

**NIT - PAKISTAN GATEWAY  
EXCHANGE TRADED FUND**

**FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED  
DECEMBER 31, 2023**

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**TRUSTEE REPORT TO THE UNIT HOLDERS**

**NIT PAKISTAN GATEWAY 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 NIT Pakistan Gateway Exchange Traded 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 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 AUDITOR'S REVIEW REPORT ON CONDENSED INTERIM FINANCIAL INFORMATION  
TO THE UNIT HOLDERS OF NIT PAKISTAN GATEWAY EXCHANGE TRADED FUND**

**Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NIT Pakistan Gateway Exchange Traded 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 units holders' fund, condensed interim statement of cash flows, and a summary of significant accounting policies and other explanatory notes to the condensed interim financial statements for the six-months period then ended (here-in-after referred to as the "interim financial statements"). National Investment Trust Limited (the "Management Company") is responsible for the preparation and presentation of these 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.

**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 statement 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 statements as at and for the half year ended December 31, 2023 does not present fairly, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

**Other Matters**

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed, and we do not express a conclusion on them.

The financial statements of the Fund for the year ended June 30, 2023 and condensed interim financial information of the Fund for the half year ended December 31, 2022 were audited and reviewed by another firm of Chartered Accountants who have expressed an unmodified opinion and conclusion thereon vide their reports dated September 27, 2023 and February 28, 2023 respectively.

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

*MS*  
**Crowe Hussain Chaudhury & Co.**  
**Chartered Accountants**

**Place: Karachi**

**Date:**

**UDIN:**

**NIT PAKISTAN GATEWAY EXCHANGE TRADED 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 -----			
<b>ASSETS</b>			
Bank balances	4	3,068	5,123
Investments	5	52,625	36,723
Markup receivable on saving account		-	84
Preliminary expenses and flotation costs		19	27
<b>Total Assets</b>		<b>55,713</b>	<b>41,957</b>
<b>LIABILITIES</b>			
Payable to National Investment Trust Limited - Management Company	6	620	614
Payable to Central Depository Company of Pakistan Limited - Trustee	7	8	7
Payable to Securities and Exchange Commission of Pakistan		4	8
Accrued expenses and other liabilities	8	312	375
Dividend payable		-	3,485
<b>Total Liabilities</b>		<b>944</b>	<b>4,489</b>
<b>NET ASSETS</b>		<b>54,768</b>	<b>37,468</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>54,768</b>	<b>37,468</b>
Contingencies and commitments	9	-	-
----- Number of units -----			
<b>Number of units in issue</b>		<b>3,700,000</b>	<b>3,730,000</b>
----- Rupees -----			
<b>Net asset value per unit</b>		<b>14.8022</b>	<b>10.0453</b>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

*CNC*

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

  
Managing Director

  
Director

  
Director

  
Chief Financial Officer

**NIT PAKISTAN GATEWAY EXCHANGE TRADED FUND  
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)  
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023**

Note	Half year ended		Quarter ended	
	2023	2022	2023	2022
----- Rupees in '000 -----				
<b>INCOME</b>				
Dividend income	3,011	2,208	1,675	1,479
Realised gain on sale of investments - net	624	(202)	589	(202)
Net unrealised (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.2	14,225	(589)	10,944
Mark-up/return on bank deposits	269	120	148	67
	<b>18,129</b>	<b>1,537</b>	<b>13,356</b>	<b>1,396</b>
<b>EXPENSES</b>				
Remuneration of National Investment Trust Limited - Management Company	93	78	50	39
Sindh sales tax on remuneration of Management Company	12	10	6	5
Trustee Fee- Central Depository Company of Pakistan Limited	23	20	12	10
Sindh Sales Tax on remuneration of Trustee	3	3	2	1
Annual fee - Securities and Exchange Commission of Pakistan	22	4	12	2
Central depository charges	3	3	2	2
Securities transaction costs	8	5	8	4
Settlement and bank charges	23	5	2	-
Auditors' remuneration	229	342	147	196
Amortization of preliminary expenses and floatation costs	8	8	4	4
Legal and professional charges	43	27	-	20
Annual listing fee	8	79	-	52
	<b>475</b>	<b>584</b>	<b>245</b>	<b>335</b>
<b>Net operating income</b>	<b>17,653</b>	<b>954</b>	<b>13,111</b>	<b>1,062</b>
Element of (loss) and capital (losses) included in prices of units issued less those in units redeemed	(51)	(0.3)	(13)	(10)
<b>Net income before taxation</b>	<b>17,602</b>	<b>953</b>	<b>13,097</b>	<b>1,052</b>
Taxation	-	-	-	-
<b>Net income for the period</b>	<b>17,602</b>	<b>953</b>	<b>13,097</b>	<b>1,052</b>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

