

NIT Asset Allocation Fund
Condensed Interim Financial Statements
For the half year ended December 31, 2023

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-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

NIT ASSET ALLOCATION 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 NIT Asset Allocation Fund (the Fund) are of the opinion that National Investment Trust 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 pricing, 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 27, 2024

INDEPENDENT AUDITORS' REVIEW REPORT TO THE UNIT HOLDERS' OF NIT ASSET ALLOCATION FUND

Report on review of interim financial statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NIT Asset Allocation Fund** (the Fund) as at **December 31, 2023**, and the related condensed interim income statement, condensed interim statement of other comprehensive income, condensed interim statement of movement in unitholders' fund and condensed interim statement of cash flows and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management Company (National Investment Trust Limited) is responsible for the preparation and presentation of the interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statement based on our review.

Scope of Review

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

Other Matters

1. The figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the three months' period ended December 31, 2023 and 2022 have not been reviewed, as we are required to review only the cumulative figures for the six months' period ended December 31, 2023.

2. The engagement partner on the review resulting in this independent auditors' review report is **Muhammad Shaukat Naseeb.**

Grant Thornton Anjum Rahman

Chartered Accountants

Date:

Karachi

UDIN:

DRAFT

**NIT ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT 31 DECEMBER 2023**

	Note	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
-----Rupees in '000-----			
ASSETS			
Balances with bank	4	259,577	101,243
Investments	5	348,011	371,258
Dividend and profit receivables	6	6,914	7,411
Preliminary expenses and flotation costs		295	396
Security deposits		2,600	2,600
Total assets		617,397	482,908
LIABILITIES			
Payable to National Investment Trust Limited - Management Company	7	4,638	4,421
Payable to Central Depository Company of Pakistan Limited - Trustee	8	116	93
Payable to Securities and Exchange Commission of Pakistan	9	49	108
Payable against redemption of units		-	203
Payable against purchase of investments		6,559	-
Accrued expenses and other liabilities	10	539	826
Total liabilities		11,901	5,651
NET ASSETS		605,496	477,257
Unit holders' fund (as per statement attached)		605,496	477,257
Contingencies and commitments	11		
		(Number of units)	
Number of units in issue		48,170,463	49,284,662
		(Rupees)	
Net asset value per unit		12.5699	9.6837

The annexed notes 1 to 16 form an integral part of this condensed interim financial statement. *R.T.M.*

**For National Investment Trust Limited
(Management Company)**




Managing Director



Director



Director



Chief Financial Officer

**NIT ASSET ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR & QUARTER ENDED DECEMBER 31, 2023**

Note	Half year ended 'December 31,		Quarter ended 'December 31,	
	2023	2022	2023	2022
-----Rupees in '000-----				
INCOME				
	10,650	12,977	6,783	9,169
Dividend income				
Gain on sale of investments-net	16,071	7,088	4,311	595
Income on debt securities	11,409	2,291	4,687	-
Income on commercial papers	-	2,550	-	658
Income from Government securities	730	1,989	365	1,989
Net unrealised/(diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.5	83,802	(24,252)	67,261
Mark-up/return on bank deposits		24,804	19,206	14,137
		<u>147,466</u>	<u>21,849</u>	<u>97,544</u>
				<u>5,843</u>
EXPENSES				
Remuneration of National Investment Trust Limited - Management Company	7.1	4,082	4,178	2,149
Sindh sales tax on remuneration of Management Company	7.2	531	543	280
Trustee Fee- Central Depository Company of Pakistan Limited	8.1	544	557	286
Sindh Sales Tax on Remuneration of Trustee		71	72	37
Annual fee - Securities and Exchange Commission of Pakistan		258	56	136
Allocation of expenses related to registrar services, accounting, operation and valuation services	7.3	656	454	326
Central Depository Charges		7	16	5
Securities transaction costs		70	254	45
Settlement and bank charges		210	238	110
Auditors' Remuneration		415	326	294
Amortization of preliminary expenses and floatation costs		101	98	51
Legal & Professional Charges		-	193	-
Annual Listing Fee		31	28	-
Printing and related costs		9	-	-
		<u>6,985</u>	<u>7,013</u>	<u>3,719</u>
		<u>140,481</u>	<u>14,836</u>	<u>93,825</u>
				<u>2,579</u>
Net income from operating activities				
Taxation	12	-	-	-
		<u>140,481</u>	<u>14,836</u>	<u>93,825</u>
				<u>2,579</u>
Net income for the period after taxation				
Allocation of net income for the period				
Net income for the period		140,481	14,836	
Income already paid on units redeemed		(1,810)	(1,000)	
		<u>138,671</u>	<u>13,836</u>	
Accounting income available for distribution:				
-Net income from capital gain		98,586	-	
-Net income excluding capital gain		40,085	13,836	
Net income from operating activities		<u>138,671</u>	<u>13,836</u>	


