



**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, 2021. 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 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 بیسس 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۔ 3184+ bps) 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 سیکیورٹیز، گورنمنٹ سیکیورٹیز، 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 سیکیورٹیز 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 سیکیورٹیز، گورنمنٹ سیکیورٹیز، 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 اثاثہ 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 SYS، SNGP، HUBC 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 اثاثہ 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 اثاثہ 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

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AWT ISLAMIC 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 Islamic 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 Islamic 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 ISLAMIC 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 Islamic 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. uf.

Chartered Accountants

Place: Islamabad

Date:

UDIN:

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

	(Un-audited) December 31, 2022	(Audited) June 30, 2022
Note	----- (Rupees in '000) -----	
ASSETS		
Bank balances	274,156	229,480
Investments	178,625	36,149
Profit accrued	6,185	2,727
Deposits and other receivables	570	609
Total assets	459,536	268,965
LIABILITIES		
Payable to AWT Investments Limited - Management Company	1,601	2,775
Payable to Central Depository Company of Pakistan Limited - Trustee	29	18
Payable to the Securities and Exchange Commission of Pakistan	33	34
Accrued expenses and other liabilities	1,015	4,946
Total liabilities	2,678	7,773
NET ASSETS	456,858	261,192
Unit holders' fund (as per statement attached)	456,858	261,192
Contingencies and commitments	----- (Number of units) -----	
Number of units in issue	4,071,758	2,491,918
Net asset value per unit	112.2016	104.8155
Face value per unit	100.00	100.00

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.


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



Chief Executive Officer



Chief Financial Officer



Director

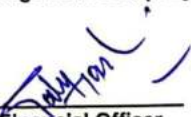
**AWT ISLAMIC INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022**

	Half year ended		Quarter ended		
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	
Note (Rupees in '000)					
INCOME					
Return on:					
- bank balances	18,263	4,192	9,386	2,102	
- certificate of musharaka and commercial paper	2,988	-	1,731	-	
- Cash margin held with NCCPL	-	382	-	-	
- sukuk certificates	2,698	206	2,581	99	
Dividend income on spread transactions	-	1,666	-	1,666	
Net (loss) / gain on sale of investments	86	(558)	86	325	
Net unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss	(179)	(70)	(176)	5	
Total income	23,856	5,818	13,608	4,197	
EXPENSES					
Remuneration of AWT Investments Limited - Management Company	8.1	1,103	596	565	259
Sindh Sales Tax on remuneration of the Management Company		143	78	73	34
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9	122	60	68	26
Sindh Sales Tax on remuneration of the Trustee		16	8	9	4
Annual fee to the Securities and Exchange Commission of Pakistan	10	33	16	19	7
Settlement and brokerage charges		22	92	14	65
Auditor's remuneration		165	166	83	83
Fees & subscription		148	337	141	171
Selling, marketing and other expenses	8.3	136	399	17	200
Total expenses		1,888	1,752	988	849
Operating income for the period		21,968	4,066	12,619	3,348
Reversal of provision / (provision) for Sindh Workers' Welfare Fund		-	1,175	-	-
Net income for the period before taxation		21,968	5,241	12,619	3,348
Taxation	14	-	-	-	-
Net income for the period after taxation		21,968	5,241	12,619	3,348
Allocation of net income for the period					
Net income for the period after taxation		21,968	5,241	12,619	3,348
Income already paid on units redeemed		-	(2,015)	(482)	(482)
		21,968	3,226	12,137	2,866
Accounting income available for distribution:					
- Relating to capital gains		(93)	(628)	(90)	33C
- Excluding capital gains		22,061	3,854	12,227	2,53E
		21,968	3,226	12,137	2,86E

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

For AWT Investment Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

**AWT ISLAMIC 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	21,968	5,241	12,619	3,348
Other comprehensive income	-	-	-	-
Items that may be reclassified subsequently to income statement	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-
Total comprehensive income for the period	21,968	5,241	12,619	3,348