*CNC*

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

  
Managing Director

  
Director

  
Director

  
Chief Financial Officer

**NIT PAKISTAN GATEWAY EXCHANGE TRADED FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023**

	Half year ended		Quarter ended	
	2023	2022	2023	2022
----- Rupees in '000 -----				
Net income for the period	17,602	953	13,097	1,052
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>17,602</b>	<b>953</b>	<b>13,097</b>	<b>1,052</b>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

*CNC*

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

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

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

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

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

**NIT PAKISTAN GATEWAY EXCHANGE TRADED FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)  
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023**

	2023			2022		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	----- Rupees in '000 -----					
<b>Net assets at the beginning of the period</b>	<b>36,338</b>	<b>1,130</b>	<b>37,468</b>	36,438	1,074	37,512
<b>Issue of 10,000 units (2022: 50,000 units)</b>						
Value	100	-	100	502	-	502
Element of income	54	-	54	11	-	11
Amount received on issuance of units	154	-	154	513	-	513
<b>Redemption of 40,000 units (2022: 20,000 units)</b>						
Value	(402)	-	(402)	(201)	-	(201)
Element of (loss)	(105)	-	(105)	(12)	-	(12)
Amount paid on redemption of units	(507)	-	(507)	(213)	-	(213)
Element of loss and capital losses included in prices of units issued less those in units redeemed	51	-	51	0.3	-	0.3
Total comprehensive income for the period	-	17,602	17,602	-	953	953
<b>Net assets at the end of the period</b>	<b>36,036</b>	<b>18,732</b>	<b>54,768</b>	36,739	2,027	38,766
Undistributed income / (loss) brought forward						
-Realised		5,070			4,018	
-Unrealised		(3,940)			(2,944)	
		1,130			1,074	
<b>Net income for the period</b>		17,602			953	
<b>Undistributed income carried forward - realized</b>		18,732			2,027	
<b>Undistributed income / (loss) carried forward comprising</b>						
-Realised		8,447			5,561	
-Unrealised		10,285			(3,533)	
		18,732			2,028	
				(Rupees)		(Rupees)
Net assets value per unit at beginning of the period				per unit		per unit
Net assets value per unit at end of the period				10.0453		10.0301
				14.8022		10.2825

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

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

  
Managing Director

  
Director

  
Director

  
Chief Financial Officer

**NIT PAKISTAN GATEWAY EXCHANGE TRADED FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023**

	2023	2022
	----- Rupees in '000 -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income before taxation	17,602	953
<b>Adjustments:</b>		
Element of loss and capital losses included in prices of units issued less those in units redeemed	51	0.3
Net unrealised appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss	(14,225)	589
	<u>3,428</u>	<u>1,542</u>
<b>(Increase) in assets</b>		
Investments	(1,677)	(1,649)
Preliminary expenses and flotation costs	84	(22)
Dividend and other receivables	8	8
	<u>(1,585)</u>	<u>(1,663)</u>
<b>(Decrease) / Increase in liabilities</b>		
Payable to National Investment Trust Limited - Management Company	6	-
Payable to Central Depository Company of Pakistan Limited - Trustee	1	-
Fee payable to Securities and Exchange Commission of Pakistan	(4)	(6)
Accrued expenses and other liabilities	(63)	77
	<u>(60)</u>	<u>71</u>
<b>Net cash generated from / (used in) used in operating activities</b>	<u>1,783</u>	<u>(50)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount received on sales of units	154	513
Payment against redemption of units	(507)	(212)
Dividend paid	(3,485)	-
<b>Net cash (used in) / generated from financing activities</b>	<u>(3,838)</u>	<u>301</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<u>(2,055)</u>	<u>251</u>
Cash and cash equivalents at the beginning of the period	5,123	1,449
<b>Cash and cash equivalents as at the end of the period</b>	<u>3,068</u>	<u>1,700</u>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

