



HALF YEARLY REPORT

DECEMBER 31, 2023

JS MOMENTUM FACTOR EXCHANGE TRADED FUND



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MISSION

To establish a leadership position in bringing more investable asset classes and innovative products, while managing them with prudence and excellence



COMPANY INFORMATION

Management Company

JS Investments Limited
19th Floor, The Centre, Plot # 28,
SB-5 Abdullah Haroon Road, Saddar,
Karachi-75600
Tel: (92-21) 111-222-626 Fax: (92-21) 35165540
E-mail: info@jsil.com
Website: www.jsil.com

Board of Directors

Mr. Suleman Lalani	Non-Executive Director / Chairman
Ms. Iffat Zehra Mankani	Chief Executive Officer
Mr. Hasan Shahid	Non-Executive Director
Mr. Mirza M. Sadeed H. Barlas	Non-Executive Director
Mr. Atif Salim Malik	Non-Executive Director
Ms. Aisha Fariel Salahuddin	Non-Executive Independent Director
Ms. Mediha Kamal Afsar	Non-Executive Independent Director
Mr. Farooq Ahmed Malik	Non-Executive Independent Director

Chief Executive Officer

Ms. Iffat Zehra Mankani

Chief Financial Officer

Mr. Raheel Rehman

Chief Investment Officer

Mr. Syed Hussain Haider

Chief Operating Officer & Company Secretary

Mr. Muhammad Khawar Iqbal

Statutory Auditors

A.F Ferguson & Co. Chartered Accountants

Legal Advisors

Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee

Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid (Member)
Mr. Mirza M. Sadeed H. Barlas (Member)

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Sharah-e-Faisal, Karachi-74400 Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326040

DIRECTORS' REPORT TO THE UNIT HOLDERS

The Board of Directors of JS Investments Limited has the pleasure in presenting to you the un-audited financial statements of **JS Momentum Factor Exchange Traded Fund** (the Fund) for the half year ended December 31, 2023.

Economy Review:

During FY23, Pakistan's economy faced severe shocks from floods, Geo-political tensions escalating commodity prices, tightening financing conditions, and policy setbacks, leading to stalled growth, surging inflation, depleted reserves, and acute fiscal pressures. However, during 1HFY24 the country transitioned from a rhetoric of default with no visible solutions toward reform implementation, sustainable policies, and reinforcing external accounts. Guided by SIFC and IMF directives, this shift reoriented the outlook from potential default to sustained growth, signaling an optimistic turn and leaving the worst economic challenges behind.

Asset sales under SIFC are expected to help prevent a significant decline in FX reserves, supported by reforms in the energy sector and SOEs, creating fiscal space. Concurrently, the anticipated influx of FDI is poised to address the country's gross financing needs, bolstering Pakistan's economic stability and growth. In FY24, GDP growth is projected at 2.5%, driven by the post-flood recovery in the agriculture sector. Additionally, sustained policies, effective reforms, and substantial financial support remain pivotal to long-term growth.

The financial inflows under the SIFC asset sale and the IMF program will bolster exchange rate stability, playing a pivotal role in curbing inflation by maintaining a stable PKR. During 1HFY24, the average inflation was recorded at 28.8%, compared to 25.04% in the corresponding period last year. Moving forward monetary policy to remain tightly linked to the external account and inflation outlook while contractionary measures will remain the central theme on the fiscal side.

Equity Market Review:

KSE-100 index began the year on a strong note influenced by the successful agreement with the IMF under the Stand-By Arrangement (SBA) which played a pivotal role in economic stability. In 1HFY24, the KSE-100 Index displayed remarkable growth and optimism, registering an impressive 51% increase, gaining 20,998.35 points, and closing the index at 62,451.04 points at year-end.

The overall trading activity witnessed an increase of ~118% Y-o-Y, as the volumes rose to 477.6mn shares, compared to 219.2mn shares in 1HFY23. Similarly, the value of shares traded displayed growth of 69% Y-o-Y, averaging around USD 50.2mn in 1HFY24. During 1HFY24, Commercial Banks, Oil & Gas Exploration Companies, and Power Generation & Distribution were notable outperformers.

Looking ahead, the equity market's performance would largely be influenced by the government's adherence to the reforms under the IMF program, materialization of FDI flows under SIFC, and political stability.

