

QUARTERLY REPORTS SEP-23





● VISION

"To deliver quality and innovative asset management, wealth management and advisory services at the local and regional level."

● MISSION

"To be a dominant player in the fund management industry recognized for its high level of ethical and professional conduct and commitment towards enhancing investor interests."

● CORE VALUE

- Integrity: Be honest, professional, and fair in all our dealings with all our stakeholders
Performance:
- Be result-oriented and encourage a competitive culture
Innovation: Look beyond conventional wisdom
- Teamwork & Customer Focus: Have shared goals and objectives. Understand our customers' needs and try to exceed expectations.

MAIN CONTENTS

- 1. Director's Report to the Unit holder of all Funds**
- 2. AWT Islamic Income Fund**
- 3. AWT Income Fund**
- 4. AWT Money Market Fund**
- 5. AWT Financial Sector Income Fund**
- 6. AWT Islamic Stock Fund**
- 7. AWT Stock Fund**

DIRECTORS

DIRECTORS'

REPORT TO THE UNIT HOLDERS



AWT INVESTMENTS LIMITED
REVIEW REPORT OF THE DIRECTORS OF MANAGEMENT COMPANY
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

The Board of Directors of AWT Investments Limited, the Management Company of the AWT Islamic Income Fund, the AWT Money Market Fund, the AWT Income Fund, the AWT Financial Sector Income Fund, the AWT Stock Fund and the AWT Islamic Stock Fund are pleased to submit its review report together with condensed interim financial information for the three months period ended September 30, 2023.

ECONOMIC REVIEW

The outgoing quarter was marked by a significant number of noteworthy events. Among the key positive occurrences during this period were: i) PKR appreciation against the greenback which is aided by country-wide action against money exchange companies involved in USD smuggling and its parallel grey market, ii) SBP kept the monetary policy rate unchanged at 22% against the expectations of a rate hike, iii) lower current account deficit.

During the 1QFY24, the real sector continues to face hurdles due to demand compression, with several leading indicators including POL sales, Fertilizers offtake, Cement dispatches, and Autos sales experiencing negative growth. However, on a cumulative basis (1QFY24), there is a moderate increase in sales in above mentioned sectors due to an increase in import volumes.

Headline inflation remained above industry consensus to arrive at 31.4% YoY for Sep'23, as compared to 27.4% YoY reported previously, this is primarily due to base effect. On cumulative basis, average CPI remained in the region of 29.02% vs. 25.12% in SPLY. We maintained our inflation outlook at 22-23% for FY24, which potentially decrease to 16-17% by June 2024. However, the recent appreciation of PKR and reduction in international crude oil prices may contribute favourably to CPI expectations going forward. It is worth mentioning that SBP in its recent MPC meeting, kept policy rates unchanged at 22%, as unprecedented administrative measures led to an improved PKR outlook and also improved inflation expectations.

The current account deficit also remained under controlled level, as the Aug'23 reading clocked in at \$160mn vs. \$775mn reported in the previous month; this is primarily due to lower demand and administrative measures, however, on a cumulative basis CAD reached at \$0.93bn vs. \$2bn reported in SPLY. These actions led to a sharp reversal of the local currency as PKR appreciated by 6.2% to close the month at PKR 287.7/USD. Furthermore, the gap between interbank and open market dollar also disappeared, which may also improve remittances from formal channels. On a full-year basis, we foresee CAD to remain in the range of \$5-6 billion in FY24.

AWT INVESTMENTS LIMITED



During 1QFY24, the Federal Board of Revenue (FBR) collected PKR2.04 trillion (vs. PKR1.64trn in SPLY) against the target of PKR1.98t trillion, hence depicting an increase of 24% YoY basis. Similarly, FBR also achieved a revenue target of PKR794 billion, whereas collection stood at PKR834 billion. The previous government set a revenue target of PKR 9,415 billion, with the fiscal deficit target set at PKR 6.9 trillion, equivalent to 6.5% of GDP. Furthermore, the FY24 budget also includes a primary surplus of 0.4% of GDP.

MONEY MARKET REVIEW

The first quarter of FY24 commenced with the rising market yields, despite a record-high policy rate of 22%. Initially, following policy adjustments earlier in the fiscal year, there were positive signs in the market, and investors viewed it as the peak in the interest rate cycle. However, towards the end of July, the IMF's review of Pakistan's economic condition raised concerns, as it projected a high CPI-based inflation rate of around 25.9% for the upcoming fiscal year (FY24). This projection had a significant impact on investor sentiment, sparking speculation about another potential rate hike. Nevertheless, the State Bank of Pakistan (SBP) opted to maintain the policy rate at 22% on July 31st, citing reduced economic uncertainty, improvements in addressing external sector challenges, and increased investor confidence.

Subsequently, secondary market yields experienced a substantial upswing. Short-term T-bill yields saw an average increase of 20 to 25 basis points, while longer-term yields registered a notable uptick of 55 to 65 basis points over the same period. Investor focus remained on shorter tenors due to the abundance of liquidity in the market and expectations of impending monetary tightening measures. Additionally, mounting concerns about currency devaluation and rising energy prices further reinforced the prevailing sentiment of potential interest rate hikes in the coming months.

In September, the market yields continued to surge in the first half of the month, driven by concerns about another rate hike. However, in a surprising move, the SBP announced a monetary policy in the latter half of the month where they chose to keep the discount rate unchanged, contrary to prevailing expectations of a 100-200 basis points rate increase. The central bank justified its decision by pointing to a continuous decline in inflation rates, from 38% in May to 27% in August. They anticipated this downward trend would continue, helping to maintain real interest rates in positive territory on a forward-looking basis. This led to a significant decline in yields across all tenors in the secondary market.

STOCK MARKET REVIEW

1QFY24 remained relatively better for the market participants, wherein KSE100 index witnessed an increase of 11.5%. This improvement in emanated from improving country's macro situations post IMF's agreement. Consequently, market activity also improved during the quarter. On the flows front, mutual funds, banks and brokers sold \$37.8mn, \$43.3mn and \$8mn worth of shares. This selling was mainly



absorbed by foreign investors, insurance, and corporates, bought around \$21.9mn, \$44.8mn and \$24.8mn worth of securities, respectively.

FUTURE OUTLOOK

In the near-term, the market participant will keep a close track of key macro indicators and the caretaker government's response to remain compliant with the IMF program, of which review scheduled in Dec'23. In addition, development on the political front and announcements of general elections will set the tone for the market. Currently, the market's P/E ratio is still trading at an attractive level of 3.6x, compared to the 5-year average of 5.8x, and it also offering an appealing dividend yield. We see strong prospects of rerating of market multiples over the next 12 months, as monetary easing is expected to begin in 2HFY24 given inflation trajectory.

Looking ahead, the market in Pakistan is poised for a period of relative stability. The central bank's decision to maintain the policy rate and its confidence in declining inflation trends are expected to play a pivotal role in calming market sentiment. However, market participants will closely monitor economic developments, including inflation and external sector challenges, as these factors remain critical in shaping the market's trajectory in the coming months. Overall, a sense of stability and a focus on positive real interest rates are likely to guide the market in the foreseeable future.

MUTUAL FUND INDUSTRY REVIEW

During 1QFY24, the assets under management (AUM) of the mutual fund industry grew by 14% to Rs. 1.8 trillion from Rs. 1.6 trillion at the end of FY23. Growth was wholly attributable to fixed income funds which grew by 16% from Rs. 1.4 trillion to Rs. 1.6 trillion. Equity related funds witnessed growth in AUM of 3% from Rs. 202 billion to Rs. 208 billion, due to lackluster performance of stock market. Mutual funds' assets are led by Money Market (59% market share) and Income (30% market share) funds while Equity related funds comprise only 11% of the market as of the period end. Islamic segment saw growth of 15% from Rs. 745 billion to Rs. 853 billion, compared to conventional AUM growth of 14%, from Rs. 856 billion to Rs. 977 billion.

Going forward, current elevated levels of interest rates will continue to attract investors to the fixed income segment of the market. The equity market also recently witnessed growth during 1QFY24 due to improving external account outlook following IMF's Stand-By Arrangement (SBA) and long-term investors may look to build exposure in the equity market due to expectation of improving macroeconomic conditions.

PRINCIPAL RISKS AND UNCERTAINTIES

Asset management industry faces a spectrum of risks and uncertainties in addition to the macroeconomic challenges and political uncertainty faced by the country. Fluctuations in market prices and interest rates,



credit and liquidity risks affect the assets under management (AUM), while operational and compliance risks pose threat to customer service quality, reputation and regulatory penalties. AWTIL's has a comprehensive risk management framework to address potential risks and devise strategies to minimize potential impact on performance of the company and funds under management.

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 Review

During 1QFY24, AWT Islamic Income Fund delivered an annualized return of 21.4% against its benchmark return of 7.6% p.a. At period end, allocation in Sukuks & Commercial Papers was around 28%, GOP Ijara Sukuk stood at 4%, cash in the bank at 41%, and placements with banks/financial institutions was at 25% of the net assets. As of period end, Net Assets of the Fund stood at PKR 4,506 million, showing an increase of 151% from June 30, 2023, level of PKR 1,794 million. The weighted average time to maturity of the portfolio was 82 days. Net Asset Value per unit on September 30, 2023 was PKR 105.4126.

Fund Stability Rating

The Pakistan Credit Rating Agency (PACRA) has maintained the Fund's stability rating of A+(f) on April 13, 2023 (2023: A+(f) on April 08, 2022).

Income Distribution

The Chief Executive Officer under the authority from Board of Directors of the Management Company declared the payouts of PKR 5.3388 per unit (5.3388% of face value of PKR 100/-) amounting to PKR 142.89 million in cash during the period ended September 30, 2023.



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's Performance Review

During 1QFY24, AWT Money Market Fund delivered return of 21.7% p.a. versus benchmark return of 21.9% p.a. At the period end, the Fund exposure in Govt Securities was at 79%, and Commercial Papers & short term Sukuks at 19% of the net assets. As of period end, Net Assets of the Fund stood at PKR 2,980 million, showing an increase of 3% from June 30, 2023, level of PKR 2,883 million. The weighted average time to maturity of the portfolio was 65 days. Net Asset Value per unit on September 30, 2023 was PKR 117.8567.

Income Distribution

The Chief Executive Officer under the authority from Board of Directors of the Management Company declared the payouts of PKR 5.7922 per unit (5.7922%) of face value of PKR 100/-) amounting to PKR 145.54 million in cash during the period ended September 30, 2023.

Fund Stability Rating

The Pakistan Credit Rating Agency (PACRA) has maintained the Fund's stability rating of AA+(f) on April 13, 2023 (2023: AA+(f) on May 07, 2022).

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's Performance Review

During 1QFY24, AWT Income Fund delivered an annualized return of 22.8% against its benchmark return of 23.2% p.a. At period end, allocation in TFC/ Sukuks was around 14%, cash in the bank stood at 25%, Govt Securities were 44%, and Commercial Papers/Short Term Sukuks at 17% of the net assets. As of period end, Net Assets of the Fund stood at PKR 1,733 million, showing an increase of 1% from June 30, 2023, level of PKR 1,723 million. The weighted average time to maturity of the portfolio was 1.6 years. Net Asset Value per unit on September 30, 2023 was PKR 116.5619.

Fund Stability Rating

The Pakistan Credit Rating Agency (PACRA) has maintained the Fund's stability rating of A+(f) on April 13, 2023 (2023: A+(f) on April 08, 2022).

AWT FINANCIAL SECTOR INCOME FUND

Principal activities

The Fund is an open-end income fund and is listed on Pakistan Stock Exchange Limited. AWTFISIF 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. AWTFISIF maintains minimum exposure of 70% of net assets in the Financial Sector. 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. AWTFISIF 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 AWTFISIF comes from identifying opportunities to shift investments between various maturities and between different instruments. AWTFISIF 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 Review

During 1QFY24, AWT Financial Sector Income Fund has delivered an annualized return of 22.7%, against its benchmark return of 23.2% p.a. At the period end, the allocation of Fund in cash at the bank was around 86%, Commercial Papers & short term Sukuks at 9%, and TFC/Sukuk at around 3% of the net assets. As of period end, Net Assets of the Fund stood at Rs. 837 million, increasing by 22% from Rs. 687 million as of June 30, 2023. The weighted average time to maturity of the portfolio was 73 days. Net Asset Value per unit on September 30, 2023 was PKR 106.0006.



Fund Stability Rating

The Pakistan Credit Rating Agency (PACRA) has awarded stability rating of A+(f) to the Fund on March 20, 2023 (2023: A+(f) on March 20, 2023).

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 to borrow up to 15% of Net Assets to meet redemptions however AWTSF did not utilize this facility during the period under review.

Fund Performance Review

During 1QFY24, the NAV of AWT Stock Fund increased by 10.1% compared to 11.5% increase in the benchmark KSE-100 Index. The stocks that contributed positively in return during the period under review included MEBL, HUBC, OGDC and UBL, whereas the key drag on the Fund's performance were CEPB, SYS, DGKC and ENGRO. Exposure in equities was around 94% of net assets as at September 30, 2023. As of period end, Net Assets of the Fund stood at PKR 105 million, showing slight increase from June 30, 2023, level of PKR 104 million. Net Asset Value per unit on September 30, 2023 was PKR 95.6490.

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 Review

During 1QFY24, the NAV of AWT Islamic Stock Fund declined by 7.9% compared to 9.8% increase in the benchmark KMI 30 Index. The stocks that contributed positively in return during the period under review



included MEBL, PPL, OGDC and HUBC, whereas the key drag on the Fund's performance were EFERT, SYS, DGKC and ENGRO. Exposure in equities was around 91% of net assets as at September 30, 2023. As of period end, Net Assets of the Fund stood at PKR 104 million, showing a slight increase from September 30, 2022, level of PKR 103 million. Net Asset Value per unit on September 30, 2023 was PKR 86.7498.

Asset Manager Rating

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the management company's Asset Manager Rating of 'AM3++' with 'Positive' outlook vide its report dated August 04, 2023.

Acknowledgement

We take this opportunity to thank our valued investors for reposing their faith in AWT Investments Limited. We also thank the regulator, the Securities and Exchange Commission of Pakistan and our Trustee, the Central Depository Company of Pakistan for their support. Likewise, we would like to thank the Shariah Advisor for his continued assistance and support on Shariah aspects of fund management.

For and on behalf of the Board

A handwritten signature in blue ink, appearing to be 'M. S.', written over a light blue rectangular background.

Chief Executive Officer

A handwritten signature in blue ink, appearing to be 'W. ai', written over a light blue rectangular background.

Director

October 24, 2023

یونٹ ہولڈرز کے لیے ڈائریکٹرز کی رپورٹ 30 ستمبر 2023 کو ختم ہونے والی تین ماہ کی مدت کے لیے

اے ڈیلیوٹی انویسٹمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز، اے ڈیلیوٹی اسلامک انکم فنڈ، اے ڈیلیوٹی منی مارکیٹ فنڈ، اے ڈیلیوٹی انکم فنڈ، اے ڈیلیوٹی فنانشل سیکر انکم فنڈ، اے ڈیلیوٹی اسٹاک فنڈ اور اے ڈیلیوٹی اسلامک اسٹاک فنڈ کی مینجمنٹ کمپنی، 30 ستمبر 2023 کو ختم ہونے والی تین ماہ کی مدت کے لیے کثیف عبوری مالیاتی معلومات کے ساتھ اپنی جائزہ رپورٹ پیش کرنے پر خوشی محسوس کرتے ہیں۔

اقتصادی جائزہ

سبکدوش ہونے والی سہ ماہی میں نمایاں تعداد میں قابل ذکر واقعات رونما ہوئے۔ اس عرصے کے دوران اہم مثبت واقعات میں سے یہ تھے:

(i) گرین بیک کے خلاف روپے کی قدر میں اضافہ جس میں امریکی ڈالر کی اسمگلنگ اور اس کے متوازی گرے مارکیٹ میں ملوث منی ایکسچینج کمپنیوں کے خلاف ملک گیر کارروائی سے مدد ملتی ہے، (ii) اسٹیٹ بینک نے شرح میں اضافے کی توقعات کے خلاف مانیٹری پالیسی کی شرح کو 22 فیصد پر برقرار رکھا، (iii) کم کرنٹ اکاؤنٹ خسارہ۔

1QFY24 کے دوران، حقیقی شعبے کو مانگ میں کمی کی وجہ سے رکاوٹوں کا سامنا کرنا پڑتا ہے، جس میں POL سیلز، فرٹیلایزر آف ٹیک، سیمنٹ ڈسٹریبیوٹرز، اور آٹوز کی فروخت میں منفی نمو کے ساتھ کئی اہم اشارے شامل ہیں۔ تاہم، مجموعی بنیادوں پر (1QFY24)، درآمدی حجم میں اضافے کی وجہ سے مذکورہ شعبوں میں فروخت میں معمولی اضافہ ہوا ہے۔

افراط زر ستمبر 23 کے لیے 31.4 فیصد YoY پر پہنچنے کے لیے صنعت کے اتفاق سے اوپر رہی، جیسا کہ پہلے رپورٹ کیا گیا 27.4 فیصد YoY کے مقابلے میں، یہ بنیادی طور پر مرکزی اثر کی وجہ سے ہے۔ مجموعی بنیادوں پر اوسط CPI، 29.02 فیصد کی حد میں رہا بمقابلہ 25.12 فیصد CPI کے۔

ہم نے مالی سال 24 کے لیے اپنا افراط زر کا آؤٹ لک 22-23 فیصد پر برقرار رکھا، جو ممکنہ طور پر جون 2024 تک کم ہو کر 16-17 فیصد رہ جائے گا۔ تاہم، روپے کی حالیہ قدردانی اور خام تیل کی بین الاقوامی قیمتوں میں کمی آگے بڑھنے کے لیے CPI کی توقعات کے لیے سازگار کردار ادا کر سکتی ہے۔ یہ بات قابل ذکر ہے کہ اسٹیٹ بینک نے اپنی حالیہ MPC میٹنگ میں پالیسی ریٹ کو 22 فیصد پر برقرار رکھا، کیونکہ بے مثال انتظامی اقدامات نے روپے کے آؤٹ لک میں بہتری اور افراط زر کی توقعات کو بھی بہتر بنایا۔

کرنٹ اکاؤنٹ خسارہ بھی کنٹرول شدہ سطح کے تحت رہا، جیسا کہ اگست 23 کی ریڈنگ 160 ملین ڈالر بمقابلہ گزشتہ ماہ رپورٹ کی گئی 775 ملین ڈالر، یہ بنیادی طور پر کم مانگ اور انتظامی اقدامات کی وجہ سے ہے، تاہم، مجموعی بنیادوں پر CAD 93 ارب ڈالر تک پہنچ گیا بمقابلہ 2 ارب ڈالر جو SPLY میں رپورٹ کیا گیا۔ ان کارروائیوں کے نتیجے میں مقامی کرنسی میں تیزی سے تبدیلی آئی کیونکہ مہینے کے آخر میں پاکستانی روپیہ 6.2 فیصد بڑھ کر ڈالر / 287 پر بند ہوا۔ مزید برآں، انٹربینک اور اوپن مارکیٹ ڈالر کے درمیان فرق بھی ختم ہو گیا، جس سے رسمی چینلز سے ترسیلات زر میں بھی بہتری آسکتی ہے۔ پورے سال کی بنیاد پر، ہم مالی سال 24 میں CAD کے 5-6 بلین کی حد میں رہنے کی پیش گوئی کرتے ہیں۔

1QFY24 کے دوران، فیڈرل بورڈ آف ریونیو (FBR) نے 1.98 ٹریلین روپے کے ہدف کے مقابلے میں 2.04 ٹریلین روپے (بمقابلہ YLPS میں 1.64 ٹریلین روپے) اکٹھا کیا، اس طرح سالانہ بنیادوں پر 24 فیصد کا اضافہ ظاہر ہوتا ہے۔ اسی طرح ایف بی آر نے بھی 794 ارب روپے کار یونیو ہدف حاصل کیا، جب کہ وصولی 834 ارب روپے رہی۔ پچھلی حکومت نے 9,415 بلین روپے کار یونیو ہدف مقرر کیا تھا، جس میں مالیاتی خسارے کا ہدف 6.9 ٹریلین روپے رکھا گیا تھا، جو جی ڈی پی کے 6.5 فیصد کے برابر تھا۔ مزید برآں، مالی سال 24 کے بجٹ میں جی ڈی پی کا 0.4 فیصد کا بنیادی سرپلس بھی شامل ہے۔

منی مارکیٹ کا جائزہ

مالی سال 2024 (FY24) کی پہلی سہ ماہی کا آغاز مارکیٹ کی بڑھتی ہوئی پیداوار کے ساتھ ہوا، باوجود اس کے کہ پالیسی کی شرح 22 فیصد ہے۔ ابتدائی طور پر، مالی سال کے شروع میں پالیسی ایڈجسٹمنٹ کے بعد، مارکیٹ میں مثبت اشارے نظر آئے، اور سرمایہ کاروں نے اسے شرح سود کے چکر میں عروج کے طور پر دیکھا۔ تاہم، جولائی کے آخر تک، پاکستان کی اقتصادی حالت کے بارے میں IMF کے جائزے نے خدشات کو جنم دیا، کیونکہ اس نے آنے والے مالی سال (FY24) کے لیے CPI پر مبنی افراط زر کی شرح تقریباً 25.9 فیصد رہنے کی پیش گوئی کی تھی۔ اس پروجیکشن نے سرمایہ کاروں کے جذبات پر ایک اہم اثر ڈالا، جس سے شرح میں ایک اور ممکنہ اضافے کے بارے میں قیاس آرائیاں شروع ہو گئیں۔ اس کے باوجود، اسٹیٹ بینک آف پاکستان (SBP) نے 31 جولائی کو معاشی غیر یقینی صورتحال میں کمی، بیرونی شعبے کے چیلنجوں سے نمٹنے میں بہتری اور سرمایہ کاروں کے اعتماد میں اضافے کا حوالہ دیتے ہوئے پالیسی ریٹ کو 22 فیصد پر برقرار رکھنے کا انتخاب کیا۔

اس کے بعد، ثانوی منڈی کی پیداوار میں خاطر خواہ اضافہ دیکھنے میں آیا۔ قلیل مدتی ٹی بل کی پیداوار میں اوسطاً 20 سے 25 بنیادی پوائنٹس کا اضافہ دیکھا گیا، جب کہ طویل مدتی پیداوار نے اسی مدت کے دوران 55 سے 65 بنیادی پوائنٹس کا نمایاں اضافہ درج کیا۔ مارکیٹ میں لیکویڈیٹی کی کثرت اور آنے والے مانیٹری سخت اقدامات کی توقعات کی وجہ سے سرمایہ کاروں کی توجہ مختصر مدت پر رہی۔ مزید برآں، کرنسی کی قدر میں کمی اور توانائی کی بڑھتی ہوئی قیمتوں کے بارے میں بڑھتے ہوئے خدشات نے آنے والے مہینوں میں ممکنہ شرح سود میں اضافے کے مروجہ جذبات کو مزید تقویت دی۔

ستمبر میں، ماہ کے پہلے نصف میں مارکیٹ کی پیداوار میں اضافہ جاری رہا، جس کی وجہ سے شرح میں ایک اور اضافے کے خدشات تھے۔ تاہم، ایک حیران کن اقدام میں، SBP نے ماہ کے آخر میں ایک مانیٹری پالیسی کا اعلان کیا جہاں انہوں نے 100-200 بیسیس پوائنٹس کی شرح میں اضافے کی مروجہ توقعات کے برعکس، ڈسکاؤنٹ ریٹ میں کوئی تبدیلی نہیں کی۔ مرکزی بینک نے مہنگائی کی شرح میں مسلسل کمی کی طرف اشارہ کرتے ہوئے اپنے فیصلے کا جواز پیش کیا، مئی میں 38 فیصد سے اگست میں 27 فیصد۔ انہوں نے توقع ظاہر کی کہ یہ گراؤٹ کارجمان جاری رہے گا، جس سے مستقبل کی بنیاد پر مثبت علاقے میں حقیقی شرح سود برقرار رکھنے میں مدد ملے گی۔ اس کی وجہ سے ثانوی مارکیٹ میں تمام مدتوں میں پیداوار میں نمایاں کمی واقع ہوئی۔

اسٹاک مارکیٹ کا جائزہ

1QFY24 مارکیٹ کے شرکاء کے لیے نسبتاً بہتر رہا، جس میں KSE100 انڈیکس میں 11.5 فیصد کا اضافہ دیکھا گیا۔ یہ بہتری آئی ایم ایف کے معاہدے کے بعد ملک کے میکرو حالات میں بہتری سے پیدا ہوئی ہے۔ نتیجتاً، سہ ماہی کے دوران مارکیٹ کی سرگرمیاں بھی بہتر ہوئیں۔ بہاؤ کے محاذ پر، میوچل فنڈز، بینکوں اور بروکرز نے 37.8 ملین ڈالر، 43.3 ملین ڈالر اور 8 ملین ڈالر مالیت کے حصص فروخت کیے۔ اس فروخت کو بنیادی طور پر غیر ملکی سرمایہ کاروں، انشورنس اور کارپوریٹس نے جذب کیا، بالترتیب 21.9 ملین ڈالر، 44.8 ملین ڈالر اور 24.8 ملین ڈالر مالیت حصص کے خریدار رہے۔

مستقبل کا آؤٹ لک:

قریبی مدت میں، مارکیٹ کا حصہ دار کلیدی میکرو انڈیکس اور نگران حکومت کے آئی ایم ایف پروگرام کے مطابق رہنے کے رد عمل کا قریبی ٹریک رکھے گا، جس کا جائزہ دسمبر 23 میں شیڈول ہے۔ اس کے علاوہ سیاسی محاذ پر ہونے والی ترقی اور عام انتخابات کے اعلانات مارکیٹ کا رخ متعین کریں گے۔ فی الحال، مارکیٹ کا P/E تناسب 5 سالہ اوسط 5.8x کے مقابلے میں اب بھی 3.6x کی پرکشش سطح پر ٹریڈ کر رہا ہے، اور یہ ایک دلکش منافع بخش پیداوار بھی پیش کر رہا ہے۔ ہمیں اگلے 12 مہینوں کے دوران مارکیٹ کے ملٹی پلس کی ری ریٹنگ کے قوی امکانات نظر آتے ہیں، کیونکہ افراط زر کی رفتار کو دیکھتے ہوئے مالیاتی نرمی 2HFY24 میں شروع ہونے کی امید ہے۔

آگے دیکھتے ہوئے، پاکستان کی مارکیٹ نسبتاً استحکام کی مدت کے لیے تیار ہے۔ مرکزی بینک کے پالیسی ریٹ کو برقرار رکھنے کے فیصلے اور گرتی ہوئی افراط زر کے رجحانات میں اس کے اعتماد سے مارکیٹ کے جذبات کو پرسکون کرنے میں اہم کردار ادا کرنے کی توقع ہے۔ تاہم، مارکیٹ کے شرکاء اقتصادی پیش رفت پر گہری نظر رکھیں گے، بشمول افراط زر اور بیرونی شعبے کے چیلنجز، کیونکہ یہ عوامل آنے والے مہینوں میں مارکیٹ کی رفتار کو تشکیل دینے میں اہم رہیں گے۔ مجموعی طور پر، استحکام کا احساس اور مثبت حقیقی شرح سود پر توجہ مستقبل قریب میں مارکیٹ کی رہنمائی کرنے کا امکان ہے۔

میوچل فنڈ انڈسٹری کا جائزہ:

1QFY24 کے دوران، میوچل فنڈ انڈسٹری کے زیر انتظام اثاثے 14 فیصد بڑھ کر مالی سال 23 کے آخر میں 1.6 ٹریلیں روپے سے بڑھ کر 1.8 ٹریلیں روپے ہو گئے۔ ترقی مکمل طور پر فکسڈ انکم فنڈز سے منسوب تھی جو روپے سے 16 فیصد بڑھ گئی 1.4 ٹریلیں روپے سے بڑھ کر 1.6 ٹریلیں روپے۔ ایکویٹی سے متعلق فنڈز نے 3 فیصد کی AUM میں اضافہ دیکھا۔ 202 ارب روپے 208 ارب روپے اسٹاک مارکیٹ کی ناقص کارکردگی کی وجہ سے۔ میوچل فنڈز کے اثاثوں کی قیادت منی مارکیٹ (59 فیصد مارکیٹ شیئر) اور انکم (30 فیصد مارکیٹ شیئر) فنڈز سے ہوتی ہے جبکہ ایکویٹی سے متعلق فنڈز مدت کے اختتام تک مارکیٹ کا صرف 11 فیصد پر مشتمل ہوتے ہیں۔ اسلامی فنڈز نے 15 فیصد اضافہ دیکھا۔ 745 ارب روپے سے بڑھ کر 853 ارب روپے، روایتی فنڈز کی 14 فیصد کی نمو کے مقابلے جو، 856 ارب روپے سے بڑھ کر 977 ارب روپے رہی

آگے بڑھتے ہوئے، شرح سود کی موجودہ بلند سطح سرمایہ کاروں کو مارکیٹ کے مقررہ آمدنی والے حصے کی طرف راغب کرتی رہے گی۔ ایکویٹی مارکیٹ میں بھی حال ہی میں 1QFY24 کے دوران IMF کے اسٹینڈ بائی آرینجمنٹ (SBA) کے بعد بیرونی اکاؤنٹ کے آؤٹ لک میں بہتری کی وجہ سے نمودار کیمنے میں آئی اور طویل مدتی سرمایہ کار میکرو اکنامک حالات میں بہتری کی توقع کی وجہ سے ایکویٹی مارکیٹ میں ایکسپوزر پیدا کرنے پر غور کر سکتے ہیں۔

بنیادی خطرات اور غیر یقینی صورتحال

اثاثہ جات کے انتظام کی صنعت کو ملک کو درپیش میکرو اکنامک چیلنجز اور سیاسی غیر یقینی صورتحال کے علاوہ خطرات اور غیر یقینی صورتحال کا سامنا ہے۔ مارکیٹ کی قیمتوں اور شرح سود میں اتار چڑھاؤ، کریڈٹ اور لیکویڈٹی کے خطرات زیر انتظام اثاثوں کو متاثر کرتے ہیں (AUM) جبکہ آپریشنل اور تعمیل کے خطرات کسٹمر سروس کے معیار، ساکھ اور ریگولیٹری جرمانے کے لیے خطرہ ہیں۔ اے ڈیلیوٹی انویسٹمنٹ لمیٹڈ کے پاس ممکنہ خطرات سے نمٹنے اور کمپنی کی کارکردگی اور زیر انتظام فنڈز پر ممکنہ اثرات کو کم کرنے کے لیے حکمت عملی وضع کرنے کے لیے ایک جامع رسک مینجمنٹ فریم ورک ہے۔

اے ڈیلیوٹی اسلامک انکم فنڈ

مرکزی سرگرمیاں

اے ڈیلیوٹی اسلامک انکم فنڈ ایک اوپن اینڈ شریعہ کمپلائنٹ اسکیم ہے جو پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج ہے۔ اے ڈیلیوٹی اسلامک انکم فنڈ انویسٹمنٹ گریڈ شریعہ کمپلائنٹ ڈیٹ سیکوریٹیز، گورنمنٹ سیکوریٹیز، اسپریڈ ٹرانزیکشنز، بینک ڈپازٹس، سرٹیفکیٹ آف ڈپازٹ، سرٹیفکیٹ آف مشرکہ، اور دیگر شرعی کمپلائنٹ فلسفہ انکم ایونیوز میں سرمایہ کاری کرتا ہے۔ اے ڈیلیوٹی 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 ڈیلیوٹی 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 کا جائزہ

1QFY24 کے دوران، اے ڈیلیوٹی اسلامک انکم فنڈ نے 7.6 فیصد سالانہ کے بیچ مارک ریٹرن کے مقابلے میں 21.4% کا سالانہ منافع فراہم کیا۔ مدت کے اختتام پر، سکوک اور کمرشل پیپرز میں مختص تقریباً 28% تھی، GOP اجارہ سکوک 4%، بینک میں کیش 41%، اور بینکوں / مالیاتی اداروں کے ساتھ تقرری خالص اثاثوں کا 25% تھی۔ مدت کے اختتام تک، فنڈ کے خالص اثاثے 4,506 ملین روپے تھے، جو کہ 30 جون 2023 کے 1,794 ملین کی سطح سے 151 فیصد اضافے کو ظاہر کرتے ہیں۔ پورٹ فولیو کی پختگی کا وزنی اوسط وقت 82 دن تھا۔ 30 ستمبر 2023 کو نی یونٹ اثاثہ جات کی خالص قیمت 6 105.412 روپے تھی۔

فنڈ استحکام کی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے 13 اپریل 2023 کو فنڈ کی استحکام کی درجہ بندی (A+(f)) کو برقرار رکھا ہے۔
(2022) (اپریل 08, 2022) (A+(f)) -

آمدنی کی تقسیم

بینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے اختیار کے تحت چیف ایگزیکٹو آفیسر نے 30 ستمبر 2023 کو ختم ہونے والی مدت کے دوران 5.3388 روپے فی یونٹ (5.3388 فیصد 100 روپے کی فیس ویلیو) کی ادائیگی کا اعلان کیا جو کہ 142.89 ملین روپے نقد ہے۔

اے ڈیلیوٹی منی مارکیٹ فنڈ

مرکزی سرگرمیاں

اے ڈیلیوٹی منی مارکیٹ فنڈ ایک اوپن اینڈ منی مارکیٹ اسکیم ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج ہے۔ فنڈ گورنمنٹ سیکوریٹیز، سرٹیفکیٹ آف انویسٹمنٹ، کلین پبلسنٹس، ٹرم ڈپازٹ اور دیگر قلیل مدتی آلات میں سرمایہ کاری کرتا ہے۔ پورٹ فولیو کی وزنی اوسط میچورٹی 90 دن سے کم رکھی گئی ہے۔ اے ڈیلیوٹی منی مارکیٹ فنڈ صرف ان سیکوریٹیز میں سرمایہ کاری کرتا ہے جنہیں پاکستان میں کسی ریٹنگ ایجنسی کی جانب سے کم از کم "AA" درجہ بندی 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 کا جائزہ

1QFY24 کے دوران، اے ڈیلیوٹی منی مارکیٹ فنڈ نے مدت کے اختتام پر اس کے بیچ مارک ریٹرن 21.9 فیصد کے مقابلے میں 21.7 فیصد سالانہ منافع پیدا کیا، گورنمنٹ سیکوریٹیز میں فنڈ کی نمائش 79% تھی، اور کمرشل پیپرز اور قلیل مدتی سکوک خالص اثاثوں کے 19 فیصد پر تھے۔ مدت کے اختتام تک، فنڈ کے خالص اثاثے 2,980 ملین روپے تھے، جو کہ 30 جون 2023 کے 2,883 ملین روپے سے 3 فیصد کا اضافہ ظاہر کرتے ہیں۔ پورٹ فولیو کی پختگی کا وزنی اوسط وقت 65 دن تھا۔ 30 ستمبر 2023 کو فی یونٹ خالص اثاثہ قیمت 117.8567 روپے تھی۔

آمدنی کی تقسیم

بینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے اختیار کے تحت چیف ایگزیکٹو آفیسر نے 30 ستمبر 2023 کو ختم ہونے والی مدت کے دوران 5.7992 روپے فی یونٹ (5.7992 فیصد 100 روپے کی فیس ویلیو) کی ادائیگی کا اعلان کیا جو کہ 145.54 ملین روپے نقد ہے۔

فنڈ استحکام کی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے 13 اپریل 2023 کو فنڈ کی استحکام کی درجہ بندی (AA+(f)) کو برقرار رکھا ہے۔
(2022) (مئی 07, 2022) (AA+(f)) -

اے ڈبلیوئی انکم فنڈ

مرکزی سرگرمیاں

فنڈ ایک اوپن اینڈ انکم فنڈ ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج ہے۔ اے ڈبلیوئی انکم فنڈ انوسٹمنٹ گریڈ ڈیبٹ سیکیورٹیز، گورنمنٹ سیکیورٹیز، سرٹیفکیٹ آف انویسٹمنٹ، کلین پبلسمنٹ، ٹرم ڈپازٹ، ڈپازٹس کا سرٹیفکیٹ، مشرکہ کا سرٹیفکیٹ اور دیگر فیکسڈ انکم انسٹرومنٹس میں سرمایہ کاری کرتا ہے۔ پورٹ فولیو کی مجموعی مدت 4 سال سے کم رکھی گئی ہے جبکہ کم از کم 25 فیصد خالص اثاثے نقد یا زیادہ سے زیادہ 90 دن کی میچورٹی کے ٹریژری بلز کی شکل میں رکھے گئے ہیں۔ اے ڈبلیوئی 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 پیشین گوئی کرنے کے لیے معاشی حالات کی مسلسل نگرانی کی جاتی ہے۔ اے ڈبلیوئی 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 ڈبلیوئی انکم فنڈ کو چھٹکارے کو پورا کرنے کے لیے خالص اثاثوں کا 15 فیصد تک قرض لینے کی اجازت ہے تاہم اس نے اس سہولت کو زیر جائزہ مدت کے دوران استعمال نہیں کیا۔

فنڈ کی کارکردگی کا جائزہ

1QFY24 کے دوران، اے ڈبلیوئی انکم فنڈ نے 23.2 فیصد سالانہ کے بیچ مارک ریٹرن کے مقابلے میں 22.8 فیصد کا سالانہ منافع فراہم کیا۔ مدت کے اختتام پر، ٹی ایف سی / سکوک میں مختص تقریباً 14 فیصد تھی، بینک میں نقد رقم 25 فیصد، گورنمنٹ سیکیورٹیز 44 فیصد، اور کمرشل پیپرز / سکوک خالص اثاثوں کا 17 فیصد تھا۔ مدت کے اختتام تک، فنڈ کے خالص اثاثے 1,733 ملین روپے تھے، جو کہ 1,723 ملین روپے کی سطح پر جون 2023 سے 1 فیصد کا اضافہ ظاہر کرتے ہیں، 1,723 PKR ملین کی سطح پر۔ پورٹ فولیو کی پختگی کا وزنی اوسط وقت 1.6 سال تھا۔ 30 ستمبر 2023 کو نیوٹ خالص اثاثے قیمت 116.5619 روپے تھی۔

فنڈ استحکام کی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے 13 اپریل 2023 کو فنڈ کی استحکام کی درجہ بندی (A+(f)) کو برقرار رکھا ہے۔
(2022) (اپریل 08, 2022) (A+(f)) -

اے ڈبلیوٹی فنانشل سیکٹر انکم فنڈ

مرکزی سرگرمیاں

فنڈ ایک اوپن اینڈ انکم فنڈ ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج ہے۔ اے ڈبلیوٹی فنانشل سیکٹر انکم فنڈ انوسٹمنٹ گریڈ ڈیبٹ سیکیورٹیز، گورنمنٹ سیکیورٹیز، سرٹیفکیٹ آف انوسٹمنٹ، کلین پلیمینٹس، ٹرم ڈپازٹ رسیدیں، ڈپازٹس کا سرٹیفکیٹ، سرٹیفکیٹ آف مشرکہ اور دیگر فیکسڈ انکم انسٹرومنٹس میں سرمایہ کاری کرتا ہے۔ اے ڈبلیوٹی فنانشل سیکٹر انکم فنڈ مالیاتی شعبے میں خالص اثاثوں کے 70 فیصد کی کم از کم نمائش کو برقرار رکھتا ہے۔ پورٹ فولیو کی مجموعی مدت 4 سال سے کم رکھی گئی ہے جبکہ کم از کم 25 فیصد خالص اثاثے نقد یا زیادہ سے زیادہ 90 دن کی میچورٹی کے ٹریژری بلز کی شکل میں رکھے گئے ہیں۔ اے ڈبلیوٹی فنانشل سیکٹر 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 فنانشل سیکٹر 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 فنانشل سیکٹر انکم فنڈ کو چھٹکارے کو پورا کرنے کے لیے خالص اثاثوں کا 15 فیصد تک قرض لینے کی اجازت ہے تاہم اس نے اس سہولت کو زیر جائزہ مدت کے دوران استعمال نہیں کیا۔

فنڈ کی کارکردگی کا جائزہ

1QFY24 کے دوران، اے ڈبلیوٹی فنانشل سیکٹر انکم فنڈ نے 23.2 فیصد سالانہ کے بیچ مارک ریٹرن کے مقابلے میں 22.7 فیصد کا سالانہ منافع دیا ہے۔ مدت کے اختتام پر، بینک میں نقد رقم کی مختصر رقم تقریباً 86 فیصد، کمرشل پیپرز اور شارٹ ٹرم سکوک 9 فیصد، اور ٹی ایف سی / سکوک تقریباً 3 فیصد خالص اثاثہ جات میں تھی۔ مدت کے اختتام تک، فنڈ کے خالص اثاثے 30 جون 2023 تک 687 ملین روپے سے 22 فیصد اضافہ سے 837 ملین روپے تھے۔ پورٹ فولیو کی چٹنگی کا وزنی اوسط وقت 73 دن تھا۔ 30 ستمبر 2023 کو فی یونٹ خالص اثاثہ قیمت 106.0006 روپے تھی۔

فنڈ استحکام کی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے 20 مارچ 2023 کو فنڈ کو (A+(f)) کی استحکام کی درجہ بندی دی ہے۔

اے ڈبلیوٹی اسٹاک فنڈ

مرکزی سرگرمیاں

اے ڈبلیوٹی اسٹاک فنڈ ایک فعال طور پر منظم اوپن اینڈ ایکویٹی فنڈ ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج ہے۔ اے ڈبلیوٹی اسٹاک فنڈ درج ایکویٹی سیکیورٹیز میں خالص اثاثوں کے 70 فیصد 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 کشش کی بنیاد پر کی جاتی ہے۔ مارکیٹ کے حالات، مواقع، سیاسی اور اقتصادی عوامل کو مد نظر رکھتے ہوئے وقتاً فوقتاً رقم میں تبدیلی ہو سکتی ہے۔ اے ڈبلیوٹی اسٹاک فنڈ کو چھٹکارے کو پورا کرنے کے لیے خالص اثاثوں کا 15 فیصد تک قرض لینے کی اجازت ہے تاہم اے ڈبلیوٹی اسٹاک فنڈ نے اس سہولت کا استعمال نہیں کیا۔

فنڈ کی کارکردگی کا جائزہ

1QFY24 کے دوران، بیچ مارک KSE-100 انڈیکس میں 11.5 فیصد اضافے کے مقابلے میں NAV کی فنڈ اسٹاک میں 10.1 فیصد کا اضافہ ہوا۔ زیر جائزہ مدت کے دوران ریٹرن میں مثبت کردار ادا کرنے والے اسٹاکس میں UBL اور OGDC، HUBC، MEBL شامل تھے، جبکہ فنڈ کی کارکردگی میں اہم CEPA، SYS، DGKC اور ENGRO تھے۔ 30 ستمبر 2023 تک ایکویٹیز میں ایکسپوزر خالص اثاثوں کا تقریباً 94 فیصد تھا۔ مدت کے اختتام تک، فنڈ کے خالص اثاثے 105 ملین روپے تھے، جو کہ 30 جون 2023 تک 104 ملین روپے کی سطح سے معمولی اضافہ ظاہر کرتے ہیں۔ 30 ستمبر 2023 کو فی یونٹ خالص اثاثہ قیمت 95.6490 روپے تھی۔

اے ڈبلیوٹی اسلامک اسٹاک فنڈ

مرکزی سرگرمیاں

یہ فنڈ ایک فعال طور پر منظم اوپن اینڈ شریعہ کمپلائنٹ ایکویٹی فنڈ ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج ہے۔ اے ڈبلیوٹی اسلامک اسٹاک فنڈ پاکستان اسٹاک ایکسچینج لمیٹڈ پر درج شریعہ کمپلائنٹ اسٹاک میں خالص اثاثوں کا 70 فیصد 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 مد نظر رکھتے ہوئے وقتاً فوقتاً رقم میں تبدیلی ہو سکتی ہے۔ اے ڈبلیوٹی اسلامک اسٹاک فنڈ کو چھٹکارے کو پورا کرنے کے لیے خالص اثاثوں کا 15 فیصد تک قرض لینے کی اجازت ہے تاہم اے ڈبلیوٹی اسلامک اسٹاک فنڈ نے زیر جائزہ مدت کے دوران اس سہولت کا استعمال نہیں کیا۔

فنڈ کی کارکردگی کا جائزہ

1QFY24 کے دوران، اے ڈبلیوٹی اسلامک اسٹاک فنڈ کی NAV بیچ مارک KMI 30 انڈیکس میں 9.8 فیصد اضافے کے مقابلے میں 7.9 فیصد کم ہوئی۔ زیر جائزہ مدت کے دوران منافع میں مثبت کردار ادا کرنے والے اسٹاکس میں HUBC اور OGDC، PPL، MEBL شامل تھے، جب کہ فنڈ کی کارکردگی میں اہم رکاوٹ EFERT، SYS، DGKC اور ENGRO تھے۔ 30 ستمبر 2023 تک ایکویٹیز میں ایکسپوزر خالص اثاثوں کا تقریباً 91 فیصد تھا۔ مدت کے اختتام تک، فنڈ کے خالص اثاثے 104 ملین روپے تھے، جو کہ 30 ستمبر 2022 تک 103 ملین روپے کی سطح سے تھوڑا سا اضافہ ظاہر کرتے ہیں، 30 ستمبر 2023 کو فی یونٹ خالص اثاثہ جات کی قیمت 86.7498 روپے تھی۔

میںجمنٹ کمپنی کی کوالٹی کی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 04 اگست 2023 کو اپنی رپورٹ کے ذریعے انتظامی کمپنی کی 'AM3++' کی اثاثہ منیجر ریٹنگ کو 'مثبت' آؤٹ لک کے ساتھ برقرار رکھا ہے۔

اعتراف

ہم اس موقع سے اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں کہ انہوں نے اے ڈبلیوٹی انویسٹمنٹ لمیٹڈ میں اپنے اعتماد کا اظہار کیا۔ ہم ریگولیٹر، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اپنے ٹرسٹی، سنٹرل ڈپازٹری کمپنی آف پاکستان کے تعاون کے لیے ان کا بھی شکریہ ادا کرتے ہیں۔ اسی طرح، ہم شریعہ ایڈوائزر کانڈمینیجمنٹ کے شرعی پہلوؤں پر ان کی مسلسل مدد اور تعاون کے لیے شکریہ ادا کرنا چاہیں گے۔

بورڈ کی طرف سے اور بورڈ کے لئے

چیف ایگزیکٹو آفیسر

سجاد انور

چیف ایگزیکٹو آفیسر

24 اکتوبر 2023

ڈائریکٹر

AWT
ISLAMIC INCOME FUND

**CONDENSED INTERIM FINANCIAL
STATEMENT FOR QUARTER
ENDED
SEPTEMBER 30, 2023**

**AWT ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2023**

| | | September 30, 2023 (Unaudited) | June 30, 2023 (Audited) |
|---|------|--------------------------------------|-------------------------------|
| | Note | ----- (Rupees in '000) ----- | |
| Assets | | | |
| Bank balances | 3 | 1,867,942 | 895,413 |
| Investments | 4 | 2,541,898 | 881,196 |
| Profit accrued | 5 | 107,264 | 40,185 |
| Deposits and other receivables | 6 | 7,017 | 534 |
| Total assets | | 4,524,121 | 1,817,328 |
| Liabilities | | | |
| Payable to the Management Company | 7 | 3,293 | 1,685 |
| Payable to the Trustee | 8 | 350 | 170 |
| Payable to the Securities & Exchange Commission of Pakistan | 9 | 248 | 119 |
| Accrued expenses and other liabilities | 10 | 14,680 | 21,704 |
| Total liabilities | | 18,571 | 23,678 |
| Net assets | | 4,505,551 | 1,793,650 |
| Unit holders' fund (as per the statement attached) | | 4,505,550 | 1,793,650 |
| Contingencies and commitments | 11 | ----- (Number of units) ----- | |
| Number of units in issue | | 42,742,044 | 17,064,781 |
| Net asset value per unit | | 105.4126 | 105.1083 |

The annexed notes from 1 to 26 form an integral part of these financial statements.

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


Chief Executive Officer


Chief Financial Officer


Director

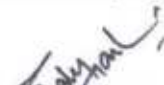
AWT ISLAMIC INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

| | September 30, 2023 | September 30, 2022 |
|--|------------------------------|-----------------------|
| Note | ----- (Rupees in '000) ----- | |
| Income | | |
| Profit on: | | |
| - bank balances at amortised cost | 93,221 | 8,877 |
| - certificate of musharaka, commercial papers and term deposit receipts - Held at amortised cost | 20,655 | 1,257 |
| - sukuk certificates and GOP Ijara - Held at fair value through profit & loss | 55,186 | 117 |
| - Clean Placements | 9,032 | - |
| Capital gain on sale of investments - net | 62 | - |
| Net unrealised gain / (loss) on investments 'at fair value through profit or loss' | 963 | (3) |
| Others | 6 | - |
| Total income | 179,125 | 10,248 |
| Expenses | | |
| Remuneration of AWT Investments Limited - Management Company | 7.1 4,661 | 538 |
| Sindh Sales Tax on remuneration of the Management Company | 7.2 606 | 70 |
| Remuneration of the Trustee | 8.1 611 | 54 |
| Sindh Sales Tax on Trustee's remuneration | 79 | 7 |
| Fee Payable to the Securities & Exchange Commission of Pakistan | 608 | 14 |
| Settlement and brokerage charges | 85 | 8 |
| Auditor's remuneration | 85 | 82 |
| Fees and subscription | 40 100 | 7 |
| Shariah advisory fee | 62 | 62 |
| Other Expenses | 4 | 12 |
| Total expenses | 6,901 | 900 |
| Net income for the period before taxation | 172,224 | 9,348 |
| Taxation | 13 - | - |
| Net income for the period after taxation | 172,224 | 9,348 |
| Allocation of net income for the period | | |
| Net income for the quarter after taxation | 172,224 | 9,348 |
| Income already paid on units redeemed | (16,243) | (2,322) |
| | 155,981 | 7,026 |
| Net accounting income available for distribution | | |
| - Relating to capital gains | 615 | - |
| - Excluding capital gains | 155,366 | 7,026 |
| | 155,981 | 7,026 |

The annexed notes from 1 to 26 form an integral part of these financial statements.

For AWT Investments Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

AWT ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

| | September 30, 2023 | September 30, 2022 |
|---|------------------------------|-----------------------|
| | ----- (Rupees in '000) ----- | |
| Net income for the quarter after taxation | 172,224 | 9,348 |
| Other comprehensive income for the quarter | - | - |
| Total comprehensive income for the quarter | 172,224 | 9,348 |

The annexed notes from 1 to 26 form an integral part of these financial statements.