CNC

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

  
Managing Director

  
Director

  
Director

  
Chief Financial Officer



**NIT PAKISTAN GATEWAY EXCHANGE TRADED FUND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

**1.1** The NIT Pakistan Gateway Exchange Traded Fund (the Fund) was established under a Trust Deed executed between National Investment Trust Limited (NITL) as Management Company and Central Depository Company of Pakistan as Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan on 28 November 2019 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the trust deed was executed on 04 December 2019 under Trust Act, 1882. The fund is categorized as an Open Ended Exchange Traded Scheme as per the criteria for categorisation of open and collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP) and other allied matters.

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 September 30, 2021 trust deed of the fund has been registered under Sindh Trust Act, 2020.

**1.2** 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.

**1.3** The Fund is an Open Ended Exchange Traded mutual fund and is listed on Pakistan Stock Exchange (PSX). During the Initial Offering Period (i.e from 18 March 2020 to 20 March 2020), Management Company has invested in NIT PGETF and created 500,000 units against portfolio deposit and a cash component as per 1st Supplemental offering document. The fund has commenced its operations on 24 March 2020.

**1.4** The objective of the Fund is to track the authorized Index (NIT PGI) constituted by the Management Company, which comprises of the basket of equity securities forming atleast 50% of the total free float market capitalization of the KSE-100 Index on aggregate basis.

**1.5** VIS Credit Rating Company and Pakistan Credit Rating Agency Limited (PACRA) have assigned an asset manager rating of "AM1" to the Management Company dated December 29, 2023 and May 24, 2023 respectively.

**1.6** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

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## **2 BASIS OF PREPARATION**

### **2.1 Statement of compliance**

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

- International Accounting Standards (IAS) 34, Interim Financial Reporting, 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 and the requirements VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of 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 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.

2.1.3 This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (2)(f) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations).

2.1.4 These condensed interim financial statements are un-audited but subject to limited scope review by the auditors. Figures for the period ended December 31, 2023 as reported in these condensed interim financial statements have not been subject to limited scope review by the external auditors.

2.1.5 In compliance with schedule V of the NBFC Regulations, the Directors of the Management Company, hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2023.

### **2.2 Functional and presentation currency**

This condensed interim financial information is presented in Pakistan rupee ('Rupees' or 'Rs.'), which is the Fund's functional and presentational currency.

### **2.3 Basis of measurement**

These financial statements have been prepared under the historical cost basis except for certain investments which are measured at fair value.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flows information.

CNC

### **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 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 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.

#### **3.3 New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any material effect on the Fund's operations and therefore not detailed in these financial statements.

There are certain standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan, effective for the first time in this condensed interim financial information and are mandatory for the Fund's accounting periods 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 effect on this condensed interim financial information.

The funds financial risk management objectives and policies are consistent with that disclosed in the annual financial statement of the Fund for the year ended June 30, 2023.

### **4 BANK BALANCES**

The balances in saving accounts carry profit rates ranging from 5.5% to 21.00% per annum (30 June 2023: 5.50% to 20.00% per annum).