Review of Fund Performance

The Fund's return was 69.58% for the half year ended December 31, 2023, against the benchmark return of 63.40%. Net Assets moved from PKR 80.41 million (June 30, 2023) to PKR 18.70 million as of December 31, 2023. The total expense ratio (TER) of the Fund is 3.33%, which includes 0.83% of government levies on the Fund.

Fund and Asset Manager Rating

Pakistan Credit Rating Agency Limited (PACRA) has maintained Management Company's asset manager rating of 'AM2+' with a 'stable outlook' to JS Investments Limited. This rating underscores our dedication to maintaining high-quality management standards, reflecting positively on the overall performance and outlook of our operations.

Acknowledgment

The Directors express their gratitude to the Securities and Exchange Commission of Pakistan and Central Depository Company of Pakistan Limited (CDC) for their valuable support, assistance, and guidance. The Board also thanks the employees of the Management Company for their dedication and hard work and the unit holders for their confidence in the Management.



Director

February 20, 2024
Karachi



Chief Executive Officer
Iffat Zehra Mankani

TRUSTEE REPORT TO THE UNIT HOLDERS

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



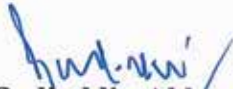
TRUSTEE REPORT TO THE UNIT HOLDERS

JS MOMENTUM FACTOR EXCHANGE TRADED FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of JS Momentum Factor Exchange Traded Fund (the Fund) are of the opinion that JS Investments Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2023 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.



Badiuddin Akber

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 29, 2024

AUDITOR REPORT TO THE UNIT HOLDERS



A.F. FERGUSON & CO.

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **JS Momentum Factor Exchange Traded Fund** (the Fund) as at December 31, 2023 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the half year ended December 31, 2023. The Management Company (JS Investments Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2023 and December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2023.

Scope of Review


We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

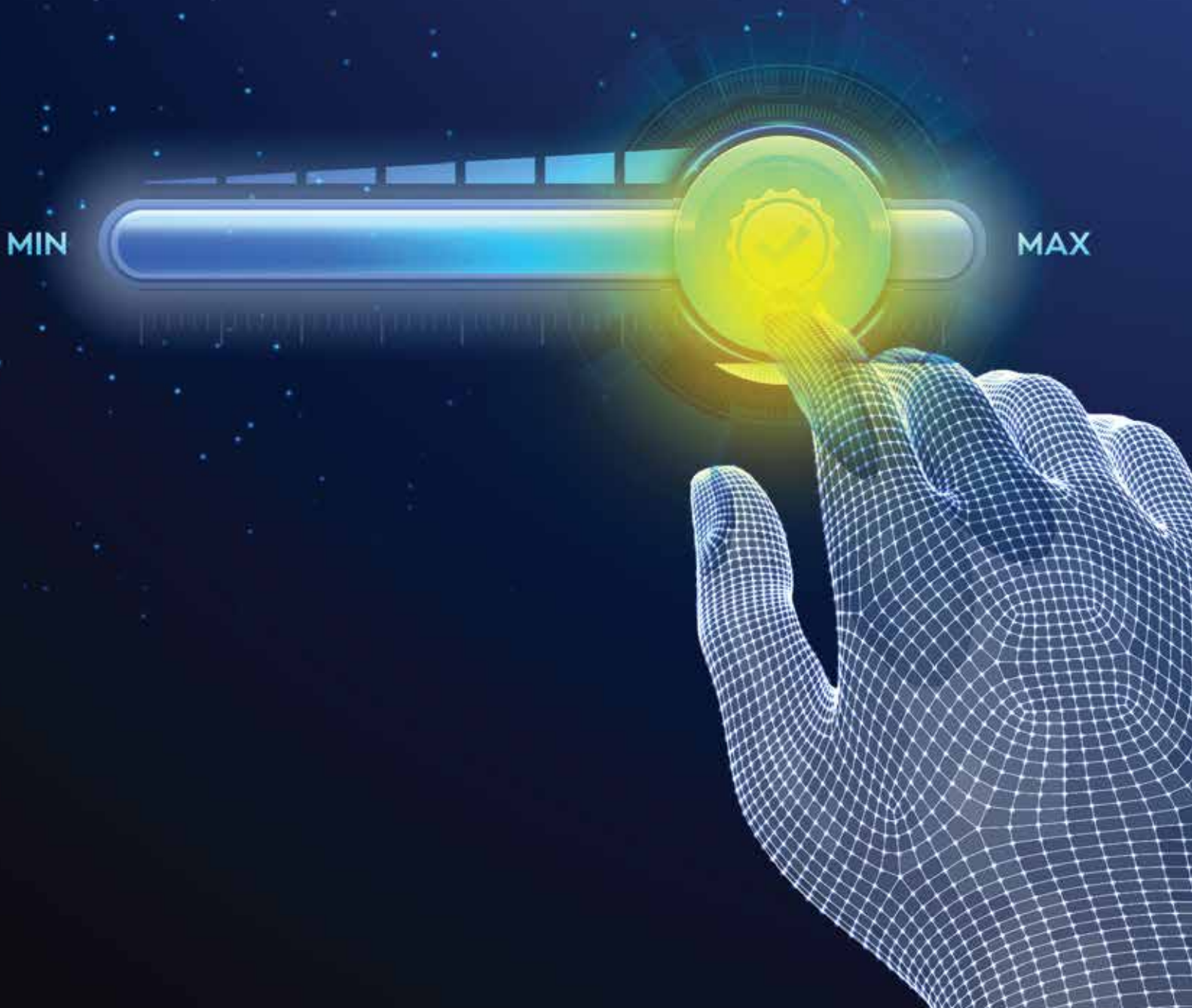
The condensed interim financial statements of the Fund for the half year ended December 31, 2022 and the financial statements for the year ended June 30, 2023 were reviewed and audited respectively by another firm of Chartered Accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated February 28, 2023 and September 28, 2023 respectively.