The annexed notes 1 to 16 form an integral part of this condensed interim financial statement. *Qim*

**For National Investment Trust Limited
(Management Company)**


Managing Director


Director


Director



Chief Financial Officer

**NIT ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR & QUARTER ENDED DECEMBER 31, 2023**


	Half year ended		Quarter ended	
	'December 31, 2023	2022	'December 31, 2023	2022
	-----Rupees in '000-----			
Net income for the period	140,481	14,836	93,825	2,579
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	140,481	14,836	93,825	2,579

The annexed notes 1 to 16 form an integral part of this condensed interim financial statement. *sim*


**For National Investment Trust Limited
(Management Company)**




Managing Director



Director



Director



Chief Financial Officer

**NIT ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	December 31, 2023			December 31, 2022		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	-----Rupees in '000-----					
Net assets at the beginning of the period	501,493	(24,236)	477,257	588,366	(24,727)	563,639
Issue of 2,250,948 units (December 31,2022: 613,647 units)						
Value	21,798	-	21,798	5,936	-	5,936
Element of income	2,057	-	2,057	123	-	123
Amount received on issuance of units (2022: Nil units)	23,855	-	23,855	6,059	-	6,059
	-	-	-	-	-	-
Redemption of 3,365,146 units (December 31,2022: 5,982,163 units)						
Value	(32,587)	-	(32,587)	(57,865)	-	(57,865)
Element of loss	(1,700)	(1,810)	(3,510)	(67)	(1,000)	(1,067)
Amount paid / payable on redemption of units	(34,287)	(1,810)	(36,097)	(57,932)	(1,000)	(58,932)
Total comprehensive income for the period	-	140,481	140,481	-	14,836	14,836
Net assets at the end of the period	491,061	114,435	605,496	536,493	(10,891)	525,602
Undistributed (loss) brought forward-realized						
-Realized		4,766			4,712	
-Unrealized		(29,002)			(29,439)	
		(24,236)			(24,727)	
Accounting income available for distribution						
-Relating to capital gains		98,586			-	
-Excluding capital gains		40,085			13,836	
		138,671			13,836	
Accumulated (loss) carried forward -realized		114,435			(10,891)	
Accumulated (loss) carried forward comprising						
'-Realized		30,633			13,361	
'-Unrealized		83,802			(24,252)	
		114,435			(10,891)	
Net assets value per unit at beginning of the period				(Rupees)		(Rupees)
				9.6837		9.6729
Net assets value per unit at end of the period				12.5699		9.9355

The annexed notes 1 to 16 form an integral part of this condensed interim financial statement. *aim*

For National Investment Trust Limited
(Management Company)


Managing Director


Director


Director


Chief Financial Officer

**NIT ASSET ALLOCATION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	December 31,	
	2023	2022
	----- (Unaudited) -----	
	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	140,481	14,836
Decrease / (increase) in assets		
Investments	23,247	(134,653)
Preliminary expenses and flotation costs	101	98
Dividend and other receivables	497	2,007
	23,845	(132,548)
(Decrease) / Increase in liabilities		
Payable to National Investment Trust Limited - Management Company	217	13
Payable to Central Depository Company of Pakistan Limited - Trustee	23	(3)
Fee payable to Securities and Exchange Commission of Pakistan	(59)	(67)
Payable against redemption of units	(203)	-
Payable against purchase of investments	6,559	-
Accrued expenses and other liabilities	(287)	(288)
	6,250	(345)
Net cash flow generated / (used in) operating activities	170,576	(118,057)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on sales of units-including CIP	23,855	6,059
Payment against redemption of units	(36,097)	(58,932)
Net cash (Used in) financing activities	(12,242)	(52,873)
Net increase / (decrease) in cash and cash equivalents during the period	158,334	(170,930)
Cash and cash equivalents at the beginning of the period	101,243	320,456
Cash and cash equivalents as at the end of the period	259,577	149,526