For AWT Investments Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

AWT ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

| | For the quarter ended September 30, | | | 2022 | | |
|--|-------------------------------------|----------------------|------------------|------------------|----------------------|----------------|
| | 2023 | | | 2022 | | |
| | Capital value | Undistributed income | Total | Capital value | Undistributed income | Total |
| | (Rupees in '000) | | | (Rupees in '000) | | |
| Net assets at the beginning of the quarter | 1,796,550 | (2,900) | 1,793,650 | 268,984 | (7,793) | 261,192 |
| Issuance of 30,433,679 units (2022: 1,188,526 units) | | | | | | |
| - Capital value | 3,329,410 | - | 3,329,410 | 124,576 | - | 124,576 |
| - Element of income | 77,544 | - | 77,544 | 5,103 | - | 5,103 |
| | 3,406,954 | - | 3,406,954 | 129,679 | - | 129,679 |
| Redemption of 66,77,400 units (2022: 1,005,696 units) | | | | | | |
| - Capital value | (701,850) | - | (701,850) | (105,413) | - | (105,413) |
| - Element of loss | (6,299) | (16,243) | (22,542) | (72) | (2,322) | (2,394) |
| Total payments on redemption of units | (708,149) | (16,243) | (724,392) | (105,485) | (2,322) | (107,807) |
| Total comprehensive income for the quarter | - | 172,224 | 172,224 | - | 9,348 | 9,348 |
| Interim distribution @ Rs. 5.3388 per unit on September 25, 2023 | - | (142,887) | (142,887) | - | - | - |
| Net income for the quarter less distribution | - | 29,337 | 29,337 | - | 9,348 | 9,348 |
| Net assets at the end of the quarter | 4,495,355 | 10,194 | 4,505,549 | 293,178 | (767) | 292,412 |
| (Accumulated loss) / undistributed income brought forward: | | | | | | |
| - Realised income | | -3,007 | | | -7,809 | |
| - Unrealised loss | | 107 | | | 16 | |
| | | (2,900) | | | (7,793) | |
| Accounting income available for distribution | | | | | | |
| - Relating to capital gains | | 615 | | | - | |
| - Excluding capital gains | | 155,366 | | | 7,026 | |
| | | 155,981 | | | 7,026 | |
| Distribution during the quarter | | (142,887) | | | - | |
| Undistributed income carried forward | | 10,194 | | | (767) | |
| Represented by: | | | | | | |
| - Realised loss at the end of the year | | 9,231 | | | (763) | |
| - Unrealised income / (loss) at the end of the year | | 963 | | | (3) | |
| Undistributed income carried forward | | 10,194 | | | (767) | |
| | | (Rupees) | | | (Rupees) | |
| Net asset value per unit at the beginning of the quarter | | 105.1083 | | | 104.8155 | |
| Net asset value per unit at the end of the quarter | | 105.4126 | | | 108.3146 | |

The annexed notes from 1 to 26 form an integral part of these financial statements.


Chief Executive Officer

For AWT Investments Limited
 (Management company)

Chief Financial Officer


Director

**AWT ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

| | September 30, 2023 | September 30, 2022 |
|--|-----------------------|-----------------------|
| Note | (Rupees in '000) | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the quarter before taxation | 172,224 | 9,348 |
| Adjustments for: | | |
| Capital gain on sale of investments - net | (62) | - |
| Net unrealised gain / (loss) on investments 'at fair value through profit or loss' | (963) | 3 |
| | <u>(1,025)</u> | <u>9,351</u> |
| Decrease / (increase) in assets | | |
| Investments - net | (1,659,677) | 1,067 |
| Deposits and other receivables | (73,562) | (444) |
| | <u>(1,733,239)</u> | <u>623</u> |
| Increase / (decrease) in liabilities | | |
| Payable to the Management Company | 1,608 | 28 |
| Payable to the Trustee | 180 | 21 |
| Payable to the Securities & Exchange Commission of Pakistan | 129 | 14 |
| Accrued expenses and other liabilities | (7,024) | (3,898) |
| | <u>(5,107)</u> | <u>(3,835)</u> |
| Net cash (used in) / generated from operating activities | <u>(1,567,147)</u> | <u>6,138</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Amounts received on issuance of units | 3,406,964 | 129,679 |
| Amounts paid on redemption of units | (724,392) | (107,807) |
| Dividend paid | (142,887) | - |
| Net cash generated from financing activities | <u>2,539,675</u> | <u>21,872</u> |
| Net increase in cash and cash equivalents: | 972,528 | 28,010 |
| Cash and cash equivalents at beginning of the quarter | 895,413 | 229,480 |
| Cash and cash equivalents at end of the quarter | <u>1,867,941</u> | <u>257,490</u> |

The annexed notes from 1 to 26 form an integral part of these financial statements.


Chief Executive Officer

For AWT Investments Limited
(Management Company)


Chief Financial Officer


Director

AWT ISLAMIC INCOME FUND
CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

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). 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 Advisor.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an Asset Manager Rating of 'AM3++'

The Pakistan Credit Rating Agency Limited has maintained 'A+(f)' rating to the Fund vide its report dated April 13, 2023 based on the performance review of period ended December 31, 2022.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

- 2.1.1** These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
 - 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 & 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 and the 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 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.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Fund. All financial information has been rounded off to the nearest thousand rupees, unless otherwise specified.

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. 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.

2.5 There are Certain standars, 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 01,2023, These standards interpretations and amendments are either not relevant to funds operation or are not expected to have a significant impact on accounting policies of the fund and therefore disclosed in this condensed interim Fianacial information.

2.6 These Fund's Financial risk management objectives and policies are consistent with that disclosed in annual audited Financials statement of the fund for the year ended June 30,2023.

| | | (Un-audited) September 30, 2023 | (Audited) June 30, 2023 |
|-------------------------|------|---------------------------------------|-------------------------------|
| | Note | -----Rupees in '000----- | |
| 3. BANK BALANCES | | | |
| Saving accounts | 3.1 | <u>1,867,942</u> | <u>895,413</u> |

3.1 These accounts carry profit rates ranging from 18.5% to 21.50% (2022: 2.5% to 15.25%) per annum.

4 INVESTMENTS

Investment by category

At fair value through profit or loss:

Suluk conditions
GDP Jawa Suluk

At amortised cost

Certificate of Murabahah
Bermudajil

Note

(Un-audited) (Audited)
September 30, June 30,
2022 2022

— Ruppees in 100 —

| Investment by category | At fair value through profit or loss | At amortised cost | Number of certificates | | Balance as at September 30, 2022 | | | Market value as percentage of total investments | Market value as percentage of net assets | Market value as percentage of issue size |
|--------------------------|--------------------------------------|-------------------|------------------------|---------------------------|----------------------------------|--------------------------|----------------|---|--|--|
| | | | As at July 01, 2022 | Purchased during the year | Disposed during the year | As at September 30, 2022 | Carrying value | | | |
| Suluk conditions | 4.1 | | 1,141,000 | | | | | | 482,708 | |
| GDP Jawa Suluk | 4.1 | | 283,327 | | | | | | 482,708 | |
| | | | 1,424,327 | | | | | | | |
| Certificate of Murabahah | 4.2 | | 480,000 | | | | | | 250,000 | |
| Bermudajil | 4.3 | | 537,570 | | | | | | 148,488 | |
| | | | 2,541,898 | | | | | | 881,196 | |

4.1 Listed Suluk Certificates - 'at fair value through profit or loss'

| Names of the Investor Company | Note | Number of certificates | | | Balance as at September 30, 2022 | | | Market value as percentage of total investments | Market value as percentage of net assets | Market value as percentage of issue size |
|-------------------------------|------|------------------------|---------------------------|--------------------------|----------------------------------|----------------|--------------|---|--|--|
| | | As at July 01, 2022 | Purchased during the year | Disposed during the year | As at September 30, 2022 | Carrying value | Market value | | | |

Suluk certificates - Listed

| | | | | | | | | | | | |
|--|-------|---------|---------|----------|---------|-----------|-----------|-------|--------|--------|-------|
| ASPN Prima (Private) Limited | 4.1.1 | 2,078 | - | - | 2,078 | 10,421 | 10,388 | (33) | 0.41% | 0.23% | 0.00% |
| The Halo Power Company Limited | 4.1.1 | 2,200 | - | (2,200) | - | - | - | - | 0.00% | 0.00% | 0.00% |
| K-Electric Company Limited (S7S-13) | 4.1.1 | 5,000 | 19,800 | - | 24,800 | 108,000 | 108,000 | - | 4.29% | 2.42% | 0.00% |
| K-Electric Limited (S7S-13) | 4.1.1 | 14,000 | - | (14,000) | - | - | - | - | 0.00% | 0.00% | 0.00% |
| K-Electric Limited (S7S-15) | 4.1.1 | 18,000 | - | (18,000) | - | - | - | - | 0.00% | 0.00% | 0.00% |
| K-Electric Limited (S7S-17) | 4.1.1 | - | 63,000 | - | 63,000 | 315,000 | 315,000 | - | 12.35% | 6.99% | 0.01% |
| K-Electric Limited (S7S-19) | 4.1.1 | - | 27,600 | - | 27,600 | 138,000 | 138,000 | - | 5.43% | 3.05% | 0.00% |
| K-Electric Limited (S7S-20) | 4.1.1 | - | 33,000 | - | 33,000 | 195,000 | 195,000 | - | 7.57% | 4.33% | 0.00% |
| Lady Electric Power Company Limited (S7S-4) | 4.1.1 | 12,800 | - | (12,800) | - | - | - | - | 0.00% | 0.00% | 0.00% |
| Lady Electric Power Company Limited (S7S-8) | 4.1.1 | 9,800 | 19,200 | - | 29,000 | 84,000 | 84,000 | - | 3.30% | 1.85% | 0.00% |
| Lady Electric Power Company Limited (S7S-15) | 4.1.1 | - | 50,000 | - | 50,000 | 300,000 | 300,000 | - | 11.90% | 6.60% | 0.01% |
| Margha Iron & Steel Industries | 4.1.1 | 138 | 9 | - | 144 | 90,000 | 90,000 | 9 | 3.54% | 2.00% | 0.00% |
| GDP (Jawa Suluk (S7/10/2022)) | 4.1.1 | 6,400 | - | - | 6,400 | 31,912 | 31,912 | (30) | 1.26% | 0.71% | 0.00% |
| GDP (Jawa Suluk (07/06/2022)) | 4.1.1 | - | 30,000 | - | 30,000 | 150,000 | 150,000 | 1,000 | 5.90% | 3.25% | 0.00% |
| September 30, 2022 | | \$7,211 | 245,405 | (48,800) | 295,620 | 1,423,364 | 1,424,327 | 903 | 56.03% | 31.61% | 0.03% |
| June 30, 2022 | | | | | | 482,601 | 482,708 | 107 | 54.78% | 29.91% | 0.01% |

4.1.1 Significant terms and conditions of suluk certificates are as follows:

| Name of security | Number of certificates | Face value per certificate (Ruppees) | Mark-up rate (per annum) | Maturity | Secured / unsecured | Securities | Payment term | Rating |
|------------------------------|------------------------|--------------------------------------|--------------------------|-------------------|---------------------|--|---|--------|
| Suluk certificates - Listed | | | | | | | | |
| ASPN Prima (Private) Limited | 2,078 | 10,000 | 3M Kibor + 1.5% | November 30, 2023 | Secured | Ranking change or at present and future fixed assets (land, building, plant and machinery) of the company, margin of 15% margin on the issue amount. | Interest is payable quarterly with the principal is payable quarterly in twenty equal instalments | A |

| | | | | | | | | |
|---|--------|---------|------------------------|--------------------|---------|--|--|-----|
| Mughni Iron & Steel Industries | 144 | 675,000 | 2M KSDR + 1.25% | March 2, 2025 | Secured | Paying charge on all present and future fixed assets (land, building, plant and machinery) of the company inclusive of 15% margin on the issue amount. | Interest is payable quarterly with the principal is payable quarterly in seven equal installments. | A+ |
| GOP (Jawah Saha (07102022)) | 6,400 | 5,000 | | October 26, 2027 | Secured | Paying charge on all present and future fixed assets (land, building, plant and machinery) of the company inclusive of 15% margin on the issue amount. | Interest is payable quarterly with the principal is payable quarterly. | |
| GOP (Jawah Saha (07102022)) | 20,000 | 5,000 | | August 7, 2024 | Secured | Paying charge on all present and future fixed assets (land, building, plant and machinery) of the company inclusive of 15% margin on the issue amount. | Interest is payable quarterly with the principal is payable quarterly. | |
| The Hub Power Company Limited (STSI) | 21,900 | 5,000 | 6 months KIBOR + 5.50% | November 17, 2023 | Secured | Paying charge on all present and future fixed assets (land, building, plant and machinery) of the company inclusive of 15% margin on the issue amount. | | A1+ |
| K-Electric Limited (STSI-17) | 63,000 | 5,000 | 9 months KIBOR + 5.50% | August 8, 2023 | Secured | Paying charge on all present and future fixed assets (land, building, plant and machinery) of the company inclusive of 15% margin on the issue amount. | | A1+ |
| K-Electric Limited (STSI-19) | 27,600 | 5,000 | 6 months KIBOR + 0.50% | September 21, 2023 | Secured | Paying charge on all present and future fixed assets (land, building, plant and machinery) of the company inclusive of 15% margin on the issue amount. | | A1+ |
| K-Electric Limited (STSI-20) | 29,000 | 5,000 | 6 months KIBOR + 0.50% | September 21, 2023 | Secured | Paying charge on all present and future fixed assets (land, building, plant and machinery) of the company inclusive of 15% margin on the issue amount. | | A1+ |
| Lady Electric Power Company Limited (STSI-8) | 19,600 | 5,000 | 8 months KIBOR + 0.25% | September 29, 2023 | Secured | Paying charge on all present and future fixed assets (land, building, plant and machinery) of the company inclusive of 15% margin on the issue amount. | | A1+ |
| Lady Electric Power Company Limited (STSI-15) | 60,000 | 3,000 | 8 months KIBOR + 0.50% | October 12, 2023 | Secured | Paying charge on all present and future fixed assets (land, building, plant and machinery) of the company inclusive of 15% margin on the issue amount. | | A1+ |

4.2 Certificate of Muzhura - Amortised cost

| Name of investee company | Face value | | | | | | Carrying value as at September 30, 2023 | Maturity | Carrying value as percentage of total investments | Carrying value as percentage of net assets |
|--------------------------|--------------------------|---------------------|---------------------------|---------------------------------|--------------------------|--------------------------|---|----------|---|--|
| | Rate of return per annum | As at July 01, 2023 | Purchased during the year | Matured/ Sale during the period | As at September 30, 2023 | As at September 30, 2023 | | | | |
| Q.P. Muzhura | 22.05% | 90,000 | - | (90,000) | - | - | 02-Aug-23 | - | - | |
| Q.P. Muzhura | 22.01% | 35,000 | - | (35,000) | - | - | 25-Aug-23 | - | - | |
| Q.P. Muzhura | 20.07% | 50,000 | - | (50,000) | - | - | 15-Sep-23 | - | - | |
| Q.P. Muzhura | 20.07% | 50,000 | - | (50,000) | - | - | 16-Sep-23 | - | - | |
| Q.P. Muzhura | 22.77% | - | 125,000 | - | 125,000 | 125,000 | 27-Oct-23 | 4.95% | 2.77% | |
| Q.P. Muzhura | 22.84% | - | 120,000 | - | 120,000 | 120,000 | 02-Nov-23 | 5.11% | 2.88% | |
| Q.P. Muzhura | 22.84% | - | 85,000 | - | 85,000 | 85,000 | 19-Dec-23 | 3.34% | 1.85% | |
| Q.P. Muzhura | 22.83% | - | 55,000 | - | 55,000 | 55,000 | 20-Dec-23 | 2.56% | 1.44% | |
| Q.P. Muzhura | 22.68% | - | 75,000 | - | 75,000 | 75,000 | 22-Dec-23 | 2.95% | 1.66% | |
| | | 250,000 | 480,000 | (250,000) | 480,000 | 480,000 | | 18.88% | 10.55% | |
| September 30, 2023 | | | | | | 240,000 | | 28.37% | 13.94% | |

4.3 Bemaigal

| Name of investee company | Rate of return per annum | Face value | | | | | | Carrying value as at September 30, 2023 | Maturity | Carrying value as percentage of total investments | Carrying value as percentage of net assets |
|------------------------------------|--------------------------|---------------------|-----------------------------|-------------------------|--------------------------|--------------------------|--------------------------|---|----------|---|--|
| | | As at July 01, 2023 | Purchased during the period | Matured during the year | As at September 30, 2023 | As at September 30, 2023 | As at September 30, 2023 | | | | |
| Pal. Libya Holding Company Limited | 21.60% | 148,488 | - | (148,488) | - | - | - | 17-Jul-23 | - | - | |
| Pal. Libya Holding Company Limited | 22.65% | - | 208,448 | (203,448) | - | - | - | 07-Aug-23 | - | - | |
| Pal. Libya Holding Company Limited | 21.25% | - | 637,570 | - | 637,570 | 637,570 | 637,570 | 10-Nov-23 | 25.08% | 14.15% | |
| September 30, 2023 | | 148,488 | 841,020 | (351,936) | 637,570 | 837,570 | | 25.08% | 14.15% | | |
| June 30, 2023 | | | | | | 240,000 | | 28.37% | 13.94% | | |

| | | (Un-audited) September 30, 2023 | (Audited) June 30, 2023 |
|---|--|---------------------------------------|-------------------------------|
| | Note | ----- (Rupees in '000) ----- | |
| 5. PROFIT ACCRUED | | | |
| Profit receivable: | | | |
| - saving accounts | | 39,557 | 11,263 |
| - sukuk certificates | | 52,418 | 22,522 |
| - term deposit receipts | | 11,577 | 5,083 |
| - clean placements | | 3,712 | 1,318 |
| | | <u>107,264</u> | <u>40,185</u> |
| 6. DEPOSITS AND OTHER RECEIVABLES | | | |
| Security Deposit with: | | | |
| -Central Depository Company of Pakistan Limited | | 100 | 100 |
| Income tax recoverable | 6.1 | 434 | 434 |
| Receivable against sale of units | | 6,483 | - |
| | | <u>7,017</u> | <u>534</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. | | |
| 7. PAYABLE TO THE MANAGEMENT COMPANY | | | |
| Remuneration of the Management Company | 7.1 | 2,076 | 653 |
| Sindh Sales Tax on remuneration of the Management Company | 7.2 | 269 | 84 |
| Selling, marketing and back office expenses | 9.3 | 948 | 948 |
| | | <u>3,293</u> | <u>1,685</u> |
| 7.1 | Management Company has charged remuneration at the rate of 0.50% to 0.75% (2022: 0.75%) per annum based on the daily net assets of the Fund during the year ended June 30, 2023. | | |
| 7.2 | This represents amount payable in respect of Sindh Sales Tax at the rate of 13% (2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011. | | |
| 7.3 | In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rates of 1.04% of daily average annual net asset. | | |

| | | (Un-audited) September 30, 2023 | (Audited) June 30, 2023 |
|---|------|---------------------------------------|-------------------------------|
| | Note | ----- (Rupees in '000) ----- | |
| 8. PAYABLE TO THE TRUSTEE | | | |
| Trustee remuneration | 8.1 | 310 | 150 |
| Sindh Sales Tax on Trustee remuneration | 8.2 | 40 | 20 |
| | | 350 | 170 |

8.1 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.

8.2 Sales tax at the rate of 13% (2022: 13%) on the remuneration of the Trustee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

9. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with NBFC Regulations, a collective investment scheme classified as open end scheme is required to pay to the SECP an amount equal to 0.02% of the daily net assets of the Fund as annual fee.

10. ACCRUED EXPENSES AND OTHER LIABILITIES

| | | | |
|--------------------------------|------|--------|--------|
| Federal Excise Duty | 10.1 | 339 | 339 |
| Withholding tax payable | | 12,127 | 4,958 |
| Auditor's remuneration payable | | 408 | 323 |
| Shariah advisory fee payable | | 47 | 45 |
| Capital gain tax payable | | 1,060 | 813 |
| Brokerage payable | | 51 | 118 |
| Other payables | | 648 | 15,107 |
| | | 14,680 | 21,704 |

10.1 The status of provisions of Federal Excise Duty is same as disclosed in the financial statements for the year ended June 30, 2023. Had the provision of Federal Excise Duty not being made, the net asset value per unit as at September 30, 2023 would have been higher by Re. 0.0001 (June 30, 2023: Rs. 0.0002) per unit.

11. CONTINGENCIES AND COMMITMENTS

11.1 There are no contingencies and commitments outstanding as at September 30, 2023 (June 30, 2022: Rs. Nil).

12. TOTAL EXPENSE RATIO (TER)

Total expense ratio (comprising all the expenses, including government levies, incurred during the year divided by average net asset value for the period) of the Fund for the period ended September 30, 2023 is 1.02% (September 2022: 1.25%), which includes 0.11% (2022: 0.14%) representing government levies on collective investment scheme such as, 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 shariah compliant income fund.

13. 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 as cash dividend. Further, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. 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. During the year ended June 30, 2021, the Fund has distributed by way of cash dividend at minimum 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, to the unit holders. Accordingly, no provision for taxation has been recognised in these financial statements.

14. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

15. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 15.1 Connected persons / related parties include AWT Investments Limited being the Management Company, Army Welfare Trust (parent of the Management Company), Central Depository Company of Pakistan Limited being the Trustee, other funds managed by the Management Company, associated companies (if any) 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 June 30, 2023 or during the year. It also includes the staff retirement 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:

| | September 30, 2023 (Un-Audited) | September 30, 2022 (Un-Audited) |
|--|---------------------------------------|---------------------------------------|
| | ----- (Rupees in '000) ----- | |
| 15.2 Details of transactions with related parties / connected persons during the year | | |
| AWT Investments Limited - Management Company of the Fund | | |
| Remuneration of Management Company | 4,661 | 538 |
| Sindh Sales Tax on remuneration of the Management Company | 606 | 70 |
| Issuance of 478,769 units (2022: Nil units) | 52,000 | - |
| Redemption of 445,054 units (2022: Nil units) | 47,700 | - |
| Refund of capital of 9,577 units (2022:Nil units) | 1,007 | - |
| Dividend Reinvest 1959.96 units | 206 | - |
| Directors, Chief Executive and their spouse and minors | | |
| Issuance of 23,064 units (2022: 33,532 units) | 2,475 | 3,550 |
| Redemption of 22,185 units (2022: 65,961 units) | 2,400 | 7,000 |
| Refund of capital of 29 units (2022: Nil units) | 3 | - |
| Dividend Reinvest 24 units | 2 | - |

| | September 30, 2023 (Un-Audited) ----- (Rupees in '000) ----- | September 30, 2022 (Un-Audited) ----- (Rupees in '000) ----- |
|---|---|---|
| Central Depository Company of Pakistan Limited - (Trustee of the Fund) | | |
| Remuneration of the Trustee | 611 | 54 |
| Settlement charges | 9 | 8 |
| Sindh Sales Tax on Trustee's remuneration | 79 | 7 |
| Key Management Personnel | | |
| Issuance of 10,709 units (2022: 11,142 units) | 1,150 | 1,526 |
| Redemption of 17,602 units (2022: 3,313 units) | 1,901 | 350 |
| Refund of capital of 147 units (2022: Nil units) | 16 | - |
| Dividend Reinvest 397 units | 42 | - |
| Army Welfare Trust - Parent Company of Management Company | | |
| Issuance of 475,150 units (2022: 461,802 units) | 50,000 | 50,000 |
| Redemption of 566,453 units (2022: 503,693 units) | 59,573 | 54,515 |
| Dividend Reinvest 27,381 units | 2,878 | - |
| Askari General Insurance Company Limited - Common directorship | | |
| Issuance of 1,966,249 units (2022: Nil units) | 210,000 | - |
| Redemption of 1,045,616 units (2022: Nil units) | 115,000 | - |
| Refund of capital of 31,690 units (2022: Nil units) | 3,331 | - |
| Dividend Reinvest 138,408 units | 14,548 | - |
| AWT Investments Limited- Provident Fund | | |
| Issuance of Nil units (2022: 87,156 units) | - | 9,147 |
| Redemption of Nil units (2022: 65,961 units) | - | 1,661 |
| Dividend Reinvest 1,059 units | 111 | - |
| OLP Modaraba - Common directorship | | |
| Income on Investment in Certificate of Mushraka | 20,655 | 1,257 |
| | September 30, 2023 (Unaudited) ----- (Rupees in '000) ----- | June 30, 2023 (Audited) ----- (Rupees in '000) ----- |

15.3 Balances with related parties / connected persons as at year end

**AWT Investments Limited -
Management Company of the Fund**

| | | |
|---|-------|-------|
| Remuneration payable to the Management Company | 2,076 | 653 |
| Sindh Sales Tax on remuneration of the Management Company | 269 | 84 |
| Selling, marketing and back office expenses | 948 | 948 |
| Units held - 55,315 units (June 2023: 10,063 units) | 5,831 | 1,058 |

| | September 30, 2023 (Unaudited) | June 30, 2023 (Audited) |
|---|--------------------------------------|-------------------------------|
| | ----- (Rupees in '000) ----- | |
| Central Depository Company of Pakistan Limited - (Trustee of the Fund) | | |
| Remuneration payable to the Trustee | 350 | 170 |
| Security deposit | 100 | 100 |
| Directors, Chief Executive and their spouse and minors | | |
| Units held - 1164 units (June 2023: 232 units) | 123 | 24 |
| Key Management Personnel | | |
| Units held - 12,651 units (June 2023: 19,004 units) | 1,334 | 1,997 |
| Army Welfare Trust - Parent Company | | |
| Units held - 475,150 units (June 2023: Nil units) | 50,087 | - |
| Askari General Insurance Company Limited - Common directorship | | |
| Units held - 3,999,809 units (June 2023: 2,909,078 units) | 421,630 | 305,768 |
| Orix Leasing Pakistan Limited - Common directorship | | |
| Profit receivable | 11,577 | 5,083 |
| AWT Investments Limited- Provident Fund | | |
| Units held - 21,909 units (June 2023: 20,850 units) | 2,310 | 2,192 |
| Entities Holding 10% or more than 10% of units of the fund | | |
| Units held: Nil units (June 2023: 2,538,124 units) | - | 266,778 |

- 15.4 Remuneration payable to the Management Company and the Trustee have been determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively.
- 15.5 Purchase and redemption of units of the Fund by related parties / connected persons are recorded at the applicable net asset value per unit. Other transactions are at approved rates.