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The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

For AWT Investment Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

AWT ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended			December 31, 2021		
	December 31, 2022			Capital Value	Undistributed income / (loss)	Total
	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed income / (loss)	Total
	(Rupees in '000)					
Net assets at the beginning of the period	268,984	(7,793)	261,192	234,039	(8,458)	225,581
Issuance of 2,986,155 units (2021: 739,194 units)						
- Capital value (at net assets value per unit at the beginning of the period)	312,995	-	312,995	77,098	-	77,098
- Element of income	12,752	-	12,752	1,305	-	1,305
Total proceeds on issuance of units	325,747	-	325,747	78,403	-	78,403
Redemption of 1,406,316 units (2021: 1,688,958 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(147,404)	-	(147,404)	(176,158)	-	(176,158)
- Element of loss	(4,645)	-	(4,645)	(346)	(2,015)	(2,361)
Total payments on redemption of units	(152,049)	-	(152,049)	(176,504)	(2,015)	(178,519)
Total comprehensive income for the period	-	21,968	21,968	-	5,241	5,241
Net assets at the end of the period	442,682	14,175	456,858	135,938	(5,232)	130,706

Undistributed Income / (loss) brought forward comprising of:

- Realised	(7,809)	(8,505)
- Unrealised	16	47
	<u>(7,793)</u>	<u>(8,458)</u>

Accounting Income available for distribution

- Relating to capital gain	(93)	(628)
- Excluding capital gains	22,061	3,854
	<u>21,968</u>	<u>3,226</u>

Undistributed Income / (loss) carried forward

	<u>14,175</u>	<u>(5,232)</u>
--	---------------	----------------

Undistributed Income / (loss) carried forward comprising of:

- Realised	14,354	(5,162)
- Unrealised	(179)	(70)
	<u>14,175</u>	<u>(5,232)</u>

Rupees

Rupees

Net asset value per unit at the beginning of the period

	<u>104.8155</u>	<u>104.30</u>
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Net asset value per unit at the end of the period

	<u>112.2016</u>	<u>107.75</u>
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The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

For AWT Investment Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

48.

AWT ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended	
	December 31, 2022	December 31, 2021
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	21,968	5,241
Adjustments:		
Return on:		
- bank balances	(18,263)	(4,192)
- certificate of musharaka and commercial paper	(2,988)	-
- sukuk certificates	(2,698)	(206)
Dividend income on spread transactions	-	(1,666)
(Reversal of provision) / provision for Sindh Workers' Welfare Fund	-	(1,175)
Net loss / (gain) on sale of investments	(86)	558
Net unrealized loss / (gain) on re-measurement of investments at fair value through profit or loss	179	70
	<u>(23,856)</u>	<u>(6,611)</u>
	(1,888)	(1,370)
Decrease / (increase) in assets		
Investments - net	(142,569)	36,253
Deposits and other receivables	39	18,030
	(142,530)	54,283
(Decrease) / Increase in liabilities		
Payable to AWT Investments Limited - Management Company	(1,174)	376
Payable to Central Depository Company of Pakistan Limited - Trustee	11	(2)
Payable to the Securities and Exchange Commission of Pakistan	(1)	(13)
Payable against purchase of investment	-	-
Accrued expenses and other liabilities	(3,931)	(2,402)
	(5,095)	(2,041)
Dividend received during the period	-	1,666
Return received on bank balances and sukuk certificate	20,491	4,398
Net cash generated from operating activities	<u>(129,022)</u>	<u>56,936</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received on issuance of units	325,747	78,403
Amounts paid on redemption of units	(152,049)	(178,519)
Net cash used in financing activities	173,698	(100,116)
Net (decrease) / increase in cash and cash equivalents during the period	44,676	(43,180)
Cash and cash equivalents at the beginning of the period	229,480	169,245
Cash and cash equivalents at the end of the period	<u>274,156</u>	<u>126,065</u>

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

For AWT Investment Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

AWT ISLAMIC 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 Islamic Income Fund (the Fund) was established under a Trust Deed, dated May 15, 2013, executed between AWT Investments Limited as Management Company, and the Central Depository Company of Pakistan Limited (CDC) as a Trustee. The Securities and Exchange Commission of Pakistan (SECP) registered the Fund as a Notified Entity on November 25, 2013, 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 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 the Management Company is situated at 3rd Floor, AWT Plaza, I.I. Chudrigar 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 (PSX).