*etc*

5 INVESTMENTS

December 31, 2023 (Unaudited) ----- Rupees in '000 -----

June 30, 2023 (Audited)

At fair value through profit or loss  
Listed equity securities

5.1  
52,625 36,723  
52,625 36,723

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

S. No.	Name of Investee Companies	(Number of Shares)				As at 01 July 2023	Purchased during the period	Sold during the period	As at December 31, 2023	Cost/ Carrying value as at December 31, 2023	-----Rupees in '000-----		Percentage of paid-up capital of the investee company held
		As at 01 July 2023	Purchased during the period	Sold during the period	As at December 31, 2023						Unrealised gain on investments	Market Value as a percentage of Net Assets	
<b>COMMERCIAL BANKS</b>													
1	United bank limited	22,380	2,664	(254)	24,790	3,025	4,409	1,384	3,025	4,409	1,384	8.38	0.0020
2	Habib bank limited	33,570	80	(4,050)	29,600	2,171	3,281	1,110	2,171	3,281	1,110	5.99	0.0020
3	Bank Al-Habib limited	33,197	-	(33,197)	-	-	-	-	-	-	-	0.00	0.0000
4	MCB bank limited	19,023	2,283	(216)	21,090	2,494	3,639	1,145	2,494	3,639	1,145	6.64	0.0018
5	Meezan bank limited	20,515	2,287	(232)	22,570	2,065	3,642	1,577	2,065	3,642	1,577	6.65	0.0013
						<u>97,555</u>	<u>14,971</u>	<u>5,216</u>	<u>27,34</u>	<u>27,34</u>	<u>28,45</u>		
<b>CEMENT</b>													
6	Lucky Cement Limited	5,222	13	(425)	4,810	2,515	3,785	1,270	2,515	3,785	1,270	6.91	0.0015
						<u>2,515</u>	<u>3,785</u>	<u>1,270</u>	<u>6,91</u>	<u>7,19</u>			
<b>POWER GENERATION &amp; DISTRIBUTION</b>													
7	Hub Power Company Limited	44,760	4,956	(506)	49,210	3,563	5,762	2,199	3,563	5,762	2,199	10.52	0.0038
						<u>3,563</u>	<u>5,762</u>	<u>2,199</u>	<u>10,52</u>	<u>10,95</u>			
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>													
8	Oil and Gas Development Company	29,467	3,427	(334)	32,560	2,616	3,661	1,045	2,616	3,661	1,045	6.68	0.0008
9	Pak oilfields limited	5,968	760	(68)	6,660	2,678	2,810	132	2,678	2,810	132	5.13	0.0023
10	Pakistan petroleum limited	30,586	3,430	(346)	33,670	2,067	3,873	1,806	2,067	3,873	1,806	7.07	0.0012
						<u>7,361</u>	<u>10,344</u>	<u>2,983</u>	<u>18,89</u>	<u>19,66</u>			
<b>AUTOMOBILE ASSEMBLER</b>													
11	Millat Tractors Limited	-	4,464	(24)	4,440	2,060	2,581	521	2,060	2,581	521	4.71	0.0023
						<u>2,060</u>	<u>2,581</u>	<u>521</u>	<u>4,71</u>	<u>4,90</u>			
<b>TECHNOLOGY &amp; COMMUNICATION</b>													
12	Systems Limited	8,579	395	(94)	8,880	3,592	3,761	169	3,592	3,761	169	6.87	0.0031
13	TRG Pakistan Ltd	17,531	-	(17,531)	-	-	-	-	-	-	-	0.00	0.0000
						<u>3,592</u>	<u>3,761</u>	<u>169</u>	<u>6,87</u>	<u>7,15</u>			
<b>FERTILIZER</b>													
14	Engro Fertilizer Limited	27,602	3,050	(312)	30,340	2,516	3,405	889	2,516	3,405	889	6.22	0.0023
15	Fauji Fertilizer Company Limited	32,078	3,434	(362)	35,150	3,471	3,979	508	3,471	3,979	508	7.27	0.0028
16	Engro Corporation Limited	13,055	779	(144)	13,690	3,567	4,037	470	3,567	4,037	470	7.37	0.0024
						<u>9,554</u>	<u>11,421</u>	<u>1,867</u>	<u>20,85</u>	<u>21,70</u>			
						<u>38,400</u>	<u>52,625</u>	<u>14,225</u>	<u>96,09</u>	<u>100,00</u>			