A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Noman Abbas Sheikh**
Dated: February 29, 2024
Karachi
UDIN: RR202310061fjb2FGWpE

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
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CONDENSED INTERIM FINANCIAL STATEMENTS



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT DECEMBER 31, 2023

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- Rupees -----	
ASSETS			
Bank balances	4	875,642	40,767,918
Investments	5	16,830,756	74,741,429
Accrued profit		44,129	24,619
Advances, deposits and prepayments	6	3,070,136	1,718,393
Total assets		20,820,663	117,252,359
LIABILITIES			
Payable to JS Investments Limited - Management Company	7	239,892	188,741
Payable to the Central Depository Company of Pakistan Limited - Trustee	8	3,496	3,751
Payable to the Securities and Exchange Commission of Pakistan (SECP)	9	2,974	7,822
Payable against purchase of investments		1,003,347	36,214,677
Accrued expenses and other liabilities	10	873,730	425,026
Total liabilities		2,123,439	36,840,017
NET ASSETS		18,697,224	80,412,342
Unit holders' fund (as per statement attached)		18,697,224	80,412,342
Contingencies and commitments	11		
----- Number of units -----			
NUMBER OF UNITS IN ISSUE		1,330,000	9,700,000
----- Rupees -----			
NET ASSET VALUE PER UNIT		14.0581	8.2899

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023

		Half year ended December 31,		Quarter ended December 31,	
		2023	2022	2023	2022
Note		Rupees			
INCOME					
		307,852	149,074	254,321	87,224
		2,169,513	5,300,655	954,583	3,704,909
		1,877,144	412,924	1,770,895	277,122
		33,824,832	(9,594,299)	24,966,591	(6,136,351)
		1,116,007	(2,584,192)	4,057,252	(1,170,556)
		34,940,839	(12,178,491)	29,023,843	(7,306,907)
		39,295,348	(6,315,838)	32,003,642	(3,237,652)
EXPENSES					
		-	69,635	-	3,001
		-	9,053	-	390
		26,636	24,364	14,826	11,037
		3,463	3,167	1,928	1,435
		25,366	4,873	14,114	2,207
		33,066	20,625	25,731	11,729
		1,373,779	478,253	1,241,939	270,293
		67,800	67,800	33,900	33,900
		44,843	4,102	22,766	2,040
		433,262	393,984	236,270	235,296
		51,150	51,150	25,575	32,025
		2,059,365	1,127,006	1,617,049	603,353
Net income / (loss) for the period from operating activities					
		37,235,983	(7,442,844)	30,386,593	(3,841,005)
		(29,563,801)	(1,864,934)	(25,894,698)	1,239,849
Net income / (loss) for the period before taxation					
		7,672,182	(9,307,778)	4,491,895	(2,601,156)
		-	-	-	-
Net income / (loss) for the period after taxation					
		7,672,182	(9,307,778)	4,491,895	(2,601,156)
Accounting income available for distribution					
		7,672,182	-	-	-
		-	-	-	-
		7,672,182	-	-	-