The Scheme is a 'Shariah Compliant Islamic Income Scheme' as per the criteria for the categorization of open-end collective investment schemes specified by the SECP. The objective of the Fund is to generate competitive risk adjusted returns by investing in short, medium and long-term Shariah Compliant fixed income instruments. Under circular 07 dated March 06, 2009 issued by the SECP, the Fund has been categorized by the Management Company, as an Income Scheme.

- 1.4** 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.
- 1.5** Transactions undertaken by the Fund are in accordance with the guidelines issued by the Shariah Supervisory Council.
- 1.6** The Pakistan Credit Rating Agency (PACRA) has maintained stability rating of A+(f) to the Fund on October 13, 2022. Further, PACRA has assigned initial Asset Manager Rating of 'AM3++' (stable outlook) to the Management Company of the Fund vide its report dated August 05, 2021.

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 the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017 part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, 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.

- 2.1.2** 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.

2.1.3 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, 2021, 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 period ended December 31, 2021.

2.1.4 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information give 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 for the investments which are stated at fair value.

2.3 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees, which is the functional and presentation currency of the Fund.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN

3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2022.

3.2 The preparation of this condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.

3.3 There are certain standards, interpretations on accounting and reporting standards as applicable in Pakistan and amendments to certain existing standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2022. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant impact on the accounting policies of the Fund and therefore not disclosed in this condensed interim financial information.

3.4 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2022.

	Note	(Un-audited) December 31, 2022	(Audited) June 30, 2022
----- (Rupees in '000) -----			
4. BANK BALANCES			
Current accounts		-	1,879
Saving accounts	4.1	<u>274,156</u>	<u>227,601</u>
		<u>274,156</u>	<u>229,480</u>

4.1 These accounts carry profit rates ranging from 4.50% to 15.70% (June 2022: 2.5% to 15.25%) per annum.

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

5. INVESTMENTS

Investment by category

At fair value through profit or loss

Listed sukuk certificates	5.1	79,167	3,087
GOP Ijara Sukuk	5.2	49,765	-
At amortised cost			
Certificate of Musharaka	5.3	49,693	33,062
		<u>178,625</u>	<u>36,149</u>

5.1 Listed sukuk certificates - at fair value through profit or loss

Name of the investee company	Note	Number of certificates				As at December 31, 2022			Market value 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 on revaluation	Market value as % of total investments	Net assets
Face value of Rs. 100,000 each										
ASPIN Pharma (Private) Limited	5.1.1	100	-	-	100	2,087	2,031	(56)	1.14%	0.44%
The Hub Power Company Limited	5.1.1	-	200	-	200	10,074	10,117	43	5.66%	2.21%
Nishat Mills Limited	5.1.1	-	8,400	-	8,400	42,000	42,000	-	23.51%	9.19%
Lucky Electric Power Company Limited	5.1.1	-	5,000	-	5,000	25,000	25,000	-	14.00%	5.47%
						<u>79,161</u>	<u>79,167</u>	<u>(12)</u>		
						<u>3,070</u>	<u>3,087</u>	<u>17</u>		

June 30, 2022

5.1.1

Name of security	Note	Number of certificates	Face value per certificate (Rupees)	Mark-up rate (per annum)	Maturity	Secured / unsecured	Repayment term	Rating
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Sukuk certificates - Listed