The annexed notes 1 to 16 form an integral part of this condensed interim financial statement. *ein*

**For National Investment Trust Limited
(Management Company)**




Managing Director



Director



Director



Chief Financial Officer

NIT ASSET ALLOCATION FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR & QUARTER ENDED DECEMBER 31, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** The NIT Asset Allocation Fund (the Fund) is established under a Trust Deed executed between National Investment Trust Limited (NITL) as Management Company and Central Depository Company of Pakistan Limited as trustee. The Fund is approved by the Securities and Exchange Commission of Pakistan on 11 December 2019 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the trust deed was executed on 10 October 2019 under the Trust Act, 1882. The fund is categorized as an 'Asset Allocation Scheme' as per the criteria for categorization of an open end collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP) and other allied matters.
- 1.2** The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Sindh Trusts Act, 2020 have been introduced as part of this act. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted Collective Investment Scheme Trust Deed to Registrar acting under Sindh Trusts Act, 2020 for registration. Subsequently on 31 March 2022 trust deed of the fund has been registered under Sindh Trust Act, 2020.
- 1.3** The Management Company of the Fund has been classified as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake Asset Management Services. The registered office of the Management Company is situated at 6th floor, National Bank of Pakistan Building I.I. Chundrigar Road, Karachi, Pakistan.
- 1.4** The Fund is an open-end mutual fund and is listed on Pakistan Stock Exchange (PSX). During the Pre Initial Offering Period (i.e. from February 6 2020 to April 6 2020), the Fund received Rs.163.73 million and Rs. 372.5 million during initial offering period (i.e. from April 6 2020 to April 8 2020). The Fund has commenced its operations on April 9 2020.
- 1.5** The objective of NITAAF is to provide risk adjusted competitive returns to its investors by investing in multiple assets classes based on market outlook.
- 1.6** The Management Company has been reaffirmed a quality rating of "AM1" with 'stable outlook' by VIS Credit Rating Company Limited (VIS) on December 28, 2023, whereas, Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of "AM1" with 'stable outlook' on 24 May 2023.
- 1.7** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

2 BASIS OF PRESENTATION

2.1 Statement of compliance

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

- International 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 VIII A of the repealed Companies Ordinance, 1984;
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations) and requirements of the Trust Deed.

In case where requirements differ, 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.

NIT ASSET ALLOCATION FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR & QUARTER ENDED DECEMBER 31, 2023

2.1.2 This condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Fund's financial position and performance since the last financial statements.

2.1.3 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 Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2023.

2.2 Basis of measurement

These condensed interim financial information 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 condensed interim financial information are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

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

3.1 The accounting policies adopted and the methods of computation of the 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 the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgements made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements of the Fund as at and for the year ended June 30, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual 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 standards that are mandatory for the Fund's 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 published accounting and reporting standards that are mandatory for the Fund's accounting periods beginning on or after July 1, 2023, but are considered to be not relevant or will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

NIT ASSET ALLOCATION FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR & QUARTER ENDED DECEMBER 31, 2023

3.5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the period ended June 30, 2023

		December 31, 2023	June 30, 2023
	Note	(Unaudited)	(Audited)
		-----Rupees in '000-----	
4 BALANCES WITH BANK			
Saving accounts	4.1	<u>259,577</u>	<u>101,243</u>
4.1	These represent balances with banks in savings accounts carrying rates ranging from 5.50% to 23.75% per annum (30 June 2023: 5.50% to 21% per annum).		
5 INVESTMENTS			
		December 31, 2023	June 30, 2023
		(Unaudited)	(Audited)
		-----Rupees in '000-----	
At fair value through profit or loss			
Equity securities - Listed	5.1	268,646	197,954
Investment In Government Securities	5.2	-	49,636
Listed Debt Securities	5.3	<u>79,365</u>	<u>123,668</u>
		<u>348,011</u>	<u>371,258</u>

**NIT ASSET ALLOCATION FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR & QUARTER ENDED DECEMBER 31, 2023**

5.1 Listed equity securities - at fair value through profit and loss

Shares of listed companies - fully paid ordinary shares of Rs. 10 each unless stated otherwise