Earnings / (loss) per unit

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The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023

	Half year ended December 31,		Quarter ended December 31,	
	2023	2022	2023	2022
	----- Rupees -----			
Net income / (loss) for the period after taxation	7,672,182	(9,307,778)	4,491,895	(2,601,156)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	7,672,182	(9,307,778)	4,491,895	(2,601,156)

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

		Half year ended December 31,	
		2023	2022
Note		----- Rupees -----	
	CASH FLOWS FROM OPERATING ACTIVITIES		
	Net income / (loss) for the period before taxation	7,672,182	(9,307,778)
	Adjustments for non cash and other items:		
	(Gain) / loss on sale of investments - net	(33,824,832)	9,594,299
	Element of loss and capital losses included in prices of units issued less those in units redeemed - net	29,563,801	1,864,934
	Net unrealised (appreciation) / diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	(1,116,007)	2,584,192
		(5,377,038)	14,043,425
	Decrease / (increase) in assets		
	Investments - net	92,851,512	(31,300,150)
	Accrued profit	(19,510)	(24,619)
	Advances, deposits and prepayments	(1,351,743)	(1,205,744)
		91,480,259	(32,530,513)
	Decrease in liabilities		
	Payable to JS Investments Limited - Management Company	51,151	20,444
	Payable to the Central Depository Company of Pakistan Limited - Trustee	(255)	16,687
	Payable to the Securities and Exchange Commission of Pakistan (SECP)	(4,848)	392
	Payable against purchase of investments	(35,211,330)	-
	Accrued expenses and other liabilities	448,704	(385,892)
		(34,716,578)	(348,369)
	Net cash generated from / (used in) from operating activities	59,058,825	(28,143,235)
	CASH FLOWS FROM FINANCING ACTIVITIES		
	Receipts against issuance of units	97,512,923	82,237,376
	Payments against redemption of units	(196,464,024)	(53,172,194)
	Net cash (used in) / generated from financing activities	(98,951,101)	29,065,182
	Net (decrease) / increase in cash and cash equivalents during the period	(39,892,276)	921,947
	Cash and cash equivalents at the beginning of the period	40,767,918	732,298
	Cash and cash equivalents at end of the period	875,642	1,654,245

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director



CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Half year ended December 31, 2023			Half year ended December 31, 2022		
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total
	Rupees					
Net assets at the beginning of the period (audited)	91,995,316	(11,582,974)	80,412,342	23,800,000	(1,627,299)	22,172,701
Issuance of 10,440,000 (2022: 9,380,000) units						
- Capital value (at net asset value per unit at the beginning of the period)	86,547,600	-	86,547,600	87,386,894	-	87,386,894
- Element of income / (loss)	10,965,323	-	10,965,323	(5,149,518)	-	(5,149,518)
Total proceeds on issuance of units	97,512,923	-	97,512,923	82,237,376	-	82,237,376
Redemption of 18,810,000 (2022: 6,060,000) units						
- Capital value (at net asset value per unit at the beginning of the period)	(155,934,900)	-	(155,934,900)	(56,456,778)	-	(56,456,778)
- Element of (income) / loss	(40,529,124)	-	(40,529,124)	3,284,584	-	3,284,584
Total payments on redemption of units	(196,464,024)	-	(196,464,024)	(53,172,194)	-	(53,172,194)
Element of loss and capital loss included in prices of units issued less those in units redeemed - net	29,563,801	-	29,563,801	1,864,934	-	1,864,934
Total comprehensive income / (loss) for the period	-	7,672,182	7,672,182	-	(9,307,778)	(9,307,778)
Net assets at the end of the period (unaudited)	22,608,016	(3,910,792)	18,697,224	54,730,116	(10,935,077)	43,795,039
Accumulated loss brought forward						
- Realised loss		(12,836,574)			(1,818,842)	
- Unrealised income		1,253,600			191,543	
		(11,582,974)			(1,627,299)	
Net income / (loss) for the period after taxation		7,672,182			(9,307,778)	
Undistributed loss carried forward		(3,910,792)			(10,935,077)	
Accumulated loss carried forward						
- Realised loss		(5,026,799)			(8,350,885)	
- Unrealised income		1,116,007			(2,584,192)	
		(3,910,792)			(10,935,077)	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the period		8.2899			9.3163	
Net asset value per unit at the end of the period		14.0581			7.6833	