ASPIN Pharma (Private) Limited		100	100,000	3M Kibor + 1.5%	November 30, 2023	Secured	Interest is payable quarterly while the principal is payable quarterly in twenty equal instalments of Rs. 2.5 million.	A
The Hub Power Company Limited		200	50,000	3M Kibor + 1.9%	August 22, 2023	Secured	Interest is payable quarterly.	AA+
Nishat Mills Limited	5.1.2	8,400	5,000	3M Kibor + 0.9%	May 2, 2023	Secured	Interest is payable quarterly.	AA
Lucky Electric Power Company Limited	5.1.2	5,000	5,000	3M Kibor + 1.35%	June 14, 2023	Secured	Interest is payable quarterly.	AA

5.1.2 Investment in sukuk certificates of Nishat Mills Limited and Lucky Electric Power Company Limited is made through initial public offerings (IPO).

5.2

GOP Ijarah Sukuk

Name of the investee company	Note	Number of certificates				As at December 31, 2022			Market value as a	
		As at July 01, 2022	Purchased during the period	Disposed during the period	As at December 31, 2022	Carrying value	Market value	Unrealized loss on revaluation	Market value as % of total investments	Net assets
GOP Ijarah Sukuk 26-10-2022			500	-	500	50,000	49,765	(235)	27.86%	10.89%

5.3

Certificate of Musharaka - Amortised cost

Name of investee company	Rate of return per annum		Face value		Carrying value as at December 31, 2022	Maturity	Carrying value as percentage of total investments	Carrying value as percentage of net assets
	As at July 01, 2022	Purchased during the year	Matured/Sale during the period	As at December 31, 2022				
Orix Modaraba (Formerly Standard Chartered Modaraba)	16.81%	32,000	48,000	(32,000)	49,693	March 28, 2023	27%	11%
December 31, 2022		32,000	48,000	(32,000)	49,693			

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
6. PROFIT ACCRUED			
Profit receivable on PLS accounts		3,039	2,686
Return receivable on sukuk certificates		<u>3,146</u>	<u>42</u>
		<u>6,185</u>	<u>2,727</u>

7. DEPOSITS AND OTHER RECEIVABLES

Security deposit with:

- Central Depository Company of Pakistan Limited

Income tax recoverable

Prepayments

Receivable against sale of units

		100	100
	7.1	434	434
		-	75
		<u>36</u>	<u>-</u>
		<u>570</u>	<u>609</u>

7.1 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 Company is confident that the same shall be refunded in future years.

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
8. PAYABLE TO AWT INVESTMENTS LIMITED - MANAGEMENT COMPANY			
Remuneration of the Management Company	8.1	146	166
Sindh Sales Tax on remuneration of the Management Company	8.2	18	21
Selling, marketing and back office expenses	8.3	<u>1,437</u>	<u>2,588</u>
		<u>1,601</u>	<u>2,775</u>

8.1 Management Company has charged remuneration at the rate of 0.75% (2021: 0.75%) per annum based on the daily net assets of the Fund during the period ended December 31, 2022.

8.2 This represents amount payable in respect of Sindh Sales Tax at the rate of 13% (2021: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

8.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion has charged selling and marketing expenses at 0.5% (2021: 0.5%) per annum of daily net assets of the Fund during the year.

9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (CDC) - TRUSTEE

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
	Note	-----Rupees in '000-----	
Remuneration of the Trustee	9.1	26	16
Sindh Sales Tax on remuneration of the Trustee		<u>3</u>	<u>2</u>
		<u>29</u>	<u>18</u>

9.1 With effect from July 01, 2019, Central Depository Company of Pakistan Limited (The Trustee) is entitled to a monthly remuneration 0.075% of daily net assets for services rendered to the Fund.

9.2 Sales tax at the rate of 13% (2020: 13%) on the remuneration of the Trustee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Under the provisions of NBFC Regulations, a collective investment scheme is required to pay an annual fee to the SECP at the rate of 0.02% (2020: 0.02%) per annum of daily net assets of the Fund.