S.no	Name of Investee Companies	As at 01 July 2023	Purchases during the period	Bonus shares received during the period	Right shares purchased/ subscribed during the period	Sale during the period	As at December 31, 2023	Cost/ Carrying value as at December 31, 2023	Market Value as at December 31, 2023	Net Assets	Market Value as a percentage of investment	Percentage of paid-up capital of the investee company held
-----Rupees in '000-----												
-----(%-----)												
Name of Investee Companies												
1	Pakistan Stock Exchange Limited	300,000	-	-	-	-	300,000	2,220	3,027	0.50	1.13	0.04
		300,000					300,000	2,220	3,027	0.50	1.13	
COMMERCIAL BANKS												
2	Askari Bank Limited	80,500	200,000	-	-	75,000	205,500	5,020	5,080	0.84	1.89	0.01
3	Bank Alhabib Limited	120,000	-	-	-	35,000	85,000	3,674	6,846	1.13	2.55	0.01
4	Bank Alfalah Limited	-	100,000	-	-	-	100,000	3,926	4,851	0.80	1.81	0.01
5	BankIslami Pakistan	400,000	50,000	-	-	228,438	221,562	3,742	4,919	0.81	1.83	0.02
6	Faysal Bank Limited	175,400	-	-	-	115,000	60,400	1,219	1,968	0.32	0.73	0.00
7	Habib Bank Limited	132,823	25,000	-	-	65,000	92,823	7,871	10,289	1.70	3.83	0.01
8	Bank of Punjab	-	250,000	-	-	-	250,000	1,611	1,620	0.27	0.60	0.01
9	MCB Bank Limited	62,627	25,000	-	-	21,990	65,637	7,769	11,326	1.87	4.22	0.01
10	Meezan Bank Limited	77,742	-	-	-	27,500	50,242	4,339	8,107	1.34	3.02	0.00
11	Silkbank Limited	1,500,000	-	-	-	-	1,500,000	1,500	1,635	0.27	0.61	0.02
12	United Bank Limited	100,655	-	-	-	55,000	45,655	5,366	8,119	1.34	3.02	0.00
		2,649,747	650,000			622,928	2,676,819	46,035	64,759	10.70	24.11	
INSURANCES												
13	Adamjee Life Assurance Company Limited	224,409	-	-	-	-	224,409	3,095	5,601	0.93	2.08	0.09
		224,409					224,409	3,095	5,601	0.93	2.08	
TEXTILE COMPOSITE												
14	Interloop Limited	53,062	-	-	-	25,000	28,062	989	2,020	0.33	0.75	0.00
15	Nishat Mills Limited	50,000	-	-	-	35,000	15,000	852	1,151	0.19	0.43	0.00
		103,062				60,000	43,062	1,841	3,171	0.52	1.18	
CEMENT												
16	Lucky Cement Limited	24,948	-	-	-	10,000	14,948	7,804	11,764	1.94	4.38	0.00
17	Kohat Cement Limited	2,500	-	-	-	2,500	-	-	-	-	-	-
18	Maple Leaf Cement Factory Limited	25,000	100,000	-	-	-	125,000	3,638	4,865	0.80	1.81	0.01
19	D. G. Khan Cement Company Limited	-	50,000	-	-	10,000	40,000	1,759	3,096	0.51	1.15	0.01
		52,448	150,000			22,500	179,948	13,202	19,725	3.26	7.34	