16. 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 market participants at the measurement date.

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.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the year end date. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify 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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

| | Note | Carrying amount | | | Fair value | | | | |
|---|--------|-----------------------------------|-------------------|-----------------------------|------------|---------|-----------|---------|-----------|
| | | Fair value through profit or Loss | At Amortized Cost | Other financial liabilities | Total | Level 1 | Level 2 | Level 3 | Total |
| | | (Rupees in '000) | | | | | | | |
| September 30, 2023 | | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | | |
| Investments | 4 | 2,541,898 | - | - | 2,541,898 | - | 2,541,898 | - | 2,541,898 |
| Financial assets not measured at fair value | | | | | | | | | |
| Bank balances | 3 | - | 1,867,942 | - | 1,867,942 | - | - | - | - |
| Profit receivable | 5 | - | 107,264 | - | 107,264 | - | - | - | - |
| Deposits and other receivables | 6 | - | 6,583 | - | 6,583 | - | - | - | - |
| | | - | 1,981,789 | - | 1,981,789 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | | |
| Payable to AWT Investment Limited Management Company | 7 | - | - | 3,293 | 3,293 | - | - | - | - |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 8 | - | - | 350 | 350 | - | - | - | - |
| Accrued expenses and other liabilities | 9 & 10 | - | - | 1,153 | 1,153 | - | - | - | - |
| | | - | - | 4,796 | 4,796 | - | - | - | - |
| | | Carrying amount | | | Fair value | | | | |
| | | Fair value through Profit or Loss | At Amortized Cost | Other financial liabilities | Total | Level 1 | Level 2 | Level 3 | Total |
| | | (Rupees in '000) | | | | | | | |
| June 30, 2023 | | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | | |
| Investments | 4 | 482,708 | - | - | 482,708 | - | 482,708 | - | 482,708 |
| Financial assets not measured at fair value | | | | | | | | | |
| Bank balances | 3 | - | 895,413 | - | 895,413 | - | - | - | - |
| Profit receivable | 5 | - | 40,185 | - | 40,185 | - | - | - | - |
| Deposits and other receivables | 6 | - | 100 | - | 100 | - | - | - | - |
| | | - | 935,698 | - | 935,698 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | | |
| Payable to AWT Investment Limited Management Company | 7 | - | - | 1,685 | 1,685 | - | - | - | - |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 9 | - | - | 170 | 170 | - | - | - | - |
| Accrued expenses and other liabilities | 9 & 10 | - | - | 15,475 | 15,475 | - | - | - | - |
| | | - | - | 17,330 | 17,330 | - | - | - | - |

17 GENERAL

17.1 Certain prior year's figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current year. However, there are no material re-arrangements / re-classifications to report.

18. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on October 24, 2023 by the Board of Directors of the Management Company.

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



Chief Executive Officer



Chief Financial Officer



Director

**AWT
INCOME FUND**

**CONDENSED INTERIM FINANCIAL
STATEMENT FOR QUARTER
ENDED
SEPTEMBER 30, 2023**

AWT INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2023

| | September 30, 2023 (Un-audited) | June 30, 2023 (Audited) |
|---|------------------------------------|----------------------------|
| | ----- (Rupees in '000) ----- | |
| Assets | | |
| Bank balances | 432,280 | 446,127 |
| Investments-net | 1,299,306 | 1,308,752 |
| Deposits, prepayments and other receivables | 55,741 | 44,760 |
| Total assets | 1,787,327 | 1,799,639 |
| Liabilities | | |
| Payable to AWT Investments Limited - Management Company | 25,638 | 21,576 |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | 621 | 238 |
| Fees payable to the Securities and Exchange Commission of Pakistan | 543 | 327 |
| Payable against redemption of units | 4,056 | 30,800 |
| Accrued expenses and other liabilities | 23,240 | 24,181 |
| Total liabilities | 54,098 | 77,102 |
| Net assets | 1,733,229 | 1,722,537 |
| Unit holders' fund (as per statement attached) | 1,733,229 | 1,722,537 |
| Contingencies and Commitments | - | - |
| | ----- (Number) ----- | |
| Number of units in issue | 14,869,604 | 15,628,054 |
| | ----- (Rupees) ----- | |
| Net assets value per unit | 116.5619 | 110.2208 |

The annexed notes from 1 to 16 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 QUARTER ENDED SEPTEMBER 30, 2023

| | Quarter ended September 30 | |
|--|-------------------------------|---------------|
| | 2023 | 2022 |
| Note | ----- (Rupees in '000) ----- | |
| Income | | |
| Return / mark up calculated using the effective interest method: | | |
| - Bank balances at amortised cost | 29,156 | 53,271 |
| - Government Securities - Held at fair value through profit or loss | 34,391 | 1,986 |
| - Sukuk certificates / Term Finance Certificates - Held at fair value through profit or loss | 36,553 | 2,719 |
| - Certificate of Musharika - Held at amortised cost | - | 2,599 |
| - Clean Placement | 2,556 | - |
| Capital gain on sale of investments-net | 2,173 | - |
| Net unrealised appreciation/(diminution) on remeasurement of investments classified as 'financial assets at fair value through profit or loss' | 3,858 | (6) |
| | 5.1 to 5.3 & 5.4.1 | |
| Total income | 108,687 | 60,570 |
| Expenses | | |
| Remuneration of the Management Company | 4,512 | 3,837 |
| Sindh Sales Tax on the Management Company's remuneration | 587 | 499 |
| Remuneration of the Trustee | 338 | 288 |
| Sindh Sales Tax on Trustee's remuneration | 44 | 37 |
| Annual fee to the Securities and Exchange Commission of Pakistan | 328 | 77 |
| Selling, marketing and back office expenses | 2,259 | 1,913 |
| NCCPL fee | 58 | - |
| Annual listing fee | 7 | 7 |
| Stability rating fee | 111 | 102 |
| Brokerage expenses | 34 | 1 |
| Auditors' remuneration | 166 | 106 |
| Provision against non-performing debt security | - | 138 |
| Settlement and bank charges | 3 | - |
| Total operating expenses | 8,447 | 7,005 |
| Net income for the period before taxation | 100,240 | 53,565 |
| Taxation | 11 | - |
| Net income for the period after taxation | 100,240 | 53,565 |
| Allocation of income for the period | | |
| Net income for the period after taxation | 100,240 | 53,565 |
| Income already paid on units redeemed | (26,062) | (10,116) |
| Net income for the period after taxation | 74,178 | 43,449 |
| Accounting income available for distribution | | |
| - Relating to capital gains | 1,327 | - |
| - Excluding capital gains | 72,851 | 43,449 |
| | 74,178 | 43,449 |

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


 Chief Executive Officer

For AWT Investments Limited
 (Management Company)


 Chief Financial Officer



 Director

**AWT INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

| | Quarter ended September 30, | |
|--|--------------------------------|----------------------|
| | 2023 | 2022 |
| | ----- (Rupees in '000) ----- | |
| Net income for the period after taxation | 100,240 | 53,565 |
| Other comprehensive income for the period | - | - |
| Total comprehensive income for the period | <u>100,240</u> | <u>53,565</u> |

The annexed notes from 1 to 16 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 (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

| Note | September 30, 2023 | | | September 30, 2022 | | |
|---|--------------------|----------------------|-------------------|--------------------|----------------------|-------------------|
| | Value | Undistributed Income | Total | Value | Undistributed Income | Total |
| (Rupees in '000) | | | | | | |
| Net assets at beginning of the period | 1,759,887 | (37,270) | 1,722,617 | 1,529,746 | (49,736) | 1,480,010 |
| Issuance of 3,712,628 units (2022: 4,443,982 units) | | | | | | |
| - Capital value | 409,209 | - | 409,209 | 405,929 | - | 405,929 |
| - Element of income | 16,141 | - | 16,141 | 11,013 | - | 11,013 |
| Total proceeds on issuance of units | 425,350 | - | 425,350 | 496,942 | - | 496,942 |
| Redemption of 4,471,078 units (2022: 4,200,457 units) | | | | | | |
| - Capital value | (492,806) | - | (492,806) | (459,394) | - | (459,394) |
| - Element of loss | 3,970 | (26,062) | (22,092) | (470) | (10,116) | (10,586) |
| Total payments on redemption of units | (488,836) | (26,062) | (514,898) | (459,870) | (10,116) | (469,986) |
| Total comprehensive income for the period | - | 100,240 | 100,240 | - | 53,565 | 53,565 |
| Net assets as at end of the period | 1,896,321 | 36,908 | 1,933,229 | 1,566,818 | (6,287) | 1,560,531 |
| Undistributed (loss) / income brought forward: | | | | | | |
| - Realized (loss) | | (31,718) | | | (49,921) | |
| - Unrealized (loss) / income | | (5,552) | | | 185 | |
| | | (37,270) | | | (49,736) | |
| Accounting income available for distribution: | | | | | | |
| Relating to capital gains | 1,327 | | | - | | |
| Excluding capital gains | 72,851 | | | 43,449 | | |
| | 74,178 | | | 43,449 | | |
| Undistributed Gain carried forward | | 36,908 | | | (6,287) | |
| Undistributed loss carried forward comprises of: | | | | | | |
| - Realized income / (loss) | | 40,766 | | | (6,293) | |
| - Unrealized income / (loss) | | 3,858 | | | (6) | |
| | | 36,908 | | | (6,287) | |
| Net assets value per unit as at the beginning of the period | | | (Rupees) 110.2208 | | | (Rupees) 109.3676 |
| Net assets value per unit as at the end of the period | | | 116.5619 | | | 113.2608 |

The annexed notes from 1 to 16 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 (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

| | Quarter ended September 30, 2023 | Quarter ended September 30, 2022 |
|---|--|--|
| <i>Note</i> | ----- (Rupees in '000) ----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period before taxation | 100,240 | 53,565 |
| Adjustments for: | | |
| through profit or loss ¹ | (3,858) | 6 |
| Net realised gain on sale of investments | (2,173) | - |
| Net cash used in operating activities | <u>(6,031)</u> | <u>6</u> |
| (Increase) / decrease in assets | | |
| Investments - net | 15,477 | (69,094) |
| Other receivables | (10,981) | (1,230) |
| | 4,496 | (70,324) |
| Increase / (decrease) in liabilities | | |
| Payable to the Management Company | 4,062 | 2,092 |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | 383 | 112 |
| Fees payable to the Securities and Exchange Commission of Pakistan | 216 | (188) |
| Payable against redemption of units | (26,744) | 3,000 |
| Accrued expenses and other liabilities | (921) | (8,091) |
| | (23,004) | (3,075) |
| Net cash generated from / (used in) operating activities | 75,701 | (19,829) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from issuance of units | 425,350 | 496,942 |
| Payment on redemption of units | (514,898) | (469,986) |
| Net cash flows from financing activities | <u>(89,548)</u> | <u>26,956</u> |
| Net (decrease)/Increase in cash and cash equivalents | (13,847) | 7,127 |
| Cash and cash equivalents at the beginning of the period | 446,127 | 1,370,846 |
| Cash and cash equivalents at the end of the period | <u><u>432,280</u></u> | <u><u>1,377,973</u></u> |

The annexed notes from 1 to 16 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 (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2023

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, 2023 (June 30, 2022: 'A+(f)').

The Pakistan Credit Rating Agency Limited (PACRA) has assigned Asset Manager Rating of 'AM3++' (Positive outlook) vide its report dated August 04, 2023 (August 05, 2022 'AM3++').

- 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

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan 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.

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, 2023.

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, 2023, 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 September 30, 2022.

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.

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 September 30, 2023.

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, 2023.
- 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, 2023.
- 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, 2023.

| 4. BANK BALANCES | | September 30, 2023 (Un-audited) | June 30, 2023 (Audited) |
|---|---|---------------------------------------|-------------------------------|
| | <i>Note</i> | ----- (Rupees in '000) ----- | |
| Profit and loss sharing accounts | 4.1 | <u>432,280</u> | <u>446,127</u> |
| 4.1 | These accounts carry profit rates ranging from 14.5% to 24% (30 June 2023: 13.75% to 22%) per annum. | | |
| 5 INVESTMENTS-NET | | September 30, 2023 (Un-audited) | June 30, 2023 (Audited) |
| | | ----- (Rupees in '000) ----- | |
| Investments by Category | | | |
| At fair value through profit or loss | | | |
| Government securities | | | |
| Pakistan Investment Bond | 5.1 | 346,900 | 495,870 |
| - Market Treasury Bills | 5.2 | 415,129 | 182,886 |
| Term finance certificates and sukuk bonds | | | |
| - Term Finance Certificate - unlisted | 5.3 | 235,775 | 232,986 |
| - Sukuk certificate - unlisted | 5.4 & 5.5 | <u>301,502</u> | <u>397,010</u> |
| | | <u>1,299,306</u> | <u>1,308,752</u> |

5.1 Government Securities - Pakistan Investment Bonds at fair value through profit or loss

| Tenor | Face Value | | | As at September 30, 2023 | | | Market value of investments as a percentage of | | |
|---------------------------------------|---------------------|---------------------------|--------------------------------|--------------------------|----------------|----------------|--|-------------------|---------------|
| | As at July 01, 2023 | Purchased during the year | Sold / Matured during the year | As at September 30, 2023 | Carrying Value | Market value | Unrealized gain / (loss) on revaluation | Total Investments | Net assets |
| - 2 years | 300,000 | 50,000 | - | 350,000 | 345,736 | 346,900 | 1,164 | 26.70% | 20.01% |
| - 3 years | 200,000 | - | (200,000) | - | - | - | - | - | - |
| Total as at September 30, 2023 | 500,000 | 50,000 | (200,000) | 350,000 | 345,736 | 346,900 | 1,164 | 26.70% | 20.01% |
| Total as at June 30, 2023 | | | | | 497,074 | 495,870 | (1,204) | 37.89% | 28.79% |

5.2 Government Securities - Market Treasury Bills at fair value through profit or loss

| Tenor | Face Value | | | As at September 30, 2023 | | | Market value of investments as a percentage of | | |
|---------------------------------------|---------------------|-----------------------------|----------------------------------|--------------------------|----------------|----------------|--|-------------------|---------------|
| | As at July 01, 2023 | Purchased during the period | Sold / matured during the period | As at September 30, 2023 | Carrying Value | Market value | Unrealized gain / (loss) on revaluation | Total Investments | Net assets |
| - 3 months | 115,000 | 230,000 | - | 345,000 | 338,577 | 338,451 | (116) | 25.05% | 19.53% |
| - 1 Year | 77,500 | - | - | 77,500 | 76,675 | 76,668 | (7) | 5.90% | 4.42% |
| Total as at September 30, 2023 | 192,500 | 230,000 | - | 422,500 | 415,252 | 415,129 | (123) | 31.95% | 23.95% |
| Total as at June 30, 2023 | | | | | 184,843 | 182,886 | (1,957) | 13.97% | 10.52% |

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

| Name of Investee Company | Note | Number of certificates | | | As at September 30, 2023 | | | Market value of investments as a percentage of | | |
|---------------------------------------|-------|------------------------|-----------------------------|----------------------------|--------------------------|----------------|----------------|--|-------------------|---------------|
| | | As at July 01, 2023 | Purchased during the period | Disposed during the period | As at September 30, 2023 | Carrying Value | Market value | Unrealized gain / (loss) on revaluation | Total Investments | Net assets |
| Bank Al-Habib Limited | 5.3.1 | 10,000 | 10,000 | - | 20,000 | 100,760 | 101,862 | 1,102 | 7.84% | 5.88% |
| Scribi Bank Ltd | - | - | 1,350 | - | 1,350 | 132,190 | 133,913 | 1,723 | 10.31% | 7.73% |
| Total as at September 30, 2023 | | 10,000 | 11,350 | - | 21,350 | 232,950 | 235,775 | 2,825 | 18.15% | 13.60% |
| Total as at June 30, 2023 | | | | | 234,953 | 232,986 | (1,967) | 17.80% | 13.53% | |

5.3.1 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 | 20,000 | 4,999 | 6 months KIBOR + 1.5% | 20-Dec-22 | Unsecured | AAA (Long Term) |
| Srireni Bank Ltd | 1,350 | 99,980 | 6 months KIBOR + 1.5% | 25-Dec-32 | Unsecured | AAA (Long Term) |

5.4 Sukuk Certificates at fair value through profit or loss

| Label: Provision against sukuk certificates | 5.4.1 | September 30, 2023 | June 30, 2023 |
|---|-------|--------------------|----------------|
| Fair value | 5.4.1 | 306,170 | 401,678 |
| - Hascol Petroleum Limited | 5.3.2 | (4,668) | (4,668) |
| | | <u>301,502</u> | <u>397,010</u> |

5.4.1 Sukuk Certificates

| Name of Investee Company | Note | As at July 01, 2023 | Purchased during the period | Disposed during the period | As at September 30, 2023 | As at September 30, 2023 | | Market value of investments as a percentage of | | |
|--|---------|---------------------|-----------------------------|----------------------------|--------------------------|------------------------------|--------------|--|-------------------|--------------|
| | | | | | | Carrying Value | Market value | Unrealized (loss) / gain on revaluation | Total investments | Net assets |
| (Number of certificates) | | | | | | (Rupees in '000) | | | | |
| - Sukuk certificate (privately placed) Aspin Pharma (Private) Limited | 5.3.1.1 | 500 | - | - | 500 | 2,510 | 2,502 | (8) | 0.19% | 0.14% |
| Total as at September 30, 2023 | | | | | | <u>2,510</u> | <u>2,502</u> | <u>(8)</u> | <u>0.19%</u> | <u>0.14%</u> |
| Total as at June 30, 2023 | | | | | | <u>5,434</u> | <u>5,010</u> | <u>(424)</u> | <u>0.38%</u> | <u>0.29%</u> |

5.4.1.1 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 |
|---|------------------------|----------------------------|------------------------|---------------|--------------------|--------|----------------|---|
| Sukuk certificate (privately placed) | | | | | | | | |
| Aspin Pharma (Private) Limited | 500 | 100,000 | 3 months KIBOR + 1.5% | 30-Nov-23 | Secured | A | | Interest is payable Ranking charge on all present and future quarterly while the fixed assets (land, building, plant and principal is payable maturity) of the company inclusive of quarterly in twenty 15% margin on the issue amount. equal instalments of Rs. 2.5 million. |
| Sukuk certificate (listed) | | | | | | | | |
| Hascol Petroleum Limited | 3,800 | 5,000 | 3 months KIBOR + 1.5% | 7-Jan-22 | Secured | D | | Interest is payable First pari-passu charge over specific quarterly while the deposits and retail outlets of the company principal is also inclusive of a 25% margin payable quarterly at equal principal instalments of Rs. 0.95 million. |

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 23 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) | 4,698 | 4,698 | - | 0.00% | 0.00% |

5.5 Short Term Sukuk Certificates

| 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 | Market value of investments as a percentage of | | | | | |
|---|--------------------|---|-----------|--|--|--|--|---------------------------|--------------------------|--------------------------|----------------|--------------|
| | | | | | | | As at July 01, 2023 | Purchased during the year | Disposed during the year | As at September 30, 2023 | Carrying Value | Market value |
| - Sukuk certificate (privately placed) | | | | | | | | | | | | |
| HUBCO | | 195,000 | 26,000 | 129,000 | 9.70% | 7.27% | | | | | | |
| KEL-STS-15 | | 18,000 | - | 18,000 | 1.29% | 1.04% | | | | | | |
| KEL-STS-20 | | - | 155,000 | 155,000 | 11.93% | 8.94% | | | | | | |
| KEL-STS-15 | | 155,000 | - | 155,000 | 0.00% | 0.00% | | | | | | |
| LEPCL-R | | 62,000 | 62,000 | - | 0.00% | 0.00% | | | | | | |
| Total as at September 30, 2023 | | | | 299,000 | 23.91% | 17.25% | | | | | | |
| | | | | | | | 392,000 | 392,000 | - | 29.95% | 22.78% | |

Total as at June 30, 2023

| | | September 30, 2023 (Un-audited) | June 30, 2023 (Audited) |
|---|------|---------------------------------------|-------------------------------|
| | Note | ----(Rupees in '000)---- | |
| 6. DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES | | | |
| Security Deposit | | 100 | 100 |
| <i>Return / markup receivable on:</i> | | | |
| - Bank balances | | 8,941 | 7,917 |
| - Term finance certificates / sukuk | | 27,801 | 19,528 |
| - Government securities | | 15,663 | 13,979 |
| Income tax recoverable | 6.1 | <u>3,236</u> | <u>3,236</u> |
| | | <u>55,741</u> | <u>44,760</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.

7. PAYABLE TO THE MANAGEMENT COMPANY

| | | | |
|---|-----|---------------|---------------|
| Management remuneration payable | 7.1 | 6,008 | 4,412 |
| Sindh Sales Tax on Management's remuneration | 7.2 | 2,853 | 2,645 |
| Payable against selling and marketing expenses relating to the Fund | 7.3 | <u>16,778</u> | <u>14,519</u> |
| | | <u>25,638</u> | <u>21,576</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 period ended September 30, 2023.

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 1.74% (2023: 1.90%) per annum of the daily net assets. In prior year, these expenses were charged for the period from July 01, 2023 to September 30, 2023.

8. ACCRUED EXPENSES AND OTHER LIABILITIES

| | | September 30, 2023 (Un-audited) | June 30, 2023 (Audited) |
|--------------------------------|-----|---------------------------------------|-------------------------------|
| | | ----(Rupees in '000)---- | |
| Federal Excise Duty | 8.1 | 20,813 | 20,813 |
| Auditors' remuneration payable | | 451 | 285 |
| NCCPL | | 317 | 258 |
| Withholding tax payable | | 13 | 1,683 |
| Brokerage payable | | 47 | - |
| Mutual Fund Rating Fee | | 671 | 550 |
| Annual listing fee | | 34 | 28 |
| Other payables | | <u>894</u> | <u>534</u> |
| | | <u>23,240</u> | <u>24,161</u> |

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 (2023: Rs. 20.813 million). Had the provision not been made, NAV per unit of the Fund as at September 30, 2022 would have been higher by Re. 1.51 (2023: Rs. 1.33) per unit.

9. CONTINGENCIES AND COMMITMENTS

9.1 There are no other contingencies and commitments during the period other than those already disclosed in the annual audited financial statements for the year end June 30, 2023.

9.2 There is no commitments as of September 30, 2023 (June 30, 2023: Rs. Nil).

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 September 30, 2023 is 1.79% (2022: 1.83%), which includes 0.16% (2022: 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 quarter ended September 30, 2023. 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. 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 September 30, 2023. 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:

| | Note | September 30, 2023 (Un-audited) | June 30, 2023 (Audited) |
|---|------|---------------------------------------|-------------------------------|
| ----- (Rupees in '000) ----- | | | |
| 13 Details of balances with related parties / connected persons as at period end | | | |
| AWT Investments Limited - Management Company | | | |
| Remuneration payable to the Management Company, including sales tax | 7 | 8,860 | 7,057 |
| Selling and Marketing and Backoffice Expense | | 16,778 | 14,519 |
| Army Welfare Trust - parent entity of the Management Company | | | |
| Units held - 1,718,920 units (June 30 2023: 2,049,702 units) | | 200,361 | 225,920 |
| Askari General Insurance Limited-Employees Provident Fund | | | |
| Units held - 35,372 units (June 30 2023: 35,372 units) | | 4,122 | 3,899 |
| Askari General Insurance Limited-Employees Gratuity Fund | | | |
| Units held - 284,093 units (June 30 2023: 284,093 units) | | 33,114 | 31,313 |
| MAL Pakistan Limited -Staff Provident Fund - common directorship of the Management Company | | | |
| Units held 7,125 units (June 30 2023: 7,125 units) | | 830 | 785 |
| MAL Pakistan Limited -Staff Gratuity Fund - common directorship of the Management Company | | | |
| Units held 71,119 units (June 30 2023: 71,119 units) | | 8,290 | 7,839 |
| Central Depository Company of Pakistan Limited - Trustee of the Fund | | | |
| Remuneration payable to the Trustee, including sales tax | | 621 | 238 |
| Security deposit | | 100 | 100 |

| | September 30, 2023 (Un-audited) ------(Rupees in '000)----- | June 30, 2023 (Audited) |
|---|--|------------------------------------|
| Key Management Personnel of the Management Company | | |
| Units held 883 units (June 30 2023: 883 units) | <u>104</u> | <u>98</u> |
| Unitholders holding 10% or more units in issue | | |
| Units held 1,899,239 units (June 30 2023: 3,402,436 units) | <u>221,378</u> | <u>375,019</u> |
| | September 30, 2023 (Un-audited) ------(Rupees in '000)----- | September 30, 2022 (Audited) |
| Details of transactions with related parties / connected persons during the period | | |
| AWT Investments Limited - Management Company | | |
| Remuneration of Management Company including sales tax | <u>5,099</u> | <u>4,336</u> |
| Issuance of Nil units (2022: 428,594 units) | <u>-</u> | <u>47,000</u> |
| Redemption of Nil units (2022: 427,375 units) | <u>-</u> | <u>46,967</u> |
| Selling and Marketing and Backoffice Expense | <u>2,259</u> | <u>1,913</u> |
| Army Welfare Trust - parent entity of the Management Company | | |
| Issuance of 1,718,920 units (2022: 1,766,140 units) | <u>200,000</u> | <u>200,000</u> |
| Redemption of 2,049,702 units (2022: 1,926,718 units) | <u>238,346</u> | <u>218,097</u> |
| Central Depository Company of Pakistan Limited - Trustee of the Fund | | |
| Remuneration of the Trustee | <u>338</u> | <u>288</u> |
| Sindh sales tax on trustee remuneration | <u>44</u> | <u>37</u> |
| CDC Settlement Charges | <u>1</u> | <u>1</u> |
| Key Management Personnel of the Management Company | | |
| Issuance of Nil units (2022: 3159 units) | <u>-</u> | <u>350</u> |
| Redemption of Nil units (2022: 7744 units) | <u>-</u> | <u>659</u> |

- 13.1 Remuneration payable to the Management Company and the Trustees have been determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively.