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
11. ACCRUED EXPENSES AND OTHER LIABILITIES			
Federal Excise Duty on remuneration of the Management Company	11.1	339	339
Provision for Sindh Workers' Welfare Fund (SWWF)	11.2	-	-
Withholding tax payable		13	1,439
Capital gains tax payable		95	115
Audit fee payable		401	237
Shariah Advisor fee payable		65	22
Dividend payable		-	2,647
Other payables		102	147
Unrealised loss on future contracts		-	-
		1,015	4,946

11.1 This represents provision for Federal Excise Duty (FED) payable as at December 31, 2022. There is no change in the status of the legal proceeding on this matter, details of which have been disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2022. As a matter of prudence, the Management Company has maintained full provision for FED aggregating to Rs. 339,000 until the matter is resolved. Had the provision not been made, the net assets value per unit would have been higher by Rs. 0.09 (June 30, 2022: Rs. 0.14).

11.2 During the period, the Sindh Revenue Board (SRB) through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognized in the financial statements of the Fund amounting to Rs. 1.175 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. No provision for SWWF was recognized by the Fund on or after August 13, 2021.

12. CONTINGENCIES AND COMMITMENTS

12 There were no contingencies and commitments as at December 31, 2022.

(Un-audited) For the period ended December 31, 2022	(Audited) For the year ended June 30 2022
----- (Number of Units) -----	

13. NUMBER OF UNITS IN ISSUE

Total units in issue at the beginning of the period / year	2,491,918	2,162,807
Units issued during the period / year	2,986,155	3,155,381
Units redeemed during the period / year	<u>(1,406,316)</u>	<u>(2,826,270)</u>
Total units in issue at the end of the period / year	<u>4,071,758</u>	<u>2,491,918</u>

14. TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed amongst the unit holders (excluding distribution made by issuance of bonus units) as cash dividend. Further, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute ninety percent of accounting income other than capital gains whether realized or unrealized to the unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Management Company intends to distribute by way of cash dividend at least 90% of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year ending June 30, 2022 to its unit holders, accordingly, no provision for current and deferred taxation has been recognised in this condensed interim financial information.

15. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in this condensed interim financial information as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units for calculating EPU is not practicable.

16. TOTAL EXPENSE RATIO (TER)

As per regulation 60 (5b) of NBFC Regulations 2008, the capping of expense ratio of the Fund is set at 2.5% of average net assets for the year.

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the Total Expense Ratio of the Fund is 1.16% of average net assets as on December 31, 2022 (2021: 2.20%) and this includes 0.11% (2021: 0.13%) representing government levy, and SECP fee.

17. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS AND RELATED PARTIES

17.1 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 (if any) 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 funds of the above related parties / connected person.

17.2 Transactions with the connected persons are carried out at agreed / contracted rates.

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

17.4 Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

17.5 Details of the transactions and balances with the related parties / connected persons, other than those which has been disclosed elsewhere are as follows:

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

Detail of transactions with connected persons during the period are as follows:

AWT Investments Limited - Management Company		
Issuance of Nil units (2021: 299 units)	-	32
Redemption of Nil units (2021: Nil units)	-	-
Remuneration of Management Company (exclusive of sales tax)	1,103	596
Sales tax on remuneration of Management Company	143	78
Selling, marketing and other expenses	136	399
AWT Investments Limited (Employees Provident Fund)		
Issuance of 87,156 units (2021: Nil units)	9,644	-
Redemption of 96,914 units (2021: Nil units)	10,667	-
Directors, Chief Executive and their spouse and minors		
Issuance of 49,138 units (2021: Nil units)	5,290	-
Redemption of 87,601 units (2021: Nil units)	9,392	-
Army Welfare Trust - Parent Company		
Issuance of 461,802 units (2021: 470,987 units)	50,000	50,000
Redemption of 503,693 units (2021: 494,693 units)	54,515	52,536
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Remuneration of the Trustee (exclusive of sales tax)	122	60
Sales tax on Trustee fee	16	8
Key Management Personnel		
Issuance of 56,659 units (2021: 36,303 units)	3,106	3,800
Redemption of 6,933 units (2021: 65,367 units)	748	6,927
Orix Modarba Pakistan Limited - Common directorship		
Profit on certificate of Mushraka	2,988	-
Entities Holding 10% or more than 10% of units of the fund		
Issuance of Nil units (2021: Nil units)	-	-
	(Un Audited)	(Audited)
	December 31,	June 30,
	2022	2022
	----- (Rupees in '000) -----	