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

Market value of investments  
Less: Carrying value of investments

December 31, 2023 ----- Rupees in '000 -----

December 31, 2022

52,625 38,107  
(38,400) (38,696)  
14,225 (589)

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December 31, 2023      June 30, 2023  
-----Rupees in '000-----

**6 PAYABLE TO NATIONAL INVESTMENT TRUST LIMITED MANAGEMENT COMPANY**

On account of:

- Management remuneration	6.1	19	13
- Sindh Sales Tax	6.2	2	2
- Preliminary expenses and floatation costs		76	76
- Others		<u>523</u>	<u>523</u>
		<u>620</u>	<u>614</u>

**6.1** The Management Company has charged its remuneration at the rate of 0.4% per annum (June 30, 2023: 0.4% per annum) of the average net assets . The remuneration is payable to the Management Company monthly in arrears.

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

**7 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE**

Trustee remuneration	8.1	7	6
Sindh Sales Tax	8.2	<u>1</u>	<u>1</u>
		<u>8</u>	<u>7</u>

**7.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. During the period, the tariff has been a flat rate of 0.1% p.a. of net assets( June 30, 2023: 0.1% p.a).

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

**8 ACCRUED EXPENSES & OTHER LIABILITIES**

Auditors' remuneration		261	325
Printing charges		<u>51</u>	<u>50</u>
		<u>312</u>	<u>375</u>

**9 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at December 31, 2023 (June 30, 2023: nil)

**10 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 ninety percent of its 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 / loss 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, capital gains (whether realised or unrealised) to its unit holders.

*MC*

## 11 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 2.04% per annum.

## 12 TRANSACTIONS WITH CONNECTED PERSONS

12.1 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.

12.2 The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.

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

12.4 The details of significant transactions carried out by the Fund with connected persons and balances with them at the period end are as follows:

Half year ended		Quarter ended	
2023	2022	2023	2022
----- (Unaudited) -----			
----- Rupees in '000 -----			

Details of the transactions with connected persons are as follows:

### National Investment Trust Limited - Management Company

Management participation fee	93	78	50	39
Sindh Sales Tax on Management Fee	12	10	6	5

### Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	23	20	12	10
Sindh Sales Tax on remuneration of Trustee	3	3	2	1
Central Depository Charges	3	3	2	2

### Amounts outstanding as at period / year end

#### National Investment Trust Limited - Management Company

	December 31, 2023	June 30, 2023
	(Unaudited)	(Audited)
	-----Rupees in '000-----	
2,971,000 units held (June 30, 2023: 2,971,000 units)	43,977	29,845
Management remuneration payable	19	13
Sindh Sales Tax payable	2	2
Preliminary expenses and floatation costs payable	76	76
Other payable	523	523

#### Central Depository Company of Pakistan Limited - Trustee

Trustee remuneration	7	6
Sindh Sales Tax	1	1

CNC

### 13 FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price).

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

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Level 1:** quoted prices in active markets for identical assets or liabilities;
- Level 2:** those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3:** those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at December 31, 2023 and June 30, 2023, the Fund held the following instruments measured at fair

	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
<b>December 31, 2023 (Un-audited)</b>				
<b>At fair value through profit or loss</b>	<b>52,625</b>	-	-	<b>52,625</b>
	<b>52,625</b>	-	-	<b>52,625</b>
<b>June 30, 2023 (Audited)</b>				
<b>At fair value through profit or loss</b>	<b>36,723</b>	-	-	<b>36,723</b>
	<b>36,723</b>	-	-	<b>36,723</b>

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

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

### 14 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information were authorised for issue on 23 FEB 2024 by the Board of Directors of the Management Company.

### 15 GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

CAC

  
Managing Director

  
Director

  
Director

  
Chief Financial Officer