14 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 market participants at the measurement date.

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.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the year end date. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and these prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify 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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1),
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2),
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

| On-balance sheet financial instruments | Note | Carrying amount | | | Fair value | | |
|---|------|--|--|-------------------|------------|---------|-----------|
| | | Mandatorily at fair value through profit or loss | At fair value through other comprehensive income | At amortised cost | Total | Level 1 | Level 2 |
| September 30, 2023 | | | | | | | |
| ----- (Rupees in '000) ----- | | | | | | | |
| Financial assets measured at fair value | | | | | | | |
| Investments | 5 | 1,299,306 | - | - | 1,299,306 | - | 1,299,306 |
| Financial assets not measured at fair value | 14.1 | | | | | | |
| Bank balances | 4 | - | - | 432,280 | 432,280 | | |
| Other receivables | 5 | - | - | 52,505 | 52,505 | | |
| | | - | - | 484,785 | 484,785 | | |
| Financial liabilities not measured at fair value | 14.1 | | | | | | |
| Remuneration payable to the Management Company | 7 | - | - | 25,638 | 25,638 | | |
| Remuneration payable to the Trustee | 8 | - | - | 621 | 621 | | |
| Accrued expenses and other liabilities | 8 | - | - | 7,013 | 7,013 | | |
| | | - | - | 33,272 | 33,272 | | |
| June 30, 2023 | | | | | | | |
| ----- (Rupees in '000) ----- | | | | | | | |
| Financial assets measured at fair value | | | | | | | |
| Investments | 5 | 1,308,752 | - | - | 1,308,752 | - | 1,308,752 |
| Financial assets not measured at fair value | 14.1 | | | | | | |
| Bank balances | | - | - | 446,127 | 446,127 | | |
| Other receivables | | - | - | 31,312 | 31,312 | | |
| | | - | - | 477,439 | 477,439 | | |
| Financial liabilities not measured at fair value | 14.1 | | | | | | |
| Remuneration payable to the Management Company | | - | - | 21,576 | 21,576 | | |
| Remuneration payable to the Trustee | | - | - | 238 | 238 | | |
| Accrued expenses and other liabilities | | - | - | 1,510 | 1,510 | | |
| | | - | - | 23,324 | 23,324 | | |

14.1 The Fund has not disclosed the fair values for the above financial assets (other than for investments) and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair values.

15 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

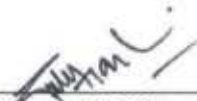
16 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue by Board of Directors of the Management Company on October 24, 2023.

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



Chief Executive Officer



Chief Financial Officer



Director

**AWT
MONEY MARKET FUND**


**CONDENSED INTERIM FINANCIAL
STATEMENT FOR QUARTER
ENDED
SEPTEMBER 30, 2023**

AWT MONEY MARKET FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2023

| | | September 30, 2023 (Unaudited) | June 30, 2023 (Audited) |
|--|------|--------------------------------------|-------------------------------|
| | Note | ----- (Rupees in '000) ----- | |
| Assets | | | |
| Bank Balances | 4 | 29,787 | 362,699 |
| Investments | 5 | 2,908,702 | 2,482,810 |
| Security deposits | | 100 | 100 |
| Advances and other receivables | | 53,235 | 42,842 |
| Total assets | | <u>2,991,824</u> | <u>2,888,451</u> |
| Liabilities | | | |
| Payable to AWT Investments Limited - Management Company | 6 | 2,746 | 2,234 |
| Payable to Central Depository Company of Pakistan Ltd. - Trustee | | 611 | 141 |
| Fee payable to the Securities & Exchange Commission of Pakistan | | 169 | 285 |
| Payable against redemption of units | | 400 | - |
| Accrued expenses and other liabilities | 7 | 7,967 | 3,053 |
| Total liabilities | | <u>11,893</u> | <u>5,713</u> |
| Contingencies and commitments | 8 | - | - |
| Net assets | | <u>2,979,931</u> | <u>2,882,738</u> |
| Unit holders' fund | | <u>2,979,931</u> | <u>2,882,738</u> |
| | | ----- (Number) ----- | |
| Number of units in issue | | <u>25,284,356</u> | <u>24,565,184</u> |
| | | ----- (Rupees) ----- | |
| Net assets value per unit | | <u>117.8567</u> | <u>117.3505</u> |

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For AWT Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**AWT MONEY MARKET FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

| | Quarter ended September 30, | |
|---|--------------------------------|---------------|
| | 2023 | 2022 |
| | (Rupees in '000) | |
| Income | | |
| Markup income | | |
| - Bank deposits | 8,895 | 2,558 |
| - Government securities | 121,039 | 15,015 |
| - Clean placements and sukuks | 36,305 | - |
| Net unrealized appreciation on re-measurement of investments classified as ' financial assets at fair value through profit or loss' | 2,341 | 17 |
| Net realized (loss) / gain on sale of investments | <u>(1,413)</u> | <u>37</u> |
| | 167,167 | 17,627 |
| Expenses | | |
| Remuneration of the Management Company | 5,249 | 238 |
| Sindh sales tax on services on the Management Company's remuneration | 682 | 31 |
| Remuneration to the Trustee | 415 | 65 |
| Sindh sales tax on services on the Trustee's remuneration | 54 | 8 |
| Fee Payable to the Securities & Exchange Commission of Pakistan | 549 | 24 |
| Auditors' remuneration | 95 | 81 |
| Annual listing fee | 6 | 7 |
| Bank and settlement charges | 0 | 1 |
| Brokerage expenses | 69 | 5 |
| Rating fee | 48 | 49 |
| Other expenses | - | 6 |
| Total expenses | 7,167 | 515 |
| Net income for the period before taxation | 160,000 | 17,112 |
| Taxation | 10. - | - |
| Net income for the period after taxation | 160,000 | 17,112 |
| Allocation of income for the period | | |
| Net income for the period after taxation | 160,000 | 17,112 |
| Income already paid on units redeemed | <u>(2,279)</u> | <u>(982)</u> |
| Net income for the period after taxation | 157,721 | 16,130 |
| Accounting income available for distribution | | |
| - Relating to capital gains | 742 | 54 |
| - Excluding capital gains | <u>156,979</u> | <u>16,076</u> |
| | 157,721 | 16,130 |

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

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



Chief Executive Officer



Chief Financial Officer



Director

AWT MONEY MARKET FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

| | Quarter ended September 30, | |
|--|--------------------------------|---------------|
| | 2023 | 2022 |
| | (Rupees in '000) | |
| Net income for the period after taxation | 160,000 | 17,112 |
| Other comprehensive income for the period | - | - |
| Total comprehensive income for the period | 160,000 | 17,112 |

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For AWT Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

AWT MONEY MARKET FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

| | Quarter ended September 30, 2023 | | | Quarter ended September 30, 2022 | | |
|---|----------------------------------|----------------------|-----------|----------------------------------|----------------------|-----------|
| | Value | Undistributed Income | Total | Value | Undistributed Income | Total |
| | (Rupees in '000) | | | | | |
| Net assets at beginning of the quarter as previously reported as previously reported (Audited) | 2,931,719 | (46,981) | 2,882,738 | 439,771 | (66,848) | 372,923 |
| Issuance of 5,860,575 units (September 30, 2022: 5,260,882 units) | | | | | | |
| - Capital value | 887,740 | - | 887,740 | 609,764 | - | 609,764 |
| - Element of income / (loss) | 3,019 | - | 3,019 | 3,544 | - | 3,544 |
| Total proceeds on issuance of units | 690,759 | - | 690,759 | 613,308 | - | 613,308 |
| Redemption of 5,158,567 units (September 30, 2022: 2,376,646 units) | | | | | | |
| - Capital value | (603,346) | - | (603,346) | (273,849) | - | (273,849) |
| - Element of income | (386) | (2,279) | (2,665) | (232) | (982) | (1,214) |
| Total payments on redemption of units | (603,732) | (2,279) | (606,011) | (274,081) | (982) | (275,063) |
| 1st interim distribution of Rs. 2.0986 per unit declared on July 31, 2023 (September 30, 2022: Rs. 0.9336 per unit declared on July 23, 2022) | | | | | | |
| - Cash distribution | (1,510) | (51,736) | (51,736) | - | (2,702) | (2,702) |
| - Refund of capital | | | (1,510) | (204) | - | (204) |
| 2nd interim distribution of Rs. 1.6500 per unit declared on August 24, 2023 (September 30, 2022: Rs. 1.4231 per unit declared on August 23, 2022) | | | | | | |
| - Cash distribution | (35) | (42,116) | (42,116) | - | (4,277) | (4,277) |
| - Refund of capital | | | (35) | (88) | - | (88) |
| 3rd interim distribution of Rs. 2.0436 per unit declared on September 22, 2023 (September 30, 2022: Rs. 1.4654 per unit declared on September 23, 2022) | | | | | | |
| - Cash distribution | (470) | (51,688) | (51,688) | (2,668) | (6,791) | (6,791) |
| - Refund of capital | | | (470) | | | (2,668) |
| Total distribution during the period | (2,015) | (145,540) | (147,555) | (2,960) | (13,770) | (16,730) |
| Total comprehensive income for the quarter | - | 160,000 | 160,000 | - | 17,112 | 17,112 |
| Net assets as at end of the quarter | 3,016,731 | (36,800) | 2,979,931 | 776,038 | (64,488) | 711,550 |
| Undistributed income brought forward: | | | | | | |
| - Realized income / (loss) | | | | | (66,848) | |
| - Unrealized income | | | | | (66,848) | |
| Accounting income available for distribution: | | | | | | |
| Relating to capital gains | 742 | | | 54 | | |
| Excluding capital gains | 156,979 | | | 16,076 | | |
| Dividend paid during the period | | | | | (13,770) | |
| Undistributed income at end of the quarter | | 157,721 | | | (64,488) | |
| Undistributed income carried forward: | | | | | | |
| - Realized (loss) / income | | 155,380 | | | (84,505) | |
| - Unrealized (loss) / income | | 2,341 | | | 17 | |
| | | 157,721 | | | (64,488) | |
| | | | (Rupees) | | | (Rupees) |
| Net assets value per unit at beginning of the quarter | | | 117.3505 | | | 91.52 |
| Net assets value per unit at end of the quarter | | | 117.8567 | | | 113.48 |

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For AWT Investments Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

AWT MONEY MARKET FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

| Note | September 30, | |
|--|------------------|-----------|
| | 2023 | 2022 |
| | (Rupees in '000) | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the year before taxation | 160,000 | 17,112 |
| Adjustments for: | | |
| Net unrealized appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' | (2,341) | (17) |
| Net realized (loss) / gain on sale of investments | 1,413 | (37) |
| | 159,072 | 17,058 |
| Decrease in current assets | | |
| Investments - net | (424,964) | (670,765) |
| Prepayment and Other receivable | (10,393) | 20,665 |
| Security deposits | - | 2,244 |
| | (435,358) | (647,856) |
| (Decrease) / increase in current liabilities | | |
| Payable to the Management Company | 512 | 70 |
| Remuneration payable to the Trustee | 470 | 35 |
| Annual fee payable to Securities and Exchange Commission of Pakistan | (116) | 24 |
| Accrued expenses and other liabilities | 5,314 | (151) |
| | 6,181 | (22) |
| Net cash (outflows) / inflow from operating activities | (270,105) | (630,820) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Amount received on issuance of units | 688,744 | 613,308 |
| Amount paid on redemption of units | (606,011) | (275,063) |
| Distribution during the period | (145,540) | (13,770) |
| Net cash outflows from financing activities | (62,807) | 324,475 |
| Net decrease in cash and cash equivalents | (332,912) | (306,345) |
| Cash and cash equivalents at beginning of the quarter | 362,699 | 397,646 |
| Cash and cash equivalents at end of the quarter | 4 29,787 | 91,301 |

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For AWT Investments Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

AWT MONEY MARKET FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** AWT Money Market Fund ('the Fund') was established under a Trust Deed, dated 29 September 2015, executed between AWT Investments Limited as Management Company, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and the Central Depository Company of Pakistan Limited (CDC) as the Trustee, also incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Securities and Exchange Commission of Pakistan (SECP) registered the Fund as a Notified Entity on 15 October 2015, under Regulations 44 of the Non Banking Finance Companies and Notified Entities Regulations, 2008 (Establishment and Regulation) Rules. 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. Chundrigar Raod, Karachi.
- 1.2** The Fund is an open end mutual Fund and is listed on the Pakistan Stock Exchange Limited. The Fund offers units for public subscription on a continuous basis. These can be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.3** The Scheme is an 'Open end Money Market Scheme' as per the criteria for the categorization of open-end collective investment schemes as per Circular 07 of 2009, issued by the Securities and Exchange Commission of Pakistan (SECP). The objective of the Fund is to provide stable and competitive returns with low volatility that are in line with the money markets and consistent with capital preservation. Accordingly, the Fund consists of a liquid portfolio of low risk, short-term investments

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.

- 1.4** The Pakistan Credit Rating Agency Limited (PACRA) has assigned an Asset Manager Rating of 'AM3++' (Positive outlook) vide its report dated August 04, 2023.

The Pakistan Credit Rating Agency Limited has maintained 'AA+(f)' rating to the Fund vide its report dated April 13, 2023 based on the performance review of period ended December 31, 2022.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan 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 VIII A 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 VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

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, 2023.

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 period ended September 30, 2022.

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.

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 September 30, 2023.

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, 2023.

- 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, 2023.
- 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, 2023.

| | <i>Note</i> | September 30, 2023 (Unaudited) | June 30, 2023 (Audited) |
|----------------------------------|-------------|--------------------------------------|-------------------------------|
| 4. BANK BALANCES | | (Rupees in '000) | |
| Profit and loss sharing accounts | 4.1 | <u>29,787</u> | <u>362,699</u> |

- 4.1 These accounts carry profit rate ranging from 19% to 20.50% (June 30, 2023: 12.5% to 19.5%) per annum.

5. INVESTMENTS

**At fair value through profit or loss
- held for trading**

| | | | |
|-----------------------|-----------|-------------------------|-------------------------|
| Government securities | 5.1 & 5.2 | 2,354,702 | 1,978,810 |
| Short Term Sukuks | 5.3 | <u>554,000</u> | <u>504,000</u> |
| | | <u>2,908,702</u> | <u>2,482,810</u> |

5.1 Held for trading investments - Government Securities

| Government Securities | Number of holdings as at July 1, 2023 | Acquired during the period | Sold / matured during the period | Number of holdings as at September 30, 2023 | Carrying value as at September 30, 2023 | Market value as at September 30, 2023 | Unrealised appreciation / (diminution) | Market value as percentage of total investment | Market value as percentage of net assets of the fund |
|--|---------------------------------------|----------------------------|----------------------------------|---|---|---------------------------------------|--|--|--|
| - Treasury Bills - 3 months (face value of Rs. 100,000 each) | | 20,350 | 104,935 | 103,485 | 21,800 | 2,105,327 | 2,437 | 72.36% | 70.85% |
| Total as at September 30, 2023 | | | | | 2,102,890 | 2,105,327 | 2,437 | 72.36% | 70.85% |
| | | | | | 2,102,890 | 2,105,327 | 2,437 | 72.36% | 70.85% |
| | | | | | 1,980,742 | 1,978,810 | (1,932) | 79.70% | 88.84% |

5.2 Government Securities - Pakistan Investment Bonds at fair value through profit or loss - net

| Tenor | As at July 01, 2023 | Purchased during the year | Sold / matured during the year | Face Value | | As at September 30, 2023 | Carrying Value | Market Value | Unrealized gain / (loss) on revaluation | Total Investment | Net assets |
|---------------------------------------|---------------------|---------------------------|--------------------------------|---------------------|--------------------------|--------------------------|----------------|--------------|---|------------------|------------|
| | | | | As at July 01, 2023 | As at September 30, 2023 | | | | | | |
| - 2 years | - | 250,000 | - | 250,000 | 249,471 | 249,375 | (96,00) | 8.57% | 8.37% | | |
| Total as at September 30, 2023 | 250,000 | 250,000 | - | 250,000 | 249,471 | 249,375 | (96,00) | 8.57% | 8.37% | | |
| Total as at June 30, 2023 | - | - | - | - | - | - | - | - | - | | |

5.3 Sukuk Certificates - unlisted at fair value through profit or loss

| Name of Investee Company | Note | As at July 01, 2023 | Purchased during the period | Disposed during the period | As at September 30, 2023 | Carrying Value | Market Value | Unrealized (loss) / gain on revaluation | Total Investments | Net assets | |
|---|-------|---------------------|-----------------------------|----------------------------|--------------------------|----------------|----------------|---|-------------------|---------------|--------------------------|
| | | | | | | | | | | | (Number of certificates) |
| - Sukuk certificate (privately placed) | | | | | | | | | | | |
| K-Electric Limited (STS-17) | 5.3.1 | 90 | - | - | 90 | 90,000 | 90,000 | - | 3.09% | 3.02% | |
| K-Electric Limited (STS-18) | 5.3.1 | - | 95 | - | 85 | 85,000 | 85,000 | - | 2.92% | 2.85% | |
| K-Electric Limited (STS-19) | 5.3.1 | - | 45 | - | 45 | 45,000 | 45,000 | - | 1.55% | 1.51% | |
| K-Electric Limited (STS-20) | 5.3.1 | - | 80 | - | 80 | 80,000 | 80,000 | - | 2.75% | 2.68% | |
| The Hub Power Company Limited | 5.3.1 | 190 | - | - | 190 | 190,000 | 190,000 | - | 6.53% | 6.38% | |
| Lucky Electric Power Company Limited | 5.3.1 | 24 | - | - | 24 | 64,000 | 64,000 | - | 2.20% | 2.15% | |
| | | 344 | 210 | - | 554 | 554,000 | 554,000 | - | 19.05% | 18.59% | |

5.3.1 Significant Terms and Conditions of sukuk certificates (Privately placed) are as follows:

| Name of Security | Number of certificates | Face value per certificate | Mark-up rate per annum | Maturity date | Secured/ Unsecured | Rating |
|--------------------------------------|------------------------|----------------------------|------------------------|---------------|--------------------|--------|
| K-Electric Limited (STS-17) | 60 | 10,000 | 6 months KIBOR + 0.50% | 17-Nov-23 | Secured | A-1+ |
| K-Electric Limited (STS-18) | 85 | 10,000 | 6 months KIBOR + 0.50% | 09-Feb-24 | Secured | A-1+ |
| K-Electric Limited (STS-19) | 45 | 10,000 | 6 months KIBOR + 0.50% | 28-Feb-24 | Secured | A-1+ |
| K-Electric Limited (STS-20) | 80 | 10,000 | 8 months KIBOR + 0.50% | 22-Mar-24 | Secured | A-1+ |
| The Hub Power Company Limited | 190 | 10,000 | 6 months KIBOR + 0.50% | 17-Nov-23 | Secured | A1+ |
| Lucky Electric Power Company Limited | 64 | 10,000 | 6 months KIBOR + 0.50% | 12-Dec-23 | Secured | A1+ |

| | September 30, 2023 (Unaudited) | June 30, 2023 (Audited) |
|---|--------------------------------------|-------------------------------|
| (Rupees in '000) | | |
| 6. PAYABLE TO AWT INVESTMENTS LIMITED - MANAGEMENT COMPANY | | |
| Remuneration of the Management Company | 2,124 | 1,669 |
| Sindh Sales Tax on remuneration of the Management Company | 622 | 562 |
| Preliminary and floatation costs | - | 3 |
| | <u>2,746</u> | <u>2,234</u> |

7. ACCRUED EXPENSES AND OTHER LIABILITIES

| | | | |
|--|-----|--------------|--------------|
| Federal Excise Duty on Remuneration of the Management Company | 7.1 | 2,644 | 2,644 |
| Auditors' remuneration payable | | 383 | 289 |
| Payable to broker | | 92 | - |
| Printing and stationary expenses | | 23 | 23 |
| Annual listing fee | | 34 | 28 |
| Withholding tax payable | | 4,713 | 55 |
| Others- payable | | 78 | 14 |
| | | <u>7,967</u> | <u>3,053</u> |

- 7.1 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. 2.644 million (2022: Rs. 2.644 million). Had the provision not been made, NAV per unit of the Fund as at September 30, 2023 would have been higher by Re. 0.10 (June 30, 2023: Rs. 0.11) per unit.

8. CONTINGENCIES AND COMMITMENTS

There are no other contingencies and commitments during the period other than those already disclosed in the Annual report June 30, 2022.

9. TOTAL EXPENSE RATIO

Total expense ratio (comprising all the expenses, including government levies, incurred during the year divided by average net asset value for the period) of the Fund for the period ended September 30, 2022 is 0.49%, which includes 0.05% representing government levies on collective investment scheme such as SWWF, sales taxes, SECP fee, etc. This ratio is within limit of 2% prescribed under the NBFC Regulations for collective investment scheme categorised as money market fund.

10. 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. Accordingly, no provision has been made in the financial statements for the quarter ended September 30, 2023.

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.