NIT ASSET ALLOCATION FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR & QUARTER ENDED DECEMBER 31, 2023

S.no	Name of Investee Companies	As at 01 July 2023	Purchases during the period	Bonus shares received during the period	Right shares purchased/ subscribed during the period	Sale during the period	As at December 31, 2023	Cost/ Carrying value as at December 31, 2023	Market Value as at December 31, 2023	Net Assets	Market Value as a percentage of investment company held	Percentage of paid-up capital of the investee company held
		-----Rupees in '000-----										
		------(Number of Shares)-----										
REFINERY												
20	National Refinery Limited	20,000	-	-	-	4,369	15,631	2,345	5,020	0.83	1.87	0.02
		20,000	-	-	-	4,369	15,631	2,345	5,020	0.83	1.87	
POWER GENERATION & DISTRIBUTION												
21	Hub Power Company Limited	138,871	-	-	-	15,000	123,871	8,619	14,504	2.40	5.40	0.01
		138,871	-	-	-	15,000	123,871	8,619	14,504	2.40	5.40	
OIL & GAS MARKETING COMPANIES												
22	Sui Northern Gas Pipelines Limited	165,000	-	-	-	50,000	115,000	4,528	8,455	1.40	3.15	0.02
23	Pakistan State Oil Company Limited	57,500	-	-	-	-	57,500	6,383	10,161	1.68	3.78	0.01
		222,500	-	-	-	50,000	172,500	10,911	18,616	3.07	6.93	
OIL & GAS EXPLORATION COMPANIES												
24	Pakistan Petroleum Limited	162,676	50,000	-	-	50,000	162,676	10,629	18,713	3.09	6.97	0.01
25	Pakistan Oilfields Limited	-	15,000	-	-	-	15,000	5,877	6,329	1.05	2.36	0.01
26	Mari Petroleum Company Limited	8,860	-	-	-	3,000	5,860	8,876	12,283	2.03	4.57	0.00
27	Oil And Gas Development Company	112,500	50,000	-	-	35,000	127,500	11,008	14,337	2.37	5.34	0.00
		284,036	115,000	-	-	88,000	311,036	36,390	51,662	8.53	19.23	
ENGINEERING												
28	Mughal Iron And Steel Industries	21,706	10,000	-	-	21,706	10,000	524	662	0.11	0.25	0.01
29	International Steels Limited	20,000	-	-	-	10,000	10,000	405	730	0.12	0.27	0.00
		41,706	10,000	-	-	31,706	20,000	930	1,392	0.23	0.52	
AUTOMOBILE ASSEMBLER												
30	Ghandhara Tyre And Rubber Company Limited	32,500	-	-	-	-	32,500	663	1,090	0.18	0.41	0.03
31	Millat Tractors Limited	7,500	-	-	-	-	7,500	2,927	4,360	0.72	1.62	0.00
		40,000	-	-	-	-	40,000	3,591	5,450	0.90	2.03	
CABLE & ELECTRIC GOODS												
32	Pak Elektron Limited	50,000	-	-	-	-	50,000	453	1,129	0.19	0.42	0.01
		50,000	-	-	-	-	50,000	453	1,129	0.19	0.42	

**NIT ASSET ALLOCATION FUND
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S.no	Name of Investee Companies	As at 01 July 2023	Purchases during the period	Bonus shares received during the period	Right shares purchased/subscribed during the period	Sale during the period	As at December 31, 2023	Cost/ Carrying value as at December 31, 2023	Market Value as at December 31, 2023	Net Assets	Market Value as a percentage of investment	Percentage of paid-up capital of the investee company held
											-----%-----	
TECHNOLOGY & COMMUNICATION												
33	Air Link Communication Limited	181,863	-	-	-	25,000	156,863	3,111	9,531	1.57	3.55	0.04
34	Otopus Digital Limited	187,915	-	-	-	-	187,915	7,026	8,967	1.48	3.34	0.12
35	Avanceon Limited	87,687	-	-	-	40,000	47,687	2,100	2,734	0.45	1.02	0.01
36	System Limited	27,500	-	-	-	-	27,500	11,092	11,648	1.92	4.34	0.01
		484,965	-	-	-	65,000	419,965	23,328	32,881	5.43	12.24	
FERTILIZER												
37	Engro Fertilizer Limited	115,000	-	-	-	7,950	107,050	8,835	12,014	1.98	4.47	0.01
38	Fauji Fertilizer Company Limited	55,000	-	-	-	-	55,000	5,414	6,225	1.03	2.32	0.00
39	Fauji Fertilizer Bin Qasim Limited	75,000	-	-	-	75,000	-	-	-	-	-	-
40	Engro Corporation Limited	20,000	20,000	-	-	10,000	30,000	7,793	8,847	1.46	3.29	0.01
		265,000	20,000	-	-	92,950	192,050	22,042	27,087	4.47	10.08	
PHARMACEUTICALS												
41	The Searle Company Limited	56,250	-	-	-	12,500	43,750	1,677	2,252	0.37	0.84	0.01
42	The Searle Company Limited Right	-	-	-	13,619	-	-	-	-	-	-	-
43	Agp Limited	17,500	-	-	-	2,500	15,000	847	1,055	0.17	0.39	0.01
44	Ferozsons Laboratories Limited	3,600	-	-	-	-	3,600	493	794	0.13	0.30	0.01
		77,350	-	-	13,619	28,619	62,350	3,016	4,101	0.68	1.53	
PAPER & BOARD												
45	Packages Limited	5,000	-	-	-	-	5,000	1,945	2,650	0.44	0.99	0.01
		5,000	-	-	-	-	5,000	1,945	2,650	0.44	0.99	
LEATHER AND TANNERIES												
46	Service Global Footware Limited	72,461	-	-	-	-	72,461	2,020	4,371	0.72	1.63	0.04
		72,461	-	-	-	-	72,461	2,020	4,371	0.72	1.63	
FOODS & PERSONAL CARE PRODUCTS												
47	Unity Foods Limited	100,000	-	-	-	50,000	50,000	782	1,182	0.20	0.44	0.00
48	Treet Corporation Limited	60,000	-	-	64,561	-	124,561	1,789	2,319	0.38	0.86	0.07
		160,000	-	-	64,561	50,000	174,561	2,571	3,501	0.58	1.30	
		5,191,555	945,000	-	78,180	1,131,072	5,083,663	184,552	268,646	44.37	100	