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** JS Momentum Factor Exchange Traded Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered between JS Investments Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on October 05, 2021 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on October 25, 2021. The Fund commenced its operations from January 7, 2022.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at The Centre, 19th Floor, Plot No.28 SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan.

- 1.2** The Fund has been categorised as an open ended exchange traded mutual fund that aims to provide investors an opportunity to track the performance of JS Momentum Factor Index that has been constituted and is maintained by the Management Company and comprises of 10 equity securities selected based on free float market capitalization & traded value filter (CF).
- 1.3** The Fund is a hybrid fund having features of both open ended and close ended funds. A new concept of Authorised Participants (APs) has been introduced who will act as market makers. The Management Company will only have contact with the APs for issuance and redemption of units. The units of the Fund are tradeable in the Pakistan Stock Exchange Limited (PSX). The APs to whom the units are issued may either keep the units with themselves or trade in the PSX. Consequently, upon trading, the holders of the units keep on changing. Moreover, on issuance and redemption of units, the basket of shares will be exchanged between APs and Management Company and cash will be paid / received if there is a difference in the market value of shares and net asset value.
- 1.4** Pakistan Credit Rating Agency Limited (PACRA) has maintained Management Company's asset manager rating of 'AM2+' with a 'stable outlook' to JS Investments Limited. This rating underscores our dedication to maintaining high-quality management standards, reflecting positively on the overall performance and outlook of our operations.
- 1.5** The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act 2017 along with part VIIIA of the repealed Companies ordinance, 1984 ; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

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 requirements of IAS 34 'Interim Financial Reporting', 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 the requirements of the Trust Deed have been followed.

2.2 The disclosures made in these condensed interim financial statements are limited, based on the requirements of the IAS 34 'Interim Financial Reporting'. These condensed interim financial statements 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.

2.3 These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2023.

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

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2023.

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, income and expenses. It also requires the management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are revised on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is 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.

The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those that were applied in the audited annual financial statements of the Fund as at and for the year ended June 30, 2023.

The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2023.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2024. However, these are not expected to have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

4	BANK BALANCES	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
			Rupees	
	In savings accounts	4.1	875,642	40,767,918

4.1 This represents balance maintained with JS Bank Limited (related party) in savings account and carry profit rate at the rate of 20.82% (June 2023: 19.60%) per annum.

5	INVESTMENTS	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
			Rupees	
	At fair value through profit or loss			
	Shares of listed companies	5.1	16,830,756	74,741,429

5.1 **Shares of listed companies - at fair value through profit or loss**
Fully paid up ordinary shares having a face value of Rs. 10 each, unless otherwise stated.