11. TRANSACTIONS 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, other funds managed by the Management Company, associated companies (if any) 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 30 September 2023 or during the quarter. It also includes the staff retirement funds of the above related parties / connected person. Details of the transactions and balances with the related parties / connected persons, other than those which has been disclosed elsewhere are as follows:

11.1 Balances with related parties / connected persons as at period end

| | September 30, 2023 (Unaudited) | June 30, 2023 (Audited) |
|---|--------------------------------------|-------------------------------|
| (Rupees in '000) | | |
| AWT Investments Limited - Management Company of the Fund | | |
| Payable to the Management Company | <u>2,746</u> | <u>2,234</u> |
| Federal excise duty payable on remuneration of Management Company | <u>2,644</u> | <u>2,644</u> |
| Receivable from the Management Company | <u>1,514</u> | <u>1,514</u> |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration payable to the Trustee including sales tax | <u>611</u> | <u>141</u> |
| Security Deposit | <u>100</u> | <u>100</u> |
| AWT Investments Limited Provident Fund | | |
| Units held - 15,604 units (30 June 2023: 14,921) | <u>1,839</u> | <u>1,750</u> |
| Army Welfare Trust | | |
| Units Held 2,549,609 units (30 June 2023: 2,873,647 units) | <u>300,488</u> | <u>337,202</u> |

| | September 30, 2023 (Unaudited) (Rupees in '000) | June 30, 2023 (Audited) (Rupees in '000) |
|--|--|--|
| Key Management Personnel of the Management Company Units held 2 units (30 June 2023: 1 unit) | - | - |
| Unitholders holding 10% or more units in issue Units held 13,670,875 units (30 June 2023: 13,383,413 units) | <u>1,611,204</u> | <u>1,570,550</u> |
| 11.2 Detail of transactions with connected persons as at quarter ended | | |
| | September 30, 2023 (Unaudited) (Rupees in '000) | September 30, 2022 (Unaudited) (Rupees in '000) |
| AWT Investments Limited - Management Company of the Fund | | |
| Remuneration of the Management Company | <u>5,249</u> | <u>238</u> |
| Sindh Sales Tax on Management company remuneration | <u>682</u> | <u>31</u> |
| Issuance of Nil units (September 30, 2022: 4289 units) | <u>-</u> | <u>588</u> |
| Dividend paid | <u>-</u> | <u>588</u> |
| Redemption of Nil units (September 30, 2022: 354,002 units) | <u>-</u> | <u>41,392</u> |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration of the Trustee | <u>415</u> | <u>65</u> |
| Sindh Sales Tax on Trustee remuneration | <u>54</u> | <u>8</u> |
| Annual, transaction, custodian, CDS connection fee | <u>100</u> | <u>100</u> |
| AWT Investments Limited Provident Fund | | |
| Issuance of 14,920 units (2022: Nil units) | <u>1,782</u> | <u>-</u> |
| Redemption of 14,921 units (2022: 78,398 units) | <u>1,782</u> | <u>9,147</u> |
| Reinvestment of units : 417 units | <u>49</u> | <u>-</u> |
| Refund of Capital : 266.817 units | <u>31</u> | <u>-</u> |
| Key Management Personnel of the Management Company | | |
| Reinvestment of units 1 units (2022: 101 units) | <u>-</u> | <u>12</u> |
| Redemption of Nil units (2022: 15,630 units) | <u>-</u> | <u>2,062</u> |
| Dividend (gross of tax) | <u>-</u> | <u>14</u> |
| Unitholders holding 10% or more units in issue | | |
| Re-invest 602,116 units (2022: Nil units) | <u>70,659</u> | <u>-</u> |
| Redemption of 314,653 units (2022: Nil units) | <u>37,000</u> | <u>-</u> |
| 11.3 Remuneration payable to the Management Company and the Trustee have been determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively. | | |

12 FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

| On-balance sheet financial instruments | Note | Carrying amount | | | Fair value | | |
|---|------|-------------------------------------|-----------------------|-----------------------------|------------|---------|-----------|
| | | Fair value through income statement | Loans and receivables | Other financial liabilities | Total | Level 1 | Level 2 |
| 30 September 2023 | | | | | | | |
| (Rupees in '000) | | | | | | | |
| Financial assets measured at fair value | | | | | | | |
| Investments | | 2,908,702 | - | - | 2,908,702 | - | 2,908,702 |
| Financial assets not measured at fair value | | | | | | | |
| Bank balances | 12.1 | - | 29,787 | - | 29,787 | - | - |
| Security deposits | 12.1 | - | 100 | - | 100 | - | - |
| Advances and other receivables | 12.1 | - | 51,105 | - | 51,105 | - | - |
| | | - | 80,992 | - | 80,992 | - | - |
| Financial liabilities not measured at fair value | | | | | | | |
| Payable to the Management Company | 12.1 | - | 2,746 | 2,746 | - | - | - |
| Remuneration payable to the Trustee | 12.1 | - | 611 | 611 | - | - | - |
| Accrued expenses and other liabilities | 12.1 | - | 611 | 611 | - | - | - |
| | | - | 3,968 | 3,968 | - | - | - |
| 30 June 2023 | | | | | | | |
| (Rupees in '000) | | | | | | | |
| Financial assets measured at fair value | | | | | | | |
| Investments | | 2,482,810 | - | - | 2,482,810 | - | 2,482,810 |
| Financial assets not measured at fair value | | | | | | | |
| Bank balances | 12.1 | - | 362,699 | - | 362,699 | - | - |
| Security deposits | 12.1 | - | 100 | - | 100 | - | - |
| Advances and other receivables | 12.1 | - | 40,711 | - | 40,711 | - | - |
| | | - | 403,510 | - | 403,510 | - | - |
| Financial liabilities not measured at fair value | | | | | | | |
| Payable to the Management Company | 12.1 | - | - | 2,234 | 2,234 | - | - |
| Remuneration payable to the Trustee | 12.1 | - | - | 141 | 141 | - | - |
| Accrued expenses and other liabilities | 12.1 | - | - | 354 | 354 | - | - |
| | | - | - | 2,729 | 2,729 | - | - |

12.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of their fair value.

13 GENERAL

13.1 Figures have been rounded off to the nearest thousand rupees.

13.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in this condensed interim financial information during the period.

14 DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on October 24, 2023 by the Board of Directors of the Management Company.

For AWT Investments Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

AWT
FINANCIAL SECTOR
INCOME FUND

CONDENSED INTERIM FINANCIAL
STATEMENT FOR QUARTER
ENDED
SEPTEMBER 30, 2023

**AWT FINANCIAL SECTOR INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT SEPTEMBER 30, 2023**

| | | September 30, 2023 (Unaudited) ----- (Rupees in '000) ----- | June 30, 2023 (Audited) ----- |
|---|----|--|--|
| Assets | | | |
| Bank balances | 4. | 722,229 | 492,714 |
| Investments-net | 5 | 99,649 | 151,188 |
| Deferred formation cost | 6 | 830 | 880 |
| Prepayment and other receivables | 7 | 21,338 | 17,164 |
| Receivable against sale of units | | - | 30,800 |
| Total assets | | 844,046 | 692,746 |
| Liabilities | | | |
| Payable to AWT Investments Limited - Management Company | 8 | 1,748 | 1,442 |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | | 56 | 225 |
| Fee payable to the Securities & Exchange Commission of Pakistan | | 46 | 53 |
| Payable against redemption of units | | 4,305 | - |
| Accrued expenses and other liabilities | 9 | 837 | 4,201 |
| Total liabilities | | 6,993 | 5,921 |
| Net assets | | 837,053 | 686,825 |
| Unit holders' fund (as per statement attached) | | 837,053 | 686,825 |
| Contingencies and Commitments | 10 | | |
| | | ----- (Number) ----- | |
| Number of units in issue | | 7,896,683 | 6,849,630 |
| | | ----- (Rupees) ----- | |
| Net assets value per unit | | 106.0006 | 100.2718 |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

**AWT FINANCIAL SECTOR INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

| | Quarter ended September 30, 2023 (Rupees in '000) |
|---|--|
| Income | |
| Return / mark-up calculated using the effective interest method: | 44,616 |
| Net unrealised appreciation on re-measurement of investments classified as 'financial assets' at fair value through profit or loss | 196 |
| Total income | <u>44,812</u> |
| Expenses | |
| Remuneration of the Management Company | (1,742) |
| Sindh Sales Tax on the Management Company's remuneration | (227) |
| Remuneration of the Trustee | (144) |
| Sindh Sales Tax on Trustee's remuneration | (19) |
| Fee Payable to the Securities & Exchange Commission of Pakistan | (140) |
| Annual listing fee | (13) |
| Rating fee | (43) |
| Auditors' remuneration | (73) |
| Amortisation of preliminary expenses and floatation cost | (50) |
| Settlement and bank charges | (23) |
| Total operating expenses | <u>(2,474)</u> |
| Net income for the period before taxation | <u>42,338</u> |
| Taxation | 11 - |
| Net income for the period after taxation | <u><u>42,338</u></u> |
| Allocation of income for the period | |
| Net income for the period after taxation | 42,338 |
| Income already paid on units redeemed | (8,468) |
| Net income for the period after taxation | <u><u>33,870</u></u> |
| Accounting income available for distribution | |
| - Relating to capital gains | 39 |
| - Excluding capital gains | 33,831 |
| | <u><u>33,870</u></u> |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

**AWT FINANCIAL SECTOR INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**For the
quarter ended
September 30,
2023**
(Rupees in '000)

| | |
|--|----------------------|
| Net income for the period after taxation | 42,338 |
| Other comprehensive income for the period | - |
| Total comprehensive income for the period | <u>42,338</u> |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

**AWT FINANCIAL SECTOR INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**


| Note | For the quarter ended September 30, 2023 | | |
|---|---|-------------------------|----------------------|
| | Value | Undistributed Income | Total |
| | ----- (Rupees in '000) ----- | | |
| Net assets at beginning of the period | 684,996 | 1,829 | 686,825 |
| Issuance of 2,650,696 units | | | |
| - Capital value | 252,762 | - | 252,762 |
| - Element of income | 8,126 | - | 8,126 |
| Total proceeds on issuance of units | 260,888 | - | 260,888 |
| Redemption of 1,473,716 units | | | |
| - Capital value | (147,772) | - | (147,772) |
| - Element of loss | 3,242 | (8,468) | (5,226) |
| Total payments on redemption of units | (144,530) | (8,468) | (152,998) |
| | -21% | | |
| Total comprehensive income for the period | - | 42,338 | 42,338 |
| Net assets as at end of the period | 801,354 | 35,699 | 837,053 |
| Undistributed (loss) / income brought forward: | | | |
| - Realized (loss) | | 2,108 | |
| - Unrealized (loss) / income | | (279) | |
| | | <u>1,829</u> | |
| Accounting income available for distribution: | | | |
| Relating to capital gains | | 39 | |
| Excluding capital gains | | 33,831 | |
| | | <u>33,870</u> | |
| Undistributed loss carried forward | | <u>35,699</u> | |
| Undistributed loss carried forward comprises of: | | | |
| - Realized income | | 35,895 | |
| - Unrealized income | | 196 | |
| | | <u>35,699</u> | |
| Net assets value per unit as at the beginning of the period | | | (Rupees) 100.2718 |
| Net assets value per unit as at the end of the period | | | <u>106.0006</u> |

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For AWT Investments Limited


Chief Executive Officer


Chief Financial Officer


Director

**AWT FINANCIAL SECTOR INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

| | For the quarter ended September 30, 2023 |
|--|---|
| Note | (Rupees in '000) |
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Net income for the period before taxation | 42,338 |
| Adjustments for: | |
| Amortisation of preliminary expenses and floatation cost | 50 |
| Net unrealized gain on investments classified as 'financial assets at fair value through profit or loss' | (196) |
| Net cash used in operating activities | <u>42,192</u> |
| (Increase) / decrease in assets | |
| Investments - net | 51,735 |
| Advances, deposits, prepayments and other receivables | 26,626 |
| | 78,361 |
| Increase / (decrease) in liabilities | |
| Payable to the Management Company | 306 |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | (169) |
| Annual fee payable to the Securities and Exchange Commission of Pakistan | (7) |
| Accrued expenses and other liabilities | (3,364) |
| | (3,234) |
| Net cash generated from operating activities | 117,319 |
| CASH FLOWS FROM FINANCING ACTIVITIES | |
| Proceeds from issuance of units | 265,194 |
| Payment on redemption of units | (152,998) |
| Net cash flows from financing activities | 112,196 |
| Net increase in cash and cash equivalents | <u>229,515</u> |
| Cash and cash equivalents at the beginning of the period | 492,714 |
| Cash and cash equivalents at the end of the period | <u><u>722,229</u></u> |

4.

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

AWT FINANCIAL SECTOR INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 AWT - Financial Sector Income Fund (the Fund) has been established under a Trust Deed, dated September 07, 2022, 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 30, 2022, 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 the Management Company at 3rd Floor, AWT Plaza, I.I Chundrigar Road, Karachi.
- 1.3 The Fund is an open end mutual fund and is listed on Pakistan Stock Exchange. 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 at the option of unitholder.
- 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 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 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan 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 VIII A 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 VIII A 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 VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations 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.
- 2.1.3 The condensed interim financial information is un-audited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the (NBFC Regulation). However, a limited scope review has been carried out by the auditors.
- 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 gives a true and fair view of the state of the Fund's affairs as at September 30, 2023.

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 condensed interim financial statements as at and for the period from December 19, 2022 to December 31, 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 condensed interim financial statements as at and for the period from December 19, 2022 to June 30, 2023.

3.4 The Fund's financial risk management objectives and policies are consistent with those disclosed in the condensed interm financial statements as at and for the period from December 19, 2022 to June 30, 2023.

| 4. BANK BALANCES | Note | September 30, 2023 (Unaudited) (Rupees in '000) | June 30, 2023 (Audited) |
|----------------------------------|------|--|-------------------------------|
| Profit and loss sharing accounts | 4.1 | <u>722,229</u> | <u>492,714</u> |

4.1 These represents profit and loss sharing accounts maintained with banks carrying mark-up rates ranging from 15.84% to 22% (June 30, 2023: 15.84% to 22%) per annum.

5 INVESTMENTS-NET

At fair value through profit or loss

Term finance certificates and sukuk bonds:

| | | | |
|----------------------------|-----------|---------------|----------------|
| - Term Finance Certificate | 5.1 | 14,883 | 14,695 |
| - Sukuk Certificates | 5.2 & 5.3 | 84,766 | 118,493 |
| Certificates of Musharaka | 5.4 | - | 18,000 |
| | | <u>99,649</u> | <u>151,188</u> |

5.1 Term Finance Certificate-unlisted at fair value through profit or loss

| Name of Investee Company | Note | As at July 01, 2023 | Purchased during the period | Disposed during the period | As at September 30, 2023 | As at September 30, 2023 | | Market value of Investments as a percentage of | | |
|---------------------------------------|-------|---------------------|-----------------------------|----------------------------|--------------------------|--------------------------|---------------|--|-------------------|--------------|
| | | | | | | Carrying Value | Market value | Unrealized gain / (loss) on revaluation | Total Investments | Net assets |
| Number of certificates | | | | | | Rupees in '000 | | | | |
| ----- | | | | | | ----- | | | | |
| Soneri Bank Limited (Tier-II) | 5.2.1 | 150 | - | - | 150 | 14,691 | 14,693 | 192 | 14,94% | 1.76% |
| Total as at September 30, 2023 | | | | | | 14,691 | 14,693 | 192 | 14.94% | 1.78% |
| Total as at June 30, 2023 | | | | | | 14,718 | 14,695 | (23) | 9.72% | 1.76% |

5.1.1 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 |
|-------------------------------|------------------------|----------------------------|------------------------|---------------|--------------------|--------|
| Soneri Bank Limited (Tier-II) | 150 | 98,120 | 6 months KIBOR + 1.70% | 26-Dec-32 | Unsecured | A+ |

5.2 Listed Sukuk Certificate-at fair value through profit or loss

| Tenor | As at July 01, 2023 | Purchased during the period | Sold/ matured during the period | As at September 30, 2023 | Carrying Value | Market value | Unrealized gain / (loss) on revaluation | Total Investments | Net assets |
|---------------------------------------|---------------------|-----------------------------|---------------------------------|--------------------------|----------------|--------------|---|-------------------|------------|
| | | | | | | | | | |
| ----- (Rupees in '000) ----- % ----- | | | | | | | | | |
| Face Value of Rs 10,000 | 1,347 | - | - | 1,347 | 6,736 | 6,740 | 4 | 6,76% | 0.81% |
| Aspin Pharma (Pvt) Ltd | 1,347 | - | - | 1,347 | 6,736 | 6,740 | 4 | 6.76% | 0.81% |
| Total as at September 30, 2023 | | | | | | | | | |
| 13,749 | | | | | | | | | |
| 13,493 | | | | | | | | | |
| (256) | | | | | | | | | |
| 8.92% | | | | | | | | | |
| 1.61% | | | | | | | | | |

5.2.1 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 |
|------------------|------------------------|----------------------------|------------------------|---------------|--------------------|--------|
|------------------|------------------------|----------------------------|------------------------|---------------|--------------------|--------|

- Sukuk certificate Listed

| | | | | | | |
|------------------------|-------|-------|------------------------|-----------|---------|---|
| Aspin Pharma (Pvt) Ltd | 1,347 | 5,000 | 3 months KIBOR + 1.50% | 30-Nov-23 | Secured | A |
|------------------------|-------|-------|------------------------|-----------|---------|---|

5.3 Sukuk Certificates - unlisted at fair value through profit or loss

| As at September 30, 2023 | | | | | | | | | | Market value of investments as a percentage of | | |
|---|------|---------------------|-----------------------------|----------------------------|--------------------|----------------|----------------|---|-------------------|--|---------------|--|
| Name of investee Company | Note | As at July 01, 2023 | Purchased during the period | Disposed during the period | As at Sep 30, 2023 | Carrying Value | Market value | Unrealized (loss) / gain on revaluation | Total Investments | Net assets | | |
| | | | | | (Rupees in '000) | | | | % | | | |
| - Sukuk certificate (privately placed) | | | | | | | | | | | | |
| K-Electric Limited (STS-17) | | 100 | - | - | 100 | 10,000 | 10,000 | - | - | 10.04% | 1.19% | |
| K-Electric Limited (STS-19) | | 68 | - | - | 68 | 68,000 | 68,000 | - | - | 66.24% | 8.12% | |
| The Hub Power Company Ltd | | 450 | - | 450 | - | - | - | - | - | 0.00% | 0.00% | |
| Lucky Electric Power Company Ltd | | 500 | - | 500 | - | - | - | - | - | 0.00% | 0.00% | |
| Total as at September 30, 2023 | | | | | | 78,000 | 78,000 | - | - | 78.27% | 9.32% | |
| Total as at June 30, 2023 | | | | | | 105,000 | 105,000 | - | - | 69.45% | 12.54% | |

5.3.1 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 |
|---|------------------------|----------------------------|------------------------|---------------|--------------------|--------|
| - Sukuk certificate (privately placed) | | | | | | |
| K-Electric Limited (STS-17) | 100 | 10,000 | 6 months KIBOR + 0.50% | 17-Nov-23 | Secured | A-1+ |
| K-Electric Limited (STS-19) | 68 | 10,000 | 6 months KIBOR + 0.50% | 28-Dec-24 | Secured | A-1+ |
| 5.4 Certificate of Musharaka | | | | | | |

| As at September 30, 2023 | | | | | | | | | | Market value of investments as a percentage of | | |
|---------------------------------------|---------------|-------------|---------------------|--------------------------|---------------------------|----------------|---------------|-----------------------------|-------------------|--|--------------|--|
| Name of investee Company | Maturity date | Profit rate | As at July 01, 2023 | Placed during the period | Matured during the period | Carrying Value | Market value | Unrealized (loss) / gain on | Total Investments | Net assets | | |
| | | | | | (Rupees in '000) | | | | % | | | |
| OLP Modaraba (AA, PACRA) | 31-Jul-2023 | 22.05% | 18,000 | - | 18,000 | - | - | - | - | 0.00% | 0.00% | |
| Total as at September 30, 2023 | | | 18,000 | - | 18,000 | - | - | - | - | 0.00% | 0.00% | |
| Total as at June 30, 2023 | | | | | | 18,000 | 18,000 | - | - | 18.06% | 2.15% | |

| | | September 30, 2023 (Un-audited) | June 30, 2023 (Audited) |
|---|------|---------------------------------------|-------------------------------|
| | Note | ----(Rupees in '000)---- | |
| 6. DEFERRED FORMATION COST | | | |
| Formation cost incurred | | 984 | 984 |
| Less: Amortized to the income statement during the period | | (154) | (104) |
| Unamortized cost at the end of the period | | <u>830</u> | <u>880</u> |

As per the offering document; all preliminary and floatation expenses of the Fund including expenses incurred in connection with the establishment and authorization of the Fund, including execution and registration of the Constitutive Documents, issue, legal costs, printing, circulation and publication of the Offering Document, and all expenses incurred for announcing the Fund and other expenses during and up to the Initial Offering Period ('IPO') subject to a maximum of one and a half per cent (1.5%) of the net assets at the close of IPO, shall be borne and reimbursed by the Fund to the Management Company subject to the audit of expenses. Such Formation Cost shall be amortized over a period of not less than five years.

7. PREPAYMENT AND OTHER RECEIVABLES

Return / markup receivable on:

| | | | |
|--------------------------------------|--|---------------|---------------|
| - Bank balances | | 14,664 | 8,991 |
| - Term finance certificates / sukuks | | 3,425 | 4,271 |
| - Certificate of Musharaka | | - | 652 |
| Prepaid Mutual Fund Rating Fee | | 46 | 90 |
| Prepaid Exemption Certificate | | 43 | - |
| Income Tax Recoverable | | 3,160 | 3,160 |
| | | <u>21,338</u> | <u>17,164</u> |

8. PAYABLE TO THE MANAGEMENT COMPANY

| | | | |
|--|-----|--------------|--------------|
| Management remuneration payable | 8.1 | 676 | 405 |
| Sindh Sales Tax on Management's remuneration | 8.2 | 88 | 53 |
| Formation cost payable | 6. | 984 | 984 |
| | | <u>1,748</u> | <u>1,442</u> |

- 8.1 Management Company has charged remuneration at rates ranging from 0.75% to 1% per annum based on the daily net assets of the Fund during the quarter ended September 30, 2023.
- 8.2 This represents amount payable in respect of Sindh Sales Tax at the rate of 13% on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 8.3 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 11) 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 not charged any such expense during the period.

9. ACCRUED EXPENSES AND OTHER LIABILITIES

| | | | |
|--------------------------------|--|------------|--------------|
| Auditors' remuneration payable | | 364 | 290 |
| Withholding tax payable | | 103 | 2,968 |
| Capital Gain Tax Payable | | 325 | 911 |
| Annual listing fee | | 40 | 27 |
| Other payables | | 4 | 5 |
| | | <u>836</u> | <u>4,201</u> |

10. CONTINGENCIES AND COMMITMENTS

10.1 There were no contingencies and commitments outstanding as at September 30, 2023.

11 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 September 30, 2023 is 1.17% which includes 0.15% representing government levies on collective investment scheme such as 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 period from July 01, 2023 to September 30, 2023. 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 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 September 30, 2023. 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:

| | Note | September 30 2023 (Un-audited) | June 30, 2023 (Audited) |
|-----------------------------|--|--------------------------------------|--|
| ------(Rupees in '000)----- | | | |
| 12.1 | Details of balances with related parties / connected persons as at period end | | |
| | AWT Investments Limited - Management Company | | |
| | Remuneration payable to the Management Company, including sales tax | 8 | 764 |
| | Deferred formation cost | | 458 |
| | | <u>984</u> | <u>984</u> |
| | Arskari General Insurance Company Ltd Employees PF | | |
| | Units held 37,958 units (June 2023: 37958 units) | | 4,024 |
| | | | <u>3,806</u> |
| | Arskari General Insurance Company Ltd Employees GF | | |
| | Units held 269,699 units (June 2023: 269699 units) | | 28,588 |
| | | | <u>27,043</u> |
| | AWT Investments Limited Employees PF | | |
| | Units held Nil units (June 2023: 18865 units) | | - |
| | | | <u>1,886</u> |
| | Central Depository Company of Pakistan Limited - Trustee of the Fund | | |
| | Remuneration payable to the Trustee, including sales tax | | 56 |
| | | | <u>225</u> |
| | Key Management Personnel of the Management Company | | |
| | Units held : 10,471 units (June 2023: Nil Units) | | 1,109 |
| | | | <u>-</u> |
| | | | September 30 2023 (Un-audited) (Rupees in '000) |
| 12.2 | Details of Transaction with related parties / connected persons as at period end | | |
| | AWT Investments Limited - Management Company | | |
| | Remuneration of the Management Company, including sales tax | | 1,969 |
| | Central Depository Company of Pakistan Limited - Trustee of the Fund | | |

13 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 market participants at the measurement date. 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.

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the year end date. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify 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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2)
- Unobservable inputs for the asset or liability (level 3)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

| On-balance sheet financial instruments | Note | Carrying amount | | | Fair value | | | |
|---|------|--|--|-------------------|------------|---------|---------|--------|
| | | Mandatorily at fair value through profit or loss | At fair value through other comprehensive income | At amortised cost | Total | Level 1 | Level 2 | Total |
| September 30, 2023 | | | | | | | | |
| Financial assets measured at fair value | 5 | 99,649 | - | - | 99,649 | - | 99,649 | 99,649 |
| Investments | | | | | | | | |
| Financial assets not measured at fair value | 4 | - | - | 722,229 | 722,229 | - | - | - |
| Bank balances | 7 | - | - | 18,089 | 18,089 | - | - | - |
| Profit receivables | | - | - | 740,318 | 740,318 | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| Remuneration payable to the Management Company | 8 | - | - | 1,748 | 1,748 | - | - | - |
| Remuneration payable to the Trustee | 9 | - | - | 56 | 56 | - | - | - |
| Accrued expenses and other liabilities | | - | - | 4,760 | 4,760 | - | - | - |
| | | - | - | 6,564 | 6,564 | - | - | - |

(Rupees in '000)

14.1 The Fund has not disclosed the fair values for the above financial assets (other than for investments) and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair values.

14 GENERAL

Figures have been rounded off to the nearest thousand Rupees. Since the fund has commenced its operations on December 19, 2022, comparative figures are not available for this condensed interim financial information.

15 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue by Board of Directors of the Management Company on October 24, 2023.

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



Chief Executive Officer



Chief Financial Officer



Director

AWT
ISLAMIC STOCK FUND

**CONDENSED INTERIM FINANCIAL
STATEMENT FOR QUARTER
ENDED
SEPTEMBER 30, 2023**

**AWT ISLAMIC STOCK FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2023**

| | September 30, 2023 ----- Rupees in '000 ----- (Unaudited) | June 30, 2023 (Audited) |
|---|--|-------------------------------|
| ASSETS | | |
| Bank balances | 4 11,124 | 13,020 |
| Investments | 5 94,578 | 93,829 |
| Dividend and other receivables | 803 | 395 |
| Security deposits | 2,600 | 2,600 |
| TOTAL ASSETS | 109,105 | 109,844 |
| LIABILITIES | | |
| Payable to the Management Company | 1,696 | 1,538 |
| Remuneration payable to the Trustee | 79 | 19 |
| Fee payable to Securities and Exchange Commission of Pakistan | 7 | 21 |
| Accrued Expenses and other liabilities | 6 3,425 | 4,901 |
| TOTAL LIABILITIES | 5,207 | 6,479 |
| NET ASSETS | 103,898 | 103,365 |
| CONTINGENCIES AND COMMITMENTS | | |
| | 7 - | - |
| Unit holders' funds | 103,898 | 103,365 |
| -----Number of units----- | | |
| Number of units in issue | 1,197,673 | 1,286,211 |
| ----- Rupees ----- | | |
| Net asset value per unit | 86.7498 | 80.3636 |

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For AWT Investments Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

**AWT ISLAMIC STOCK FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

| | For the Quarter ended September 30, 2023 | For the Quarter ended September 30, 2022 |
|---|--|--|
| | Rupees in '000 | |
| INCOME | | |
| Return / mark-up on; | | |
| - bank balances | 240 | 32 |
| Dividend income | 1,090 | 2,010 |
| Capital gain on sale of investments - net | 3,474 | (287) |
| Net unrealized appreciation/ (diminution) on remeasurement of investments classified 'at fair value through profit or loss - held-for-trading' | <u>4,899</u> | <u>(1,630)</u> |
| | 9,703 | 125 |
| EXPENSES | | |
| Remuneration of AWT Investments Limited - Management Company | 533 | 526 |
| Sindh Sales tax on remuneration of Management Company | 69 | 68 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 53 | 53 |
| Sindh Sales tax on remuneration of Central Depository Company of Pakistan Limited - Trustee | 7 | 7 |
| Annual fee to Securities and Exchange Commission of Pakistan | 24 | 5 |
| Auditors' remuneration | 77 | 75 |
| Listing fee | 7 | 7 |
| Selling, Marketing and Back office expenses | 143 | 144 |
| Brokerage and settlement charges | 179 | 28 |
| Other expenses | 63 | 144 |
| | <u>1,155</u> | <u>1,056</u> |
| Net (Loss) for the period before taxation | <u>8,548</u> | <u>(931)</u> |
| Taxation | 8 | - |
| Net income / (loss) for the period after taxation | <u>8,548</u> | <u>(931)</u> |
| Allocation of net income for the period | | |
| Net income for the period after taxation | 8,548 | - |
| Income already paid on units redeemed | <u>(1,368)</u> | - |
| | <u>7,180</u> | - |
| Accounting income available for distribution | | |
| Relating to capital gains | 565 | - |
| Excluding capital gains | <u>6,615</u> | - |
| | <u>7,180</u> | - |

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.