5.1.1 Investments include shares with market value of Rs. 6.04 million (June 30, 2023 : 3.242 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular no. 11 dated 23 October 2007 issued by the Securities and Exchange Commission of Pakistan.

5.4 Significant terms and conditions of commercial papers outstanding at the period end are as follows:

Name of security	Interest / mark-up rates	Issue Date	Maturity Date	Carrying value as at December 31, 2023	Carrying value as a %age of net assets
Lucky Electric Power Company Ltd	23.53%	August 15, 2023	February 15, 2024	6,000	0.99
K Electric Limited	22.51%	October 24, 2023	April 24, 2024	18,000	2.97
Hub Power Company Limited	21.96%	November 8, 2023	May 8, 2024	4,000	0.66
Lucky Electric Power Company Ltd	21.74%	December 28, 2023	June 28, 2024	12,000	1.98
TPL Corp Limited	23.87%	June 28, 2022	June 28, 2027	10,248	1.69
Soneri Bank Limited	23.16%	December 26, 2022	December 26, 2032	29,410	4.86

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

Market value of investments	348,011	299,946	77,397	44,491
Less: Carrying value of investments	(264,209)	(324,199)	(10,136)	(60,111)
	<u>83,802</u>	<u>(24,252)</u>	<u>67,261</u>	<u>(15,619)</u>

-----Rupees in '000-----
Half year ended
'December 31,
2023 **2022** **2023** **2022**
(Unaudited) **(Unaudited)** **(Unaudited)** **(Unaudited)**

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6	DIVIDEND & PROFIT RECEIVABLES	Note	December 31,	June 30, 2023
			2023	
			(Unaudited)	(Audited)
-----Rupees in '000-----				
	Dividend Receivable		217	106
	Profit receivable on saving accounts		5,116	2,060
	Profit receivable on debt securities		1,581	5,245
			<u>6,914</u>	<u>7,411</u>

7 PAYABLE TO NATIONAL INVESTMENT TRUST LIMITED MANAGEMENT COMPANY

On account of:

-	Management remuneration	7.1	772	615
-	Sindh Sales Tax	7.2	100	80
-	Preliminary expenses and floatation costs		1,000	1,000
-	Allocation of expenses related to registrar services accounting, operation and valuation services	7.3	113	73
-	Others		2,653	2,653
			<u>4,638</u>	<u>4,421</u>

7.1 The Management Company has charged its remuneration at the rate of 1.50 % per annum (30 June 2023: 1.50% per annum) of the average net asset of the fund.

7.2 Sindh Sales Tax at the rate of 13% (30 June 2023: 13%) is charged on the management remuneration.

7.3 In accordance with Regulation 60(3)(S) of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Accordingly, the Management Company, based on its own discretion, while keeping in view the overall return and the total expense ratio limit of the fund as defined under the NBFC Regulations, 2008, has charged its fee.