Name of the Investee Company	As at July 01, 2023	Purchased during the period	Sold / disposed during the period	As at December 31 2023	As at December 31, 2023			Market value as a percentage of		Holding as a percentage of paid- up capital of investee company
					Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments	
No. of Shares					Rupees			(%)		
AUTOMOBILE ASSEMBLER										
Honda Atlas Cars (Pakistan) Limited	-	39,736	39,736	-	-	-	-	-	-	-
Pak Suzuki Motor Company Limited	-	17,035	13,976	3,059	1,277,379	1,708,023	430,644	9.14%	10.15%	0.004%
Millat Tractors Limited	-	13,791	13,791	-	-	-	-	-	-	-
					1,277,379	1,708,023	430,644			
CEMENT										
Attock Cement Pakisan Limited	15,520	-	15,520	-	-	-	-	-	-	-
Cherat Cement Company Limited	48,500	-	48,500	-	-	-	-	-	-	-
D. G. Khan Cement Company Limited	237,650	65,988	272,516	31,122	2,505,321	2,408,843	(96,478)	12.88%	14.31%	0.007%
Lucky Cement Limited	-	2,630	2,630	-	-	-	-	-	-	-
Pioneer Cement Limited	130,950	-	130,950	-	-	-	-	-	-	-
					2,505,321	2,408,843	(96,478)			
CHEMICAL										
Lotte Chemical Pakistan Limited	191,090	64,815	255,905	-	-	-	-	-	-	-
COMMERCIAL BANKS										
United Bank Limited	-	37,200	37,200	-	-	-	-	-	-	-
Meezan Bank Limited	-	84,192	84,192	-	-	-	-	-	-	-
Bank Alfalah Limited	-	211,874	211,874	-	-	-	-	-	-	-
Bank Al Habib Limited	-	39,312	39,312	-	-	-	-	-	-	-
BankIslami Pakistan Limited **	-	254,371	254,371	-	-	-	-	-	-	-
Habib Bank Limited	-	94,682	94,682	-	-	-	-	-	-	-
					-	-	-			
ENGINEERING										
Thal Limited	-	5,260	5,260	-	-	-	-			
FERTILIZER										
Engro Corporation Limited	54,320	28,404	82,724	-	-	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	-	71,628	37,846	33,782	863,806	1,077,646	213,840	5.76%	6.40%	0.003%
					863,806	1,077,646	213,840			
FOOD & PERSONAL CARE PRODUCT										
Fauji Foods Limited	-	137,334	72,563	64,771	621,154	721,549	100,395	3.86%	4.29%	0.003%
Unity Foods Limited	-	282,384	282,384	-	-	-	-	-	-	-
					621,154	721,549	100,395			
OIL & GAS EXPLORATION COMPANIES										
Mari Petroleum Company Limited	-	2,630	2,630	-	-	-	-	-	-	-
Oil & Gas Development Company Limited	-	158,721	158,721	-	-	-	-	-	-	-
Pakistan Oil Fields Limited	-	14,782	14,782	-	-	-	-	-	-	-
Pakistan Petroleum Limited	-	410,788	410,788	-	-	-	-	-	-	-
					-	-	-			

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

Name of the Investee Company	As at July 01, 2023	Purchased during the period	Sold / disposed during the period	As at December 31, 2023	As at December 31, 2023			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
					Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments	
					No. of Shares	Rupees				(%)
OIL & GAS MARKETING COMPANIES										
Pakistan State Oil Company Limited	-	180,666	180,666	-	-	-	-	-	-	-
Shell Pakistan Limited	-	143,339	143,339	-	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	-	114,842	114,842	-	-	-	-	-	-	-
PAPER & BOARD										
Packages Limited	4,850	-	4,850	-	-	-	-	-	-	-
PHARMACEUTICALS										
The Searle Company Limited	-	84,318	44,551	39,767	2,516,058	2,047,205	(468,853)	10.95%	12.16%	0.008%
POWER GENERATION & DISTRIBUTION										
K-Electric Limited *	-	1,073,800	1,073,800	-	-	-	-	-	-	-
Lalpir Power Limited	-	208,822	208,822	-	-	-	-	-	-	-
Nishat Chunian Limited	-	181,097	181,097	-	-	-	-	-	-	-
Pak Elektron Limited	-	117,312	61,984	55,328	1,041,273	1,249,306	208,033	6.68%	7.42%	0.006%
The Hub Power Company Limited	-	138,004	112,734	25,270	2,272,608	2,958,864	686,256	15.83%	17.58%	0.002%
					3,313,881	4,208,170	894,289			
REFINERY										
Attock Refinery Limited	-	69,061	69,061	-	-	-	-	-	-	-
National Refinery Limited	-	52,065	52,065	-	-	-	-	-	-	-
Pakistan Refinery Limited	-	477,568	477,568	-	-	-	-	-	-	-
TECHNOLOGY AND COMMUNICATION										
Avanceon Limited	-	58,528	58,528	-	-	-	-	-	-	-
Air Link Communication Limited	259,960	165,634	384,497	41,097	2,141,550	2,497,054	355,504	13.36%	14.84%	0.010%
Netsol Technologies Limited	-	23,688	12,516	11,172	1,337,624	1,111,279	(226,345)	5.94%	6.60%	0.012%
Systems Limited	-	13,676	13,676	-	-	-	-	-	-	-
					3,479,174	3,608,333	129,159			
TEXTILE COMPOSITE										
Gul Ahmed Textile Mills Limited	110,580	-	110,580	-	-	-	-	-	-	-
Interloop Limited	-	88,089	88,089	-	-	-	-	-	-	-
Kohinoor Textile Mills Limited	-	24,196	24,196	-	-	-	-	-	-	-
Nishat Mills Limited	-	29,046	15,347	13,699	1,137,976	1,050,987	(86,989)	5.62%	6.24%	0.004%
					1,137,976	1,050,987	(86,989)			
MISCELLANEOUS										
TPL Properties Limited	-	554,277	554,277	-	-	-	-	-	-	-
Total as at December 31, 2023 (Unaudited)					15,714,749	16,830,756	1,116,007			
Total as at June 30, 2023 (Audited)					73,487,829	74,741,429	1,253,600			

