.09%), which includes 0.08% (2021: 0.16%) representing government levies on collective investment scheme such as SWWF, sales taxes, SECP fee, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for collective investment scheme categorised as an income fund.

## 11 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. Accordingly, no provision has been made in the financial statements for the half year ended December 31, 2022. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

12 CASH AND CASH EQUIVALENTS	Note	2022	2022
		(Un-audited)	(Un-audited)
		-----Rupees in '000-----	
Bank balances		438,815	1,110,464
Investments	12.1	443,051	-
		<u>881,866</u>	<u>1,110,464</u>

- 12.1 This represents investments in T - bills with maturity of less than three months.



**13 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS**

Connected persons / related parties include AWT Investments Limited being the Management Company, Central Depository Company of Pakistan Limited being the trustee, Army Welfare Trust which is the parent entity of the Management Company, other funds managed by the Management Company, associated companies of the management company / parent entity of the management company, entities in which the above parties or their connected persons have a material interest, Key Management Personnel and includes entities holding 10% or more units of the Fund as at December 31, 2022. It also includes the staff retirement benefit funds of the above related parties / connected persons. Details of the transactions and balances with the related parties / connected persons, other than those which has been disclosed elsewhere are as follows:

	December 31,2022 (Un-audited)	June 30,2022 (Audited)
	------(Rupees in '000)-----	
<b>14 Details of balances with related parties /connected persons as at period end</b>		
<b>AWT Investments Limited - Management Company</b>		
Remuneration payable to the Management Company, including sales tax 7	8,048	7,788
Selling and Marketing and Backoffice Expense	27,039	23,085
Receivables from management company	-	9,837
Units held 1,219 units (June 2022: Nil units)	138	-
<b>Army Welfare Trust - parent entity of the Management Company</b>		
Units held - 1,766,140 units (June 2022: 1,926,718 units)	200,080	210,721
<b>MAL Pakistan Limited -Staff Provident Fund - common directorship of the Management Company</b>		
Units held 6,269 units (June 2022: 6,269 units)	710	686
<b>MAL Pakistan Limited -Gratuity Fund - common directorship of the Management Company</b>		
Units held 63,934 units (June 2022: 63,934 units)	7,243	6,992
<b>Central Depository Company of Pakistan Limited - Trustee of the Fund</b>		
Remuneration payable to the Trustee, including sales tax	206	188
Security deposit	100	100
<b>Key Management Personnel of the Management Company</b>		
Units held 1,737 units (June 2022: 7,441 units)	178	814
<b>Unitholders holding 10% or more units in issue</b>		
Units held 3,209,903 units (June 2022: 6,796,452 units)	320,990	743,312

December 31,      December  
2022              31, 2021  
(Un-audited)  
------(Rupees in '000)-----

**Details of transactions with related parties / connected persons during the period**

**AWT Investments Limited - Management Company**

Remuneration of Management Company including sales tax	8,955	8,192
Issuance of 428,594 units (2021: NIL units)	47,000	-
Redemption of 427,375 units (2021: NIL units)	46,967	-
Selling and Marketing and Backoffice Expense	3,878	3,614

**Army Welfare Trust - parent entity of the Management Company**

Issuance of 1,766,140 units (2021: 1,789,389 units)	200,000	200,000
Redemption of 1,926,718 units (2021: 1,928,301 units)	218,097	215,333

**Askari Securities Limited- Employees Provident Fund**

Redemption of Nil units (2021: 21,770 units)	-	2,427
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**Askari Securities Limited- Employee Gratuity Fund**

Redemption of Nil units (2021: 108,850 units)	-	12,135
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**Central Depository Company of Pakistan Limited - Trustee of the Fund**

Remuneration of the Trustee	594	544
Sindh sales tax on trustee remuneration	77	71
CDC Settlement Charges	1	-

**Key Management Personnel of the Management Company**

Issuance of 5,972 units (2021: 14,497 units)	658	1,617
Redemption of 4,248 units (2021: 31,088 units)	477	3,466

**14.1** Remuneration payable to the Management Company and the Trustees have been determined in accordance of NBFC Regulations and the Trust Deed respectively.





		December 31, 2022 (Un-audited) '-----(Rupees in '000)-----'	June 30, 2022 (Audited)
<b>6. PREPAYMENTS, DEPOSITS &amp; OTHER RECEIVABLES</b>			
Security Deposit to		100	100
-Central Depository Company of Pakistan Limited		-	2,500
-National Clearing Company of Pakistan Limited			
<i>Return / markup receivable on:</i>			
- Bank balances		6,504	18,102
- Term deposits receipts		-	-
- Term finance certificates / sukuks		12,456	512
- Government securities		-	-
Receivable from management company	6.2	-	9,837
Prepaid mutual fund rating fee		48	261
Income tax recoverable	6.1	3,229	3,787
		<u>22,337</u>	<u>35,099</u>

**6.1** The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the Ordinance) from withholding of tax under section 150, 150A, 151 and 233 of the Ordinance. The Federal Board of Revenue (FBR) through circular "C.No.1 (43) DG (WHT) / 2008 - Vol.II - 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the Ordinance from Commissioner Inland Revenue (CIR). Prior to receiving the tax exemption certificates from CIR, various withholding agents have deducted advance tax under section 151 of the Ordinance. The management is confident that the same shall be refunded in future years.

**6.2** During the period the Fund has received the payment of the amount from the management Company of Rs. 9.84 million.

#### **7. PAYABLE TO THE MANAGEMENT COMPANY**

Management remuneration payable	7.1	5,289	5,059
Sindh Sales Tax on Management's remuneration	7.2	2,759	2,729
Payable against selling and marketing expenses relating to t	7.3	27,039	23,085
		<u>35,087</u>	<u>30,873</u>

**7.1** Management Company has charged remuneration at the rate of 1% per annum based on the daily net assets of the Fund during the half year ended December 31, 2022.

**7.2** This represents amount payable in respect of Sindh Sales Tax at the rate of 13% (2022: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

**7.3** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company can charge allocated expenses to the CIS based on its discretion, provided the Total Expense Ratio (refer note 15) prescribed by the SECP vide SRO 639 (I) / 2019 dated June 20, 2019 is complied with.

The Management Company based on its own discretion has charged these expenses at the rate of 0.50% (2022: 0.50%) per annum of the daily net assets. In prior year, these expenses were charged for the period from July 01, 2022 to December 31, 2022.

#### **8 ACCRUED EXPENSES AND OTHER LIABILITIES**

		December 31, 2022 (Un-audited) '-----(Rupees in '000)-----'	June 30, 2022 (Audited)
Federal Excise Duty	8.1	20,813	20,813
Auditors' remuneration payable		462	226
Dividend payable		-	1,236
Withholding tax payable		1,917	8,514
Brokerage payable		26	-
Annual listing fee		27	14
Other payables		342	34
		<u>23,587</u>	<u>30,837</u>

**16 GENERAL**

Figures have been rounded off to the nearest thousand Rupees.

Corresponding figures have been rearranged or reclassified, wherever necessary, for the purpose of better presentation the effect of which is not material.No significant significant rearrangements or reclassifications. were made in this condensed interim financial information during the period.

**17 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorized for issue by Board of Directors of the Management Company on \_\_\_\_\_.

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**For AWT Investments Limited  
(Management Company)**



\_\_\_\_\_  
Chief Executive Officer



\_\_\_\_\_  
Chief Financial Officer



\_\_\_\_\_  
Director