Detail of balances outstanding at the period end / year end with connected persons are as follows:

AWT Investments Limited - Management Company of the Fund		
Remuneration payable to the Management Company, including sales tax	<u>164</u>	<u>166</u>
Preliminary and floatation costs receivable from Management Company	<u>-</u>	<u>-</u>
Selling, marketing and other expenses	<u>1,437</u>	<u>2,588</u>
Units held - 424 units (June 30, 2022: 424 units)	<u>48</u>	<u>44</u>
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Remuneration payable to the Trustee, including sales tax	<u>29</u>	<u>18</u>
Security deposit	<u>100</u>	<u>100</u>

	(Un Audited) December 31, 2022	(Audited) June 30, 2022
	----- (Rupees in '000) -----	
Key Management Personnel Units held - 51,890 units (June 30, 2022: 2,280 units)	<u>5,822</u>	<u>239</u>
Directors, Chief Executive and their spouse and minors Units held - 588 units (June 30, 2022: 39,051 units)	<u>66</u>	<u>4,093</u>
Army Welfare Trust - Parent Company Units held - 461,802 units (June 30, 2022: 503,693 units)	<u>51,815</u>	<u>52,795</u>
Askari General Insurance Company Limited - Common directorship Units held - 355,726 units (June 30, 2022: 355,726 units) Dividend payable	<u>39,913</u> <u>-</u>	<u>37,286</u> <u>2,511</u>
Orix Modarba Pakistan Limited - Common directorship Profit receivable	<u>1,693</u>	<u>1,062</u>
Entities Holding 10% or more than 10% of units of the fund Units held Nil (June 30 2022: Nil units)	<u>-</u>	<u>-</u>

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the 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.

Fair value of investments classified as at fair value through profit or loss, which are tradable in an open market is based on the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from the carrying value as the items are short-term in nature.

The Fund classifies fair value measurements 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:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Fair value measurements using 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) (level 2); and
- Fair value measurements using Inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

The table below provides information on financial assets or liabilities carried at fair values, by valuation methods as at December 31, 2022.

Note	(Unaudited) ----- As at December 31, 2022 -----			
	Level 1	Level 2	Level 3	Total
	-----Rupees in '000-----			
Financial Assets				
At fair value through profit or loss				
Listed sukuk certificates	79,148	-	-	79,148
GOP Ijara Sukuk	49,765	-	-	49,765
	<u>128,913</u>			<u>128,913</u>
Financial Assets at amortised cost				
Certificate of Musharaka	48,000	-	-	48,000
	<u>176,913</u>			<u>176,913</u>

(Audited)

As at June 30, 2022			
Level 1	Level 2	Level 3	Total
Rupees in '000			
Listed sukuk certificates	3,087	-	3,087
Certificate of Musharaka	33,062	-	33,062
	36,149	-	36,149

Financial Assets

At fair value through profit or loss

19. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorized for issue on _____ by the Board of Directors of the Management Company.

20. GENERAL

20.1 Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

20.2 This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures presented in condensed interim income statement and statement of comprehensive income for the quarter ended December 31, 2022 have not been reviewed by the auditors.

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



Chief Executive Officer



Chief Financial Officer



Director