*These have a face value of Rs. 3.5 per share.

**Related party

5.2 Net unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at 'fair value through profit or loss'

	Note	December 31, 2023 (Un-audited)	December 31, 2022 (Un-audited)
		Rupees	
Market value of investments	5.1	16,830,756	41,165,919
Less: carrying value of investments	5.1	(15,714,749)	(43,750,111)
		1,116,007	(2,584,192)



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

		Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
6	ADVANCES, DEPOSITS AND PREPAYMENTS		Rupees	
	Receivable from JS Investments Limited - Management Company		1,877,144	570,243
	Security deposit with the Central Depository Company of Pakistan Limited - Trustee		100,000	100,000
	Advance tax		1,048,150	1,048,150
	Prepaid listing fee		44,842	-
			3,070,136	1,718,393
7	PAYABLE TO JS INVESTMENTS LIMITED - MANAGEMENT COMPANY			
	Management remuneration payable	7.1	-	-
	Sindh sales tax payable on management remuneration	7.2	-	-
	Payable against printing and stationery		129,892	78,741
	Payable to the management company		110,000	110,000
			239,892	188,741
7.1	As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document. The maximum allowable threshold for charging the fee is 0.00% to 0.50% per annum on the average net assets of the Fund. Keeping in view the maximum allowable threshold the Management Company has charged Nil remuneration from the Fund (December 31, 2022: Rs. 0.069 million) during the period ended December 31, 2023. The remuneration is payable to the management company monthly in arrears.			
7.2	Sindh sales tax on the remuneration of the management company has been charged at the rate of 13% (December 31, 2022: 13%) under the Sindh Sales Tax on Services Act, 2011.			
8	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
8.1	The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.1% per annum of net assets of the Fund.			
8.2	Sindh sales tax on the remuneration of the Trustee has been charged at the rate of 13% (December 31, 2022: 13%) under the Sindh Sales Tax on Services Act, 2011.			
9	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)			
9.1	In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP).			
9.2	Effective from July 1, 2023, the SECP vide SRO No. 592(I)/2023 dated May 17, 2023, revised the rate of annual fee to 0.095% of net assets, applicable on 'Exchange Traded Scheme'. Previously, the rate of fee applicable on all categories of CISs was 0.02% per annum of the daily net assets of the Fund. Accordingly, the Fund has charged SECP Fee at the rate of 0.095% of net assets during the current period.			
	Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.			



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

10 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration payable
Registrar fees payable
Settlement charges payable
Withholding tax payable

December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
Rupees	
832,430	399,168
22,600	11,300
5,383	2,622
13,317	11,936
<u>873,730</u>	<u>425,026</u>

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2023 and June 30, 2023.

12 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund as at December 31, 2023 is 3.33% which includes 0.83% representing government levies such as sales taxes and annual fee payable to the SECP, etc. The maximum ratio limit as prescribed under the NBFC Regulation for a collective investment scheme categorised as an 'Exchange Traded Scheme' is 2.5% which is required to be complied on an annual basis by the Fund. To comply with this breach, the Fund has made the reversal of expense amounting to Rs. 1.877 million (December 31 2022: 1.771 million).

13 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the 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. Since the Management Company intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2024 to the unit holders in the manner as explained above, accordingly no provision for taxation has been made in these condensed interim financial statements.