8	PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	December 31,	June 30, 2023
			2023	
			(Unaudited)	(Audited)
-----Rupees in '000-----				
	Trustee remuneration	8.1	103	82
	Sindh Sales Tax	8.2	13	11
			<u>116</u>	<u>93</u>

8.1 The trustee remuneration shall consist of reimbursement of actual custodial expenses/charges plus the following tariff:

On Net Assets (Rs.)	Tariff
Upto 1 billion	0.20% p.a. of net assets
Over 1 billion	Rs. 2 million plus 0.10% p.a. of net assets on amount exceeding Rs. 1 billion.

8.2 Sindh Sales Tax at the rate of 13% (June 30 2023: 13%) is charged on trustee remuneration.

9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay fee to the Securities and Exchange Commission of Pakistan (SECP). The Commission vide S.R.O 592(1)/2023 dated, May 17, 2023 has revised the rate of fee at 0.095% of average net assets, payable monthly to the Commission (30 June, 2023: 0.02%).

NIT ASSET ALLOCATION FUND
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	December 31, 2023	June 30, 2023
	(Unaudited)	(Audited)
	-----Rupees in '000-----	
10 ACCRUED EXPENSES & OTHER LIABILITIES		
Auditors' remuneration	422	484
Legal & professional charges	-	295
Zakat	1	29
Capital gain tax	21	2
Brokerage Charges	95	16
	<u>539</u>	<u>826</u>

11 CONTINGENCIES AND COMMITMENTS

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

12 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 accumulated losses and 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. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute in cash at least 90 percent of the Fund's accounting income for the year ending 30 June 2024 as reduced by accumulated losses and capital gains (whether realised or unrealised) to its unit holders in the form of cash.

13 TOTAL EXPENSE RATIO

Total expense ratio (all the expenses, including government levies, incurred during the period divided by average net asset value for the period) is 2.57% per annum. Total expense ratio (excluding government levies) is 2.25% per annum. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulation 60(5) for a collective investment scheme.

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14 TRANSACTIONS WITH CONNECTED PERSONS

- 14.1** Connected persons include National Investment Trust Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund and the directors and officers of the Management Company and the Trustee and unit holders holding 10 percent or more units of the Fund.
- 14.2** The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.
- 14.3** The details of significant transactions carried out by the Fund with connected persons and balances with them at the period end are as follows:

Details of the transactions with connected persons are as follows:

	Half year ended		Quarter ended	
	2023	2022	2023	2022
-----Rupees in '000-----				
Transactions during the period				
National Investment Trust Limited - Management Company				
Management participation fee	4,082	4,178	2,149	2,036
Sindh Sales Tax on Management Fee	531	543	280	265
Allocation of expenses related to registrar services, accounting, operation and valuation services	656	454	326	227
Central Depository Company of Pakistan Limited - Trustee				
Remuneration of the Trustee	544	557	286	271
Sindh Sales Tax on remuneration of Trustee	71	72	37	35
Central Depository Charges	7	16	5	6
Key management personnel				
98,404 units issued (2022: Nil units)	981	-	-	-
			December	June 30,
			31, 2023	2023
			(Unaudited)	(Audited)
			-----Rupees in '000-----	
Amounts outstanding as at period / year end				
National Investment Trust Limited - Management Company				
25,049,716 units held (June 30, 2023: 25,049,716 units)			314,872	242,574
Management remuneration payable			772	615
Sindh Sales Tax payable			100	80
Payable against allocation of expenses related to registrar services, accounting, operation and valuation services			113	73
Preliminary expenses and floatation costs payable			1,000	1,000
Other payable			2,653	2,653
Central Depository Company of Pakistan Limited - Trustee				
Trustee remuneration			103	82
Sindh Sales Tax			13	11
Bank Al Habib Limited				
10,000,000 units held (June 30, 2023 : 10,000,000 units)			125,699	96,837
Askari Bank Limited				
10,094,123 units held (June 30, 2023 : 10,094,123 units)			126,882	97,748
Key management personnel				
98,408 units held (June 30, 2023: Nil units)			1,237	-

**NIT ASSET ALLOCATION FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (UNAUDITED)
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15 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information was authorised for issue on 23 FEB 2024 by the Board of Directors of Management company.

16 GENERAL

Figures have been rounded off to the nearest thousand rupees. *20m*

**For National Investment Trust Limited
(Management Company)**




Managing Director



Director



Director



Chief Financial Officer