Chief Executive Officer

For AWT Investments Limited
(Management Company)


Chief Financial Officer


Director

**AWT ISLAMIC STOCK FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

| | For the Quarter ended September 30, 2023 | For the Quarter ended September 30, 2022 |
|---|---|---|
| | ----- Rupees in '000 ----- | |
| Net income / (loss) for the period after taxation | 8,548 | (931) |
| Other comprehensive income for the quarter | - | - |
| Total comprehensive income for the quarter | 8,548 | (931) |

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

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



Chief Executive Officer



Chief Financial Officer



Director

**AWT ISLAMIC STOCK FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

| | For the Quarter ended September 30, 2023 | For the Quarter ended September 30, 2022 |
|---|--|---|
| | -----Rupees in '000'----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income / (loss) for the period after taxation | 8,548 | (931) |
| Adjustments: | | |
| Capital gain on sale of investments - net | (3,474) | 287 |
| Net unrealized appreciation/ (diminution) on remeasurement of investments classified 'at fair value through profit or loss - held-for-trading' | (4,899) | 1,630 |
| | <u>174</u> | <u>986</u> |
| (Increase) / decrease in current assets | | |
| Investments - net | 7,624 | (6,921) |
| Prepayments and other receivables | (408) | (1,124) |
| | <u>7,217</u> | <u>(8,045)</u> |
| Increase / (decrease) in current liabilities | | |
| Payable to Management Company | 158 | 168 |
| Remuneration payable to the Trustee | 60 | 20 |
| Fee payable to Securities and Exchange Commission of Pakistan | (14) | 5 |
| Accrued expenses and other liabilities | (1,476) | 206 |
| | <u>(1,272)</u> | <u>399</u> |
| Net cash (used in) operating activities | <u>6,119</u> | <u>(6,660)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Amounts received from issuance of units | 16,266 | 9,609 |
| Amount paid on redemption of units | (24,281) | (7,408) |
| Net Cash (used in) / generated from financing activities | <u>(8,015)</u> | <u>2,201</u> |
| Net decrease in cash and cash equivalents | <u>(1,896)</u> | <u>(4,459)</u> |
| Cash and Cash equivalents at the beginning of the quarter | <u>13,020</u> | <u>11,094</u> |
| Cash and Cash equivalents at the end of the quarter | <u><u>11,124</u></u> | <u><u>6,635</u></u> |

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For AWT Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

AWT ISLAMIC STOCK FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

AWT Islamic Stock Fund (the Fund) was established under a Trust Deed, dated May 15, 2013, executed between AWT Investments Limited (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).

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. Chundrigar Road, Karachi.

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.

The Scheme is a 'Shariah Compliant Islamic Equity Scheme' as per the criteria for the categorization of open-end collective investment schemes specified by the Securities and Exchange Commission of Pakistan. The objective of the Fund is to achieve long term capital growth by investing mainly in Shariah Compliant listed equity securities.

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor.

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.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an initial Asset Manager Rating of 'AM3++' (positive outlook) to the Management Company vide its report dated August 04, 2023.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the 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, 2023.

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

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, 2023.

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, 2023.

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, 2023. 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.

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, 2023.

| | | (Un-audited) September 30, 2023 | (Audited) June 30, 2023 |
|--------------------------|---|---------------------------------------|-------------------------------|
| -----Rupees in '000----- | | | |
| 4. | BANK BALANCES | | |
| | Current account | 1,560 | 3,315 |
| | Profit and loss sharing accounts | 9,565 | 9,705 |
| | 4.1 | <u>11,124</u> | <u>13,020</u> |
| 4.1 | These represent bank balances with commercial banks carrying market competitive markup rates. | | |
| 5. | INVESTMENTS | | |
| | At fair value through profit or loss - held-for-trading | | |
| | Listed equity securities | 94,578 | 93,829 |
| | 5.1 | <u>94,578</u> | <u>93,829</u> |

5.1 At fair value through profit or loss - held-for-trading - Listed equity securities
 Shares of listed companies - fully paid ordinary shares with a face value of Rs. 10/- each unless stated otherwise.

| Name of the investee company | As at July 01, 2023 | Purchased during the period | Bonus / right shares received | Sold during the period | As at September 30, 2023 | Carrying Value as at Sep 30, 2023 | Market value as at Sep 30, 2023 | Unrealised gain / (loss) as at Sep 30, 2023 | Market value as a percentage of net assets | Market value as a % of total investment | Investment as a % of paid up capital of the investee company | Number of shares | | |
|--|---------------------|-----------------------------|-------------------------------|------------------------|--------------------------|-----------------------------------|---------------------------------|---|--|---|--|---|-----------------|--|
| | | | | | | | | | | | | Shares of listed companies - fully paid up ordinary shares having face value of Rs. 10 each unless stated otherwise | Rupees in '000' | |
| Fertilizer | | | | | | | | | | | | | | |
| Engro Fertilizer Limited | 81,900 | - | - | 32,400 | 29,500 | 2,435 | 2,240 | (195) | 2.17% | 2.39% | 0.002% | | | |
| Engro Corporation Limited | 30,020 | 4,300 | - | - | 34,320 | 9,015 | 8,242 | (774) | 7.97% | 8.78% | 0.006% | | | |
| Cement | | | | | | | | | | | | | | |
| D. G. Khan Cement Company Limited | 23,200 | - | - | - | 23,200 | 1,190 | 1,007 | (183) | 0.97% | 1.07% | 0.005% | | | |
| Chenab Cement Company Limited | 27,800 | - | - | 4,000 | 23,800 | 2,963 | 3,074 | 212 | 2.97% | 3.28% | 0.012% | | | |
| Fauji Cement Company Limited | 254,500 | - | - | 62,000 | 192,500 | 2,245 | 2,177 | (68) | 2.11% | 2.32% | 0.008% | | | |
| Kohat Cement Company Limited | 20,200 | - | - | 60 | 20,140 | 3,528 | 3,408 | (119) | 3.30% | 3.63% | 0.010% | | | |
| Maple Leaf Cement Factory Limited | 57,200 | 18,000 | - | - | 75,200 | 2,148 | 2,251 | 104 | 2.18% | 2.40% | 0.007% | | | |
| Lucky Cement Limited | 14,350 | - | - | 2,675 | 11,475 | 6,001 | 6,478 | 478 | 6.26% | 6.90% | 0.004% | | | |
| Attock Cement Pakistan Limited | 6,000 | - | - | 8,000 | - | - | - | - | 0.00% | 0.00% | 0.000% | | | |
| Power Generation & Distribution | | | | | | | | | | | | | | |
| Hub Power Company Limited | 46,000 | 9,500 | - | - | 55,500 | 4,005 | 4,902 | 897 | 4.74% | 5.22% | 0.004% | | | |
| Automobile Assemblers | | | | | | | | | | | | | | |
| Milat Tractors Limited | - | 5,000 | - | - | 5,000 | 2,190 | 2,090 | (100) | 2.02% | 2.23% | 0.00% | | | |
| Oil & Gas (Exploration Companies) | | | | | | | | | | | | | | |
| Marf Petroleum Company Limited | 3,350 | 365 | - | - | 3,715 | 5,719 | 5,796 | 77 | 5.61% | 6.18% | 0.003% | | | |
| Oil & Gas Development Company Limited | 64,800 | 9,200 | - | - | 74,000 | 6,209 | 7,138 | 929 | 6.91% | 7.61% | 0.002% | | | |
| Pakistan Oilfields Limited | 11,580 | - | - | 11,580 | - | - | - | - | 0.00% | 0.00% | 0.000% | | | |
| Attock Petroleum Limited | 5,225 | 1,700 | - | - | 6,925 | 2,105 | 2,018 | (87) | 1.95% | 2.15% | 0.006% | | | |
| Pakistan Petroleum Limited | 105,600 | 9,000 | - | - | 114,600 | 7,199 | 8,489 | 1,290 | 8.21% | 9.05% | 0.004% | | | |
| Oil & Gas (Marketing & Exploration) | | | | | | | | | | | | | | |
| Pakistan State Oil Company Limited | 34,950 | - | - | 4,280 | 30,670 | 3,471 | 3,764 | 293 | 3.64% | 4.01% | 0.007% | | | |
| Sui Northern Gas Pipelines Limited | 80,900 | - | - | 11,800 | 69,000 | 2,717 | 3,242 | 525 | 3.14% | 3.45% | 0.011% | | | |
| Engineering | | | | | | | | | | | | | | |
| Mughal Iron & Steel Industries Limited | 28,400 | 9,500 | - | - | 37,900 | 1,925 | 1,890 | (35) | 1.83% | 2.01% | 0.011% | | | |
| International Steels Limited | 14,500 | 11,000 | - | - | 25,500 | 1,140 | 1,084 | (56) | 1.05% | 1.16% | 0.005% | | | |
| Pharmaceuticals | | | | | | | | | | | | | | |
| Searle Company Limited | 10,455 | - | - | - | 10,455 | 401 | 368 | (33) | 0.36% | 0.39% | 0.003% | | | |
| Textile Composite | | | | | | | | | | | | | | |
| Nisat Mills Limited | 32,000 | - | - | - | 32,000 | 1,817 | 1,921 | 104 | 1.86% | 2.05% | 0.009% | | | |
| Inbrop Limited | 40,746 | - | - | - | 40,746 | 1,437 | 1,840 | 403 | 1.78% | 1.96% | 0.00% | | | |
| Kohinoor Textile Mills Limited | 61,000 | - | - | 27,000 | 34,000 | 1,731 | 1,975 | 244 | 1.91% | 2.10% | 0.011% | | | |
| | | | | | | 4,994 | 5,735 | 751 | 5.55% | 6.11% | | | | |

| Name of the investee company | As at July 01, 2023 | Purchased during the period | Bonus / right shares received | Sold during the period | As at September 30, 2023 | Carrying Value as at Sep 30, 2023 | Market value as at Sep 30, 2023 | Unrealised gain / (loss) as at Sep 30, 2023 | Market value as a percentage of net assets | Market value as a % of total investment | Investment as a % of paid up capital of the investee company |
|---|---------------------|-----------------------------|-------------------------------|------------------------|--------------------------|-----------------------------------|---------------------------------|---|--|---|--|
| Commercial Banks | | | | | | | | | | | |
| Mezzan Bank Limited | 75,122 | - | - | 16,115 | 59,007 | 5,370 | 6,763 | 1,393 | 6.54% | 7.21% | 0.003% |
| Faysal Bank Limited | 24,000 | - | - | - | 24,000 | 484 | 535 | 51 | 0.52% | 0.57% | 0.002% |
| | | | | | | 5,854 | 7,298 | 1,444 | 7.06% | 7.78% | |
| Food and Personal Care Products | | | | | | | | | | | |
| Al-Tarur Limited | 89,241 | - | - | - | 89,241 | 1,469 | 1,334 | (135) | 1.29% | 1.42% | 0.041% |
| The Organic Meal Company Limited | 54,875 | - | - | - | 54,875 | 1,140 | 1,100 | (41) | 1.06% | 1.17% | 0.041% |
| Unify Foods Limited | 33,000 | - | - | 33,000 | - | - | - | 0.00% | 0.00% | 0.000% | |
| | | | | | | 2,609 | 2,434 | (175) | 2.35% | 2.59% | |
| Paper & Board | | | | | | | | | | | |
| Century Paper & Board Mills Limited | 22,500 | 18,500 | - | - | 41,000 | 1,204 | 1,033 | (171) | 1.00% | 1.10% | 0.01% |
| | | | | | | 1,204 | 1,033 | (171) | 1.00% | 1.10% | |
| Glass & Ceramics | | | | | | | | | | | |
| Shabor Tiles & Ceramics Limited | 21,500 | - | - | 21,500 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| Tang Glass Industries Limited | - | 15,000 | - | - | 15,000 | 1,080 | 1,178 | 98 | 1.14% | 1.26% | 0.01% |
| | | | | | | 1,080 | 1,178 | 98 | 1.14% | 1.26% | |
| Technology and Communication Systems Limited | 17,650 | - | - | 2,260 | 15,390 | 6,207 | 6,061 | (146) | 5.66% | 5.67% | 0.01% |
| Air Link Communication Limited | - | 50,000 | - | - | 50,000 | 1,296 | 1,161 | (55) | 1.14% | 1.26% | 0.02% |
| | | | | | | 7,444 | 7,242 | (202) | 7.00% | 6.93% | |
| Miscellaneous | | | | | | | | | | | |
| Synthetic Products Enterprises Limited | 20,314 | - | - | 20,314 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| Cable & Electrical Goods | | | | | | | | | | | |
| Pakistan Cables Limited | 5,500 | - | - | 5,500 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| | | | | | | 89,679 | 94,578 | 4,899 | 91% | 100% | |
| As at September 30, 2023 | | | | | | 96,930 | 93,829 | 7,164 | 100% | 91% | |
| As at June 30, 2023 | | | | | | | | | | | |

5.2 Finance Act, 2014 had introduced tax on bonus shares issued by the Companies. Most Equity Funds including the Fund have challenged the applicability of withholding tax provision on bonus shares before Honourable High Court of Sindh ("the Court") on various legal grounds and have sought relief from the Court. In the Fund's case, up to the period end, tax in the shape of 350 shares of The Seerie Company Limited (June 30, 2023: 350 shares) 300 Shares of Pakistan State Oil Limited (June 30, 2023: 300), 263 shares of Mughal Iron and Steel Industries (June 30, 2023: 263) Limited and 35 Shares of Marf Petroleum Limited (June 30, 2023: 35 shares) had been withheld by CDC.

| | (Un-audited) September 30, 2023 | (Audited) June 30, 2023 |
|---|---------------------------------------|-------------------------------|
| -----Rupees in '000----- | | |
| 6 DIVIDEND AND OTHER RECEIVABLES | | |
| Return on bank balances | 279 | 148 |
| Income tax recoverable | 72 | 64 |
| Dividend receivable | 277 | 183 |
| Other receivable | 176 | - |
| | <u>803</u> | <u>395</u> |
| 7. PAYABLE TO MANAGEMENT COMPANY | | |
| Selling and Marketing Expenses | 1,184 | 1,203 |
| Remuneration of the Management Company | 345 | 168 |
| Sindh Sales Tax on the remuneration of the Management Company | 167 | 167 |
| | <u>1,696</u> | <u>1,538</u> |
| 6 ACCRUED EXPENSES AND OTHER LIABILITIES | | |
| Withholding Tax | 190 | 31 |
| Payable against purchase of investment | 1,316 | 2,876 |
| Auditors' remuneration | 370 | 227 |
| Other Payable | 404 | 445 |
| FED payable on management company's remuneration | 6.1 1,145 | 1,145 |
| | <u>3,425</u> | <u>4,724</u> |

6.1 Federal Excise Duty (FED)

This represents provision for Federal Excise Duty (FED) as at June 30, 2023. 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, 2023. As a matter of prudence, the Management Company has maintained full provision for FED aggregating to Rs. 1.145 million until the matter is resolved. Had the provision not been made, the net assets value per unit would have been higher by Rs. 0.96 (June 30, 2023: Rs. 0.89) per unit.

7. CONTINGENCIES AND COMMITMENTS

A show cause notice (SCN) under section 161(1A) of Income Tax Ordinance, 2001 has been issued alleging that the Fund did not / partially deducted withholding taxes from various payments made during the tax year 2017. The Fund responded to the SCN by submitting the requisite information of withholding tax paid challans and expenses schedules upon which withholding taxes were applicable. Thereafter, no response has been received by the Fund, on this matter.

There are no other contingencies and commitments outstanding.

8. 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, 2023 to its unit holders, accordingly, no provision for current and deferred taxation has been recognised in this condensed interim financial information.

9. Fair value of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

| On-balance sheet financial instruments | Note | Carrying amount | | | | Total | Fair value | | | Total |
|---|------|-------------------------------------|--------------------|-----------------------|-----------------------------|--------|------------|---------|---------|--------|
| | | Fair value through income statement | Available for sale | Loans and receivables | Other financial liabilities | | Level 1 | Level 2 | Level 3 | |
| September 30, 2023 | | | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | | | |
| Listed equity securities | 9.1 | 94,578 | - | - | - | 94,578 | 94,578 | - | - | 94,578 |
| Financial assets not measured at fair value | | | | | | | | | | |
| Bank balances | | - | - | 11,124 | - | 11,124 | - | - | - | - |
| Other receivables | | - | - | 731 | - | 731 | - | - | - | - |
| Security deposits | | - | - | 2,600 | - | 2,600 | - | - | - | - |
| | | - | - | 14,456 | - | 14,456 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | | | |
| Payable to the Management Company | 9.1 | - | - | - | 1,896 | 1,896 | - | - | - | - |
| Remuneration payable to the Trustee | | - | - | - | 79 | 79 | - | - | - | - |
| Accrued expenses and other liabilities | | - | - | - | 2,097 | 2,097 | - | - | - | - |
| | | - | - | - | 3,872 | 3,872 | - | - | - | - |
| June 30, 2023 | | | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | | | |
| Equity securities | 9.1 | 93,829 | - | - | - | 93,829 | 93,829 | - | - | - |
| | | 93,829 | - | - | - | 93,829 | 93,829 | - | - | - |
| Financial assets not measured at fair value | | | | | | | | | | |
| Bank balances | | - | - | 13,020 | - | 13,020 | - | - | - | - |
| Dividend and other receivable | | - | - | 331 | - | 331 | - | - | - | - |
| Security deposits | | - | - | 2,600 | - | 2,600 | - | - | - | - |
| | | - | - | 15,951 | - | 15,951 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | | | |
| Payable to the Management Company | 9.1 | - | - | - | 1,538 | 1,538 | - | - | - | - |
| Remuneration payable to the Trustee | | - | - | - | 19 | 19 | - | - | - | - |
| Accrued expenses and other liabilities | | - | - | - | 3,746 | 3,746 | - | - | - | - |
| | | - | - | - | 5,303 | 5,303 | - | - | - | - |

9.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of their fair values.

10. TRANSACTIONS WITH 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, parent company of the Management Company, other funds managed by the Management Company / parent company, associated companies (if any) 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 30 September 2023 or during the period. It also includes the staff retirement funds of the above related parties / connected person. Details of the transactions and balances with the related parties / connected persons, other than those which has been disclosed elsewhere are as follows:

Transactions with connected persons are carried out in normal course of business at contracted rates and terms determined in accordance with market norms.

| | September 30, 2023 ---- Rupees in '000 ---- (Un-audited) | September 30, 2022 ---- Rupees in '000 ---- (Un-audited) |
|--|---|---|
| 10.1 Detail of transactions with connected persons during the period are as follows: | | |
| AWT Investments Limited - Management Company | | |
| Remuneration of Management Company | 533 | 526 |
| Sindh sales tax on remuneration of Management Company | 69 | 68 |
| Selling, Marketing and Back office expenses | 143 | 144 |
| Issuance of 185,762 units (2022: Nil units) | 16,000 | - |
| Redemption of 90,556 units (2022: 63,344 units) | 8,000 | 5,000 |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration of the Trustee | 53 | 53 |
| Sindh sales tax on remuneration of the Trustee | 7 | 7 |
| Key Management Personnel - Directors and Officers of the Management Company and their relatives | | |
| Issuance of 27,7531 units (2022 : 5,870 units) | 3 | 500 |
| Redemption of 180,728 units (2022 : 5,869 units) | 15,590 | 496 |
| | September 30, 2023 ---- Rupees in '000 ---- (Unaudited) | June 30, 2023 ---- Rupees in '000 ---- (Audited) |
| 10.2 Detail of balances outstanding at the period end with connected persons are as follows: | | |
| AWT Investments Limited - Management Company | | |
| Remuneration payable to the Management Company | 169 | 168 |
| Sindh sales tax payable on remuneration of Management Company | 167 | 167 |
| Federal excise duty payable on remuneration of Management Company | 1,145 | 1,145 |
| Units held - 1,136,919 units (June 30, 2023: 1041,713 units) | 98,627 | 83,716 |
| Preliminary and floatation costs payable to Management Company | 213 | 213 |
| Selling, Marketing and Back office expenses | 175 | 1,203 |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration payable to the Trustee | 79 | 17 |
| Sindh sales tax payable on remuneration payable to the Trustee | 9 | 2 |
| Security Deposit | 100 | 100 |
| AWT Investments Limited -Provident Fund | | |
| Units Held 8607 units (June 30, 2023: 8607) | 747 | 692 |
| Directors, Chief Executive and their spouse and minors | | |
| Units held - 327 units (June 30, 2023: 181,027 units) | 28 | 14,548 |

11. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the quarter ended September 30, 2023 is 4.64% which include 0.95% representing government levy and SECP fee.

12. GENERAL

12.1 Figures have been rounded off to the nearest thousand rupees.

12.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in this condensed interim financial information during the period.

13. DATE OF AUTHORISATION

This condensed interim financial information was authorized for issue on October 24, 2023 by the Board of Directors of the Management Company.