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

14 EARNINGS / (LOSS) PER UNIT

Earnings / (loss) per unit based on cumulative weighted average units for the period has not been disclosed as in the opinion of the management the determination of the same is not practicable.

15 CASH AND CASH EQUIVALENTS

Bank balances

December 31, 2023 (Un-audited)	December 31, 2022 (Un-audited)
Rupees	
875,642	1,654,245

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

16 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related party / connected person include JS Investments Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Jahangir Siddiqui & Co. Limited (holding 71.20% shares of JS Bank Limited) being the holding company of JS Bank Limited (JSBL - which is the holding company of the Management Company - holding 84.56% shares of JS Investments Limited), BankIslami Pakistan Limited (which is a fellow subsidiary of JSBL - 75.12% shares held by JS Bank Limited), JS Global Capital Limited (which is a fellow subsidiary of JSBL - 92.90% shares held by JS Bank Limited) and other associated companies of the Management Company and its subsidiaries, Key Management Personnel of the Management Company and other funds being managed by the Management Company and includes entities holding 10% or more in the units of the Fund as at December 31, 2023. It also includes the staff retirement benefits of the above related parties / connected persons.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

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

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

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

	December 31, 2023 (Un-audited)	December 31, 2022 (Un-audited)
	Rupees	
JS Investments Limited - Management Company		
Remuneration of JS Investments Limited - Management Company	-	69,635
Sindh Sales Tax on remuneration of the Management Company	-	9,053
Printing Charges	51,150	51,150
Other income from the Management Company	1,877,144	412,924
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	26,636	24,364
Sindh sales tax on remuneration of the Trustee	3,463	3,167
Bank and settlement charges	33,066	20,625
Registrar Fee	67,800	67,800
JS Bank Limited - Parent Company of JSIL		
Profit on savings accounts	307,852	149,074
JS Fund of Funds - Fund under JSIL Management		
Issuance of units: 10,450,500 (2022 : 9,430,500)	98,502,895	83,067,705
Redemption of units: 18,690,500 (2022 : 6,121,000)	194,450,355	52,923,320
JS Global Capital Limited - Fellow subsidiary of JSBL		
Issuance of units: 10,440,000 (2022 : 9,380,000)	97,512,923	82,237,376
Redemption of units: 18,810,000 (2022 : 6,060,000)	196,464,024	53,172,194
Brokerage Expense	1,027,452	57



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

16.2 Details of balances with related parties / connected persons as at period end

JS Investments Limited - Management Company

Remuneration of the Management Company	-	-
Sindh Sales Tax on remuneration of the Management Company	-	-
Printing charges payable	129,892	78,741
Payable to Management Company	110,000	110,000
Receivable from Management Company	1,877,144	570,243

Central Depository Company of Pakistan Limited - Trustee

Remuneration payable to the Trustee	3,093	3,319
Sindh Sales Tax payable on Trustee remuneration	403	432
Settlement charges payable	5,383	2,622
Registrar fee payable	22,600	11,300
Security deposit	100,000	100,000

JS Bank Limited - Parent Company of JSIL

Bank balances	875,642	40,767,918
Profit receivable	44,129	24,619

JS Fund of Funds - Fund under JSIL Management

695,500 (2023: 8,935,500) units held	9,250,150	74,074,689
--------------------------------------	-----------	------------

JS Global Capital Limited - Fellow subsidiary of JSBL

Payable against purchase of investments	-	35,919,310
1,330,000 (2023: 764,500) units held	18,697,273	6,337,653

17 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradeable in an open market are revalued at market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

17.1 Fair value hierarchy

International Financial Reporting Standard IFRS 13 - "Fair Value Measurement": requires the fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The Fund held the following financial instruments measured at fair values:

	----- Unaudited ----- ----- December 31, 2023 -----			
	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
At fair value through profit or loss				
Shares of listed companies	16,830,756	-	-	16,830,756
	----- Audited ----- ----- June 30, 2023 -----			
	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
At fair value through profit or loss				
Shares of listed companies	74,741,429	-	-	74,741,429

During the period from July 1, 2023 to December 31, 2023, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

18 GENERAL

17.1 Figures have been rounded off to the nearest Pakistani rupee.

17.2 Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

19 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 20, 2024.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

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