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



Chief Executive Officer

Chief Financial Officer

Director

AWT STOCK FUND

**CONDENSED INTERIM FINANCIAL
STATEMENT FOR QUARTER
ENDED
SEPTEMBER 30, 2023**

**AWT STOCK FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2023**

| | September 30, 2023 | June 30, 2023 |
|---|--|------------------|
| Note | -----Rupees in '000'----- (Unaudited) | (Audited) |
| ASSETS | | |
| Bank balances | 4 5,394 | 8,085 |
| Investments - net | 5 97,831 | 96,270 |
| Prepayments and other receivables | 2,877 | 2,600 |
| Security deposits | 2,600 | 2,024 |
| TOTAL ASSETS | 108,702 | 108,979 |
| LIABILITIES | | |
| Payable to the Management Company | 1,337 | 1,203 |
| Remuneration payable to the Trustee | 81 | 19 |
| Fee payable to Securities & Exchange Commission of Pakistan | 7 | 21 |
| Accrued expenses and other liabilities | 6 2,750 | 3,482 |
| TOTAL LIABILITIES | 4,175 | 4,725 |
| CONTINGENCIES AND COMMITMENTS | | |
| | 7 - | - |
| NET ASSETS | 104,527 | 104,254 |
| Unit holders' funds | 104,527 | 104,254 |
| | -----Number of units----- | |
| Number of units in issue | 1,092,817 | 1,199,951 |
| | -----Rupees----- | |
| Net asset value per unit | 95.6490 | 86.8812 |

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

For AWT Investments Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

AWT STOCK FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR QUATER ENDED SEPTEMBER 30, 2023

| | For the Quarter ended September 30, 2023 | For the Quarter ended September 30, 2022 |
|--|---|---|
| Note | ----- Rupees in '000 ----- | |
| INCOME | | |
| Return on- bank balances | 205 | 79 |
| Dividend income | 2,014 | 3,061 |
| Gain on sales of held for trading investments-net | 3,467 | 789 |
| Net unrealized appreciation/(diminution) in the value of on investments classified on financial assets 'at fair value through profit or loss - held-for-trading' | <u>6,176</u> | <u>(4,878)</u> |
| | 11,862 | (950) |
| EXPENSES | | |
| Remuneration of AWT investments Limited - Management Company | 546 | 495 |
| Sindh Sales tax on remuneration the of Management Company | 71 | 64 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 55 | 50 |
| Sindh Sales tax on the remuneration of Central Depository Company of Pakistan Limited - Trustee | 7 | 6 |
| Fee to Securities & Exchange Commission of Pakistan | 25 | 5 |
| Listing Fee | 7 | 7 |
| Auditors' remuneration | 61 | 60 |
| Brokerage and settlement charges | 168 | 106 |
| Selling, Marketing and Back office expenses | 145 | 135 |
| Bank Charges | - | 82 |
| | <u>1,085</u> | <u>1,011</u> |
| Net Income/ (Loss) for the period before taxation | 10,777 | (1,961) |
| Taxation | 8 | - |
| Net Income/(loss) for the period after taxation | 10,777 | (1,961) |
| Allocation of net income for the period | | |
| Net income for the period after taxation | 10,777 | - |
| Income already paid on units redeemed | <u>(1,293)</u> | <u>-</u> |
| | 9,484 | - |
| Accounting income available for distribution | | |
| Relating to capital gains / (loss) | 1,254 | - |
| Excluding capital gains / (loss) | <u>8,230</u> | <u>-</u> |
| | 9,484 | - |

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

For AWT Investments Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

**AWT STOCK FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR QUATER ENDED SEPTEMBER 30, 2023**

| | For the Quarter ended September 30, 2023 | For the Quarter ended September 30, 2022 |
|---|---|---|
| | ----- Rupees in '000 ----- | |
| Net income/(loss) for the period after taxation | 10,777 | (1,961) |
| Other comprehensive income for the quarter | - | - |
| Total comprehensive income for the quarter | <u>10,777</u> | <u>(1,961)</u> |

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


For AWT Investments Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

AWT STOCK FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

| | For the nine months ended | | | | | |
|--|---------------------------|----------------------|----------------|----------------|----------------------|----------------|
| | September 30, | | | 2022 | | |
| | (Rupees in '000) | | | | | |
| | 2023 | | Total | Capital Value | Undistributed income | Total |
| | Capital Value | Undistributed Income | | Capital Value | Undistributed income | Total |
| Net assets at beginning of the period | 121,166 | (16,912) | 104,254 | 69,361 | (16,912) | 52,449 |
| Issue of 23,472 units (2022: 167,262 units) | | | | | | |
| - Capital value | 2,039 | - | 2,039 | 52,860 | - | 52,860 |
| - Element of loss | 136 | - | 136 | 1,106 | - | 1,106 |
| Total proceeds on issuance of units | 2,175 | - | 2,176 | 53,966 | - | 53,966 |
| Redemption of 524,772 units (2022: 524,772 units) | | | | | | |
| - Capital value | (11,347) | - | (11,347) | (131) | - | (131) |
| - Element of income | (1,333) | - | (1,333) | (9) | - | (9) |
| Total payments on redemption of units | (12,680) | - | (12,680) | (139) | - | (139) |
| Total comprehensive [loss] / income for the period | - | 10,777 | 10,777 | - | (1,961) | -1,961 |
| Net assets as at end of the period | 110,661 | (6,135) | 104,527 | 123,187 | (18,873) | 104,315 |
| Undistributed income brought forward: | | | | | | |
| - Realized income at beginning of the period | | (11,135) | | | (9,448) | |
| - Unrealized income at beginning of the period | | (5,777) | | | (7,464) | |
| | | (16,912) | | | (16,912) | |
| Accounting income available for distribution: | | | | | | |
| Relating to capital gains | | 9,643 | | | - | |
| Excluding capital gains | | 1,134 | | | (1,961) | |
| | | 10,777 | | | (1,961) | |
| Undistributed income at end of the period | | (6,135) | | | (18,873) | |
| Represented by: | | | | | | |
| - Realized income at end of the period | | (12,311) | | | (13,995) | |
| - Unrealized income at end of the period | | 6,176 | | | (5,878) | |
| Undistributed income at end of the period | | (6,135) | | | (18,873) | |
| Net assets value per unit at beginning of the period | | | 86.8812 | | | 86.5007 |
| Net assets value per unit at end of the period | | | 95.6490 | | | 85.7910 |

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

For AWT Investments Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

**AWT STOCK FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

| | For the Quarter ended September 30, 2023 | For the Quarter ended September 30, 2022 |
|---|---|---|
| -----Rupees in '000' ----- | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net Income /(Loss) for the period after taxation | 10,777 | (1,961) |
| Adjustments: | | |
| Gain on sale of investments - net | (3,467) | (789) |
| Net unrealized (appreciation) / diminution on remeasurement of investments 'classified' financial assets at fair value through profit or loss' | (6,176) | 4,878 |
| | <u>1,134</u> | <u>2,129</u> |
| (Increase) / Decrease in current assets | | |
| Investments - net | 8,082 | (53,382) |
| Prepayments and other receivables | (852) | (721) |
| | <u>7,230</u> | <u>(54,102)</u> |
| Increase / (Decrease) in current liabilities | | |
| Payable to Management Company | 134 | 229 |
| Remuneration payable to the Trustee | 62 | 20 |
| Annual fee payable to Securities and Exchange Commission of Pakistan | (14) | (12) |
| Accrued expenses and other liabilities | (732) | 253 |
| | <u>(550)</u> | <u>490</u> |
| Net cash generated from operating activities | <u>7,814</u> | <u>(51,484)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Amounts received from issuance of units | 2,175 | 53,966 |
| Amounts paid on redemption of units | (12,680) | (139) |
| Net cash (used in) / generated from financing activities | <u>(10,505)</u> | <u>53,827</u> |
| Net (decrease) / increase in cash and cash equivalents | <u>(2,691)</u> | <u>2,343</u> |
| Cash and cash equivalents at the beginning of the quarter | 8,085 | 2,442 |
| Cash and cash equivalents at the end of the quarter | <u>5,394</u> | <u>4,785</u> |

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

For AWT Investments Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

AWT STOCK FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

AWT Stock Fund ("the Fund") was established under a Trust Deed, dated 15 May 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 25 November 2013, under Regulations 44 of the Non Banking Finance Companies and Notified Entities Regulations, 2008 (Establishment and Regulation) Rules.

The Management Company of the Fund has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management and investment advisory services as a Non-Banking Finance Company. The registered office of AWT Investment Limited is situated at 3rd Floor, AWT Plaza, I.I Chandrigar Road, Karachi.

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

The Scheme is an 'Open end Equity Scheme' as per the criteria for the categorization of open-end collective investment schemes specified by the Securities and Exchange of Pakistan. The objective of the Fund is to achieve long term capital growth by investing mainly in listed equity securities.

The Scheme is permitted to invest in secured, unsecured, listed equity market securities (subject to minimum limit of 70% during the year based on quarterly average investment calculated on a daily basis) including treasury bills not exceeding 90 days maturity and cash or near cash instruments, including cash in bank accounts (excluding TDRs), equity securities not listed on the stock exchange Investment outside Pakistan, including international listed securities and foreign currency bank deposits (excluding TDRs), subject to such conditions as imposed by SECP and with the prior approval of SECP and SBP (upto 30%, subject to a cap of USD 15 million) and any other securities or instrument that may be permitted by commission (upto a limit of 30%).

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.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an Asset Manager Rating of 'AM3++' (Positive outlook) vide its report dated August 04, 2023.

The Pakistan Credit Rating Agency Limited has maintained 'AA+(f)' rating to the Fund vide its report dated April 13, 2023 based on the performance review of period ended December 31, 2022.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the 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, 2023.

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

- 3.1** The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements of the Fund for the year ended June 30, 2023.
- 3.2** 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, 2023.

| | | September 30, 2023 | June 30, 2023 |
|-------------------------|------|-------------------------------|--------------------------|
| | | -----Rupees in '000'----- | |
| | | (Un-audited) | (Audited) |
| | Note | | |
| 4. BANK BALANCES | | | |
| PLS savings accounts | 4.1 | <u>5,394</u> | <u>8,085</u> |

- 4.1** These represent bank balances with commercial banks carrying market competitive markup rates.

5. INVESTMENTS

At fair value through income statement - held for trading

| | | | |
|--------------------------|-----|---------------|---------------|
| Listed equity securities | 5.1 | <u>97,831</u> | <u>96,270</u> |
| | | <u>97,831</u> | <u>96,270</u> |

5.1 Investments in securities at fair value through profit or loss - held for trading
Ordinary shares have a face value of Rs. 10/- each, unless stated otherwise.

| Name of the Investee Company | As at July 01, 2022 | Purchased during the period | Bonus Right shares issued during the period | Sold during the period | As at September 30, 2022 | Carrying Value as at September 30, 2022 | Market value as at September 30, 2022 | Unrealized gain / (loss) as at September 30, 2022 | Market value as a percentage of net assets | Market value as a percentage of total investment | Investment as a percentage of paid up capital of the investee company | Number of shares | | |
|--|---------------------|-----------------------------|---|------------------------|--------------------------|---|---------------------------------------|---|--|--|---|------------------|--|--|
| | | | | | | | | | | | | Rupees in '000' | | |
| OIL AND GAS MARKETING COMPANIES | | | | | | | | | | | | | | |
| Pakistan State Oil Company Limited | 36,412 | - | - | - | 36,412 | 2,795 | 3,091 | 206 | 2.98% | 3.16% | 0.01% | | | |
| Sui Northern Gas Pipelines Company Limited | 67,200 | - | - | - | 67,200 | 2,157 | 2,575 | 417 | 2.46% | 2.93% | 0.01% | | | |
| OIL & GAS EXPLORATION COMPANIES | | | | | | | | | | | | | | |
| Pakistan Petroleum Limited | 62,700 | 17,400 | - | - | 80,100 | 4,272 | 5,933 | 961 | 5.68% | 6.96% | 0.00% | | | |
| Pakistan Oilfields Limited | 8,050 | - | - | 2,470 | 5,580 | 2,242 | 2,176 | (67) | 2.08% | 2.22% | 0.00% | | | |
| Oil & Gas Development Company Limited | 65,000 | 7,660 | - | - | 72,660 | 4,106 | 7,008 | 903 | 6.70% | 7.16% | 0.00% | | | |
| Min Petroleum Company Limited | 3,810 | - | - | 1,070 | 2,740 | 3,962 | 3,963 | 101 | 3.79% | 4.05% | 0.00% | | | |
| Abco Petroleum Limited | 5,367 | 1,700 | - | - | 7,067 | 2,151 | 2,005 | (80) | 1.99% | 2.11% | 0.01% | | | |
| Fertilizer | | | | | | | | | | | | | | |
| Engro Corporation Limited | 25,096 | 3,450 | - | - | 28,546 | 7,513 | 6,855 | (658) | 6.99% | 7.01% | 0.90% | | | |
| Engro Fertilizers Limited | 36,790 | - | - | 16,800 | 20,200 | 1,667 | 1,334 | (334) | 1.42% | 1.57% | 0.00% | | | |
| Fajr Fertilizer Company Limited | 35,500 | - | - | 5,700 | 28,800 | 2,934 | 2,767 | (167) | 2.65% | 2.83% | 0.00% | | | |
| Cement | | | | | | | | | | | | | | |
| D.G. Khan Cement Company Limited | 38,216 | - | - | 5,400 | 22,816 | 1,179 | 991 | (188) | 0.60% | 1.01% | 0.01% | | | |
| Chehal Cement Company Limited | 16,887 | - | - | 2,100 | 14,787 | 1,779 | 1,910 | 132 | 1.83% | 1.96% | 0.01% | | | |
| Kohat Cement Company Limited | 19,000 | - | - | 3,350 | 14,650 | 2,569 | 2,479 | (90) | 2.57% | 2.50% | 0.01% | | | |
| Ludhwy Cement Limited | 11,640 | - | - | 3,360 | 8,280 | 4,328 | 4,678 | 350 | 4.48% | 4.78% | 0.00% | | | |
| Mirpurkhal Cement Factory Limited | 61,000 | - | - | 6,000 | 57,000 | 1,473 | 1,567 | 94 | 1.45% | 1.59% | 0.00% | | | |
| Fajr Cement Company Limited | 110,000 | - | - | 44,500 | 65,500 | 779 | 741 | (28) | 0.71% | 0.76% | 0% | | | |
| Abco Cement Pakistan Limited | 6,000 | - | - | 6,000 | - | - | - | - | 0.00% | 0.00% | 0% | | | |
| Pharmaceuticals | | | | | | | | | | | | | | |
| Searis Company Limited | 10,244 | - | - | - | 10,244 | 293 | 300 | (32) | 0.34% | 0.37% | 0.00% | | | |
| Textile Composite | | | | | | | | | | | | | | |
| Old Ahmed Textile Mills Limited | 30,606 | - | - | - | 30,606 | 546 | 541 | (4) | 0.52% | 0.55% | 0.00% | | | |
| Nasrat Mills Limited | 28,000 | - | - | - | 28,000 | 1,599 | 1,691 | 91 | 1.61% | 1.72% | 0.01% | | | |
| Nasrat (Charotar) Limited | 51,296 | - | - | 91,209 | - | - | - | - | 0.00% | 0.00% | 0.00% | | | |
| Interloop Limited | 45,706 | - | - | - | 45,706 | 1,612 | 2,064 | 453 | 1.97% | 2.11% | 0.00% | | | |
| Komalor Textile Mills Limited | 19,000 | - | - | 4,500 | 13,500 | 687 | 764 | 97 | 0.75% | 0.80% | 0.00% | | | |
| Automobile Assembler | | | | | | | | | | | | | | |
| Mataf Tractors Limited | - | 2,700 | - | - | - | 1,185 | 1,129 | (56) | 1.08% | 1.15% | 0.00% | | | |
| Commercial Banks | | | | | | | | | | | | | | |
| Bank Al-Haramain Limited | 70,024 | - | - | 16,000 | 54,024 | 1,545 | 2,079 | 434 | 1.90% | 2.12% | 0.00% | | | |
| Fajal Bank Limited | 24,000 | - | - | - | 24,000 | 464 | 535 | 51 | 0.51% | 0.56% | 0.00% | | | |

| Name of the Investee Company | As at July 01, 2023 | Purchased during the period | Bonus Rights shares issued during the period | Sold during the period | As at September 30, 2023 | Carrying Value as at September 30, 2023 | Market value as at September 30, 2023 | Unrealized gain / (loss) as at September 30, 2023 | Market value as a percentage of net assets | Market value as a percentage of total investment | Investment as a percentage of paid up capital of the investee company |
|---|---------------------|-----------------------------|--|------------------------|--------------------------|---|---------------------------------------|---|--|--|---|
| Head Office Bank Limited | 22,200 | - | - | 2,700 | 19,500 | 1,428 | 1,764 | 336 | 1.02% | 1.00% | 0.00% |
| United Bank Limited | 46,400 | - | - | 11,700 | 34,700 | 4,187 | 4,983 | 815 | 4.77% | 5.09% | 0.00% |
| Meezan Bank Limited | 53,200 | - | - | 15,650 | 47,550 | 4,174 | 5,450 | 1,276 | 5.21% | 5.67% | 0.00% |
| National Bank of Pakistan | - | 43,500 | - | - | 43,500 | 1,114 | 1,001 | (112) | 0.96% | 1.00% | 0.00% |
| MCB Bank Limited | 18,200 | 14,800 | - | - | 33,000 | 1,028 | 4,269 | 321 | 4.05% | 4.26% | 0.00% |
| CABLE & ELECTRICAL GOODS | | | | | | 18,950 | 20,080 | 3,130 | 18.21% | 20.51% | 0.00% |
| Pakistan Cables Limited | 5,500 | - | - | - | 5,500 | 466 | 469 | 13 | 0.46% | 0.46% | 0.01% |
| Engineering | | | | | | | | | | | |
| International Steels Limited | - | 11,000 | - | - | 11,000 | 852 | 468 | (65) | 0.45% | 0.45% | 0.00% |
| Mughal Iron & Steel Industries Limited | 15,774 | 8,500 | - | - | 25,274 | 1,313 | 1,280 | (53) | 1.21% | 1.20% | 0.00% |
| Power Generation & Distribution | | | | | | 1,868 | 1,778 | (128) | 1.65% | 1.77% | 0.00% |
| Hub Power Company Limited | 90,630 | - | - | 10,500 | 80,130 | 5,575 | 7,078 | 1,502 | 6.77% | 7.23% | 0.16% |
| Technology & Communication | | | | | | 5,678 | 7,078 | 1,502 | 6.77% | 7.23% | 0.16% |
| Systems Limited | 17,960 | - | - | 2,180 | 15,779 | 636 | 621 | (15) | 5.94% | 6.35% | 0.14% |
| Air Link Communication Limited | - | 50,000 | - | - | 50,000 | 1,240 | 1,181 | (59) | 1.13% | 1.21% | 0.00% |
| Food and Personal care Products | | | | | | 7,600 | 7,282 | (208) | 7.07% | 7.68% | 0.00% |
| As-Tahir Limited | 70,400 | - | - | - | 70,400 | 1,159 | 1,052 | (106) | 1.01% | 1.06% | 0.00% |
| The Organic Meat Company Limited | 22,000 | - | - | - | 22,000 | 457 | 441 | (16) | 0.42% | 0.45% | 0.00% |
| INSURANCE | | | | | | 1,818 | 1,493 | (123) | 1.43% | 1.53% | 0.00% |
| ICI Heedra Limited | 6,000 | - | - | - | 6,000 | 504 | 500 | (4) | 0.48% | 0.51% | 0.04% |
| PAPER AND BOARDS | | | | | | 1,205 | 1,032 | (171) | 0.98% | 1.06% | 0.26% |
| Century Paper & Board Mills Limited | 22,500 | 18,500 | - | - | 41,000 | 1,205 | 1,032 | (171) | 0.98% | 1.06% | 0.26% |
| GLASS AND CERAMICS | | | | | | 1,084 | 1,178 | 93 | 1.13% | 1.20% | 0.19% |
| Ting Glass Industries Limited | - | 15,000 | - | - | 15,000 | 1,084 | 1,178 | 93 | 1.13% | 1.20% | 0.19% |
| Total as at September 30, 2023 | | | | | | 91,655 | 97,231 | 5,576 | 53.59% | 59.37% | |
| Total as at June 30, 2023 | | | | | | 102,047 | 96,270 | (5,777) | 82.35% | 99.97% | |

Cost of held for trading investments as at 30 June 2021

5.2 Finance Act, 2014 had introduced tax on bonus shares issued by the Companies. Most Equity Funds including the Fund have challenged the applicability of withholding tax provision on bonus shares before Honourable High Court of Sindh (The Court) on various legal grounds and have sought relief from the Court. In the Fund's case, up to the period end, tax in the shape of 202 shares of The Searle Company Limited (30 June 20120: 202), 300 shares of Pakistan State Oil Company Limited (30 June 2020: 300) and 263 shares of Mughal Iron and Steel Industries Limited (30 June 2020: 263) had been withheld by CDC.

5.3 Following shares (mentioned in note 5.1) have been pledged with National Clearing Company of Pakistan Limited:

| | September 30, 2023 (Un-audited) | June 30, 2023 (Audited) |
|-------------------------|------------------------------------|----------------------------|
| | Number of shares | Number of shares |
| Bank Afjalah Limited | 100,000 | 100,000 |
| Nishat (Chaman) Limited | 50,000 | 50,000 |

| | September 30, 2023 (Un-audited) | June 30, 2023 (Audited) |
|--|---------------------------------------|-------------------------------|
| Note | -----Rupees in '000'----- | |
| 6. ACCRUED EXPENSES AND OTHER LIABILITIES | | |
| Auditors' remuneration | 295 | 234 |
| FED payable on management company's remuneration | 6.1 942 | 942 |
| Payable against purchase of investments | 1,354 | 2,181 |
| Withholding tax | 88 | 55 |
| Other payable | 71 | 70 |
| | <u>2,750</u> | <u>3,482</u> |

- 6.1** 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 has been applied effective from 13 June, 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 Fund Association of Pakistan With the Sindh High Court (SHC) on 04 September 2013.

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

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.

In view of above, the Management Company, being prudent, is carrying provision for FED amounting to Rs. 0.942 million. Had the provision not been retained, NAV per unit of the Fund as at June 30, 2023 would have been higher by Rs. 0.86 per unit (June 30, 2023: 0.78 per unit).

7. CONTINGENCIES AND COMMITMENTS

- 7.1** A show cause notice (SCN) under section 161(1A) of Income Tax Ordinance, 2001 has been issued alleging that the Fund did not / partially deducted withholding taxes from various payments made during the tax year 2017. The Fund responded to the SCN by submitting the requisite information of withholding tax paid challans and expenses schedules upon which withholding taxes were applicable. Thereafter, no response has been received by the Fund, on this matter.
- 7.2** There are no commitments as at September 30, 2023 (June 30, 2023: Rs. Nil).

8. 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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the period.

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

9. TRANSACTIONS AND BALANCES WITH 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 (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 September 30, 2023. It also includes the staff retirement funds of the above related parties / connected person. Details of the transactions and balances with the related parties / connected persons, other than those which has been disclosed elsewhere are as follows:

Transactions with connected persons are carried out in normal course of business at contracted rates and terms determined in accordance with market norms.

| For the Quarter ended September 30, 2023 | For the Quarter ended September 30, 2022 |
|---|---|
|---|---|

-----Rupees in '000-----

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

AWT Investments Limited (Management Company)

| | | |
|---|--------|--------|
| Remuneration of Management Company | 546 | 1,361 |
| Sindh sales tax on remuneration of Management Company | 71 | 177 |
| Selling, Marketing and Back office expenses | 145 | 344 |
| Issuance of 688,920 units (September 30, 2022: 68,123 units) | 66,000 | 422 |
| Redemption of 421,633 units (September 30, 2022: 212,950 units) | 42,539 | 42,539 |

Central Depository Company of Pakistan Limited - Trustee

| | | |
|--|----|----|
| Remuneration of the Trustee | 55 | 50 |
| Sindh sales tax on remuneration of the Trustee | 7 | 6 |
| Settlement Charges | 9 | 8 |

AWT Investments Limited - Provident Fund

| | | |
|--|-------|-------|
| Issuance of 34,904 units (September 30, 2022: Nil units) | 3,320 | - |
| Redemption of 29,925 units (September 30, 2022: Nil units) | - | 3,000 |

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

| | September 30, 2023 | June 30, 2023 |
|--|-----------------------|------------------|
| | (Unaudited) | (Audited) |
| -----Rupees in '000----- | | |
| AWT Investments Limited (Management Company) | | |
| Remuneration payable to the Management Company including Sindh sales tax | 1,337 | 173 |
| Federal excise duty payable on remuneration of Management Company | 942 | 942 |
| Units held - 337,001 units (June 30, 2023: 69,714 units) | 32,234 | 5,698 |
| Preliminary and floatation costs payable to Management Company | 109 | 109 |
| Selling, Marketing and Back office expenses | 63 | 610 |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration payable to the Trustee | 81 | 18 |
| Sindh sales tax payable on remuneration payable to the Trustee | 9 | 2 |
| Security deposit | 100 | 100 |
| AWT Investments Limited - Provident Fund | | |
| Units held - 34,904 units (June 30, 2023: Nil units) | 3,339 | - |
| Ten percent or more holding | | |
| Units held - 548,965 units (2020: 646,513 units) | 52,508 | 52,846 |

11. Fair value of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

| On-balance sheet financial instruments | Note | Carrying amount | | | | Total | Fair value | | | Total |
|---|------|-------------------------------------|--------------------|-----------------------|-----------------------------|--------|------------|---------|---------|--------|
| | | Fair value through income statement | Available for sale | Loans and receivables | Other financial liabilities | | Level 1 | Level 2 | Level 3 | |
| As at September 30, 2023 | | | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | | | |
| Listed equity securities | 11.1 | 97,831 | - | - | - | 97,831 | 97,831 | - | - | 97,831 |
| Financial assets not measured at fair value | | | | | | | | | | |
| Bank balances | 11.1 | - | - | 5,394 | - | 5,394 | - | - | - | - |
| Other receivables | | - | - | 2,733 | - | 2,733 | - | - | - | - |
| NCCPL Security deposits | | - | - | 2,600 | - | 2,600 | - | - | - | - |
| | | - | - | 10,726 | - | 10,726 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | | | |
| Payable to the Management Company | 11.1 | - | - | - | 1,337 | 1,337 | - | - | - | - |
| Remuneration payable to the Trustee | | - | - | - | 81 | 81 | - | - | - | - |
| Accrued expenses and other liabilities | | - | - | - | 1,728 | 1,728 | - | - | - | - |
| | | - | - | - | 3,146 | 3,146 | - | - | - | - |
| As at June 30, 2023 | | | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | | | |
| Equity securities | 11.1 | 96,270 | - | - | - | 96,270 | 96,270 | - | - | - |
| | | 96,270 | - | - | - | 96,270 | 96,270 | - | - | - |
| Financial assets not measured at fair value | | | | | | | | | | |
| Bank balances | 11.1 | - | - | 8,085 | - | 8,085 | - | - | - | - |
| Other receivable | | - | - | 247 | - | 247 | - | - | - | - |
| NCCPL Security deposits | | - | - | 2,600 | - | 2,600 | - | - | - | - |
| | | - | - | 10,932 | - | 10,932 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | | | |
| Payable to the Management Company | 11.1 | - | - | - | 1,203 | 1,203 | - | - | - | - |
| Remuneration payable to the Trustee | | - | - | - | 19 | 19 | - | - | - | - |
| Accrued expenses and other liabilities | | - | - | - | 2,506 | 2,506 | - | - | - | - |
| | | - | - | - | 3,728 | 3,728 | - | - | - | - |

9.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of their fair values.

12. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the period ended June 30, 2023 is 4.21% which include 0.76% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

13. GENERAL

13.1 Figures have been rounded off to the nearest thousand rupees.

13.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in this condensed interim financial information during the period.

14. DATE OF AUTHORISATION

This condensed interim financial information was authorized for issue on October 24, 2023 by the Board of Directors of the Management Company.

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



Chief Executive Officer



Chief Financial Officer



Director



HEAD OFFICE - RAWALPINDI

2nd Floor, AWT Plaza, Mall Road Rawalpindi.
051-9272379

KARACHI

3rd Floor, AWT Plaza, II Chundrigar Road, Karachi.
021-38658883

LAHORE

1st floor, 33-DD block CCA, phase 4, DHA Cantt, Lahore.
042-35694007-8

© 0336-6AWTAWT (298298) [f](#) /AWTInvestmentsLimited [in](#) /awtinvestments

www.awtinvestments.com