



**NIT Pakistan Gateway Exchange
Traded Fund
Condensed Interim Financial
Statements (Unaudited)
for the Nine Months Period Ended
31 March 2021**

**NIT PAKISTAN GATEWAY EXCHANGE TRADED FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT 31 MARCH 2021**

	Note	March 31, 2021 (Unaudited)	June 30, 2020 (Audited)
-----Rupees in '000-----			
ASSETS			
Bank balances	4	3,080	1,189
Investments	5	47,626	50,038
Receivable against sale of investments		-	28
Dividend and profit receivables	6	885	63
Preliminary expenses and flotation costs		60	72
Total assets		51,651	51,390
LIABILITIES			
Payable to National Investment Trust Limited - Management Company	7	618	616
Payable to Central Depository Company of Pakistan Limited - Trustee	8	8	8
Payable to Securities and Exchange Commission of Pakistan	9	8	2
Accrued expenses and other liabilities	9	394	335
Total liabilities		1,028	961
NET ASSETS		50,623	50,429
Unit holders' fund (as per statement attached)		50,623	50,429
Contingencies and commitments	10		
		(Number of units)	
Number of units in issue		4,250,000	4,880,000
		(Rupees)	
Net asset value per unit		11.9112	10.3339

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

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 NINE AND THREE MONTHS PERIOD ENDED MARCH 31, 2021

	Note	Nine months	From 24 to	Three months
		period ended	31 March	period ended
		2021	2020	2021
-----Rupees in '000-----				
INCOME				
Dividend income		2,816	6	1,309
Gain on sale of investments-net		1,632	-	680
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.2	4,137	(277)	(1,835)
Mark-up/return on bank deposits		99	0.19	48
		<u>8,684</u>	<u>(271)</u>	<u>202</u>
EXPENSES				
Remuneration of National Investment Trust Limited -Management Company	7.1	164	0.53	52
Sindh sales tax on remuneration of Management Company	7.2	21	0.07	6
Trustee Fee- Central Depository Company of Pakistan Limited	8.1	41	0.27	13
Sindh Sales Tax on Remuneration of Trustee	8.2	5	0.03	1
Annual fee - Securities and Exchange Commission of Pakistan	9	8	0.03	2
Central Depository Charges		10	-	6
Securities transaction costs		9	-	-
Settlement and bank charges		39	-	7
Auditors' remuneration		292	9	60
Amortization of preliminary expenses and floatation costs		11	0.04	3
Legal & Professional Charges		88	-	31
Annual Listing Fee		16	-	-
Printing and related costs		71	-	71
		<u>775</u>	<u>10</u>	<u>252</u>
Net income / (loss) from operating activities		<u>7,909</u>	<u>(281)</u>	<u>(50)</u>
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed		(1,067)	(388)	(665)
Provision for Sindh Workers' Welfare Fund	9.1	(137)	-	14
Net income / (loss) for the period before taxation		<u>6,705</u>	<u>(669)</u>	<u>(701)</u>
Taxation		-	-	-
Net income / (loss) for the period		<u>6,705</u>	<u>(669)</u>	<u>(701)</u>
Allocation of net income for the period after taxation				
Accounting income available for distribution:				
- Relating to capital gains		5,769		
- Excluding capital gains		936		
		<u>6,705</u>		

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

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 NINE AND THREE MONTHS PERIOD ENDED MARCH 31, 2021

Note	<u>Nine months</u> <u>period ended</u> 2021	<u>From 24 to</u> <u>31 March</u> 2020	<u>Three months</u> <u>period ended</u> 2021
	-----Rupees In '000-----		
Net income / (loss) for the period	6,705	(669)	(701)
Other comprehensive income			
Items that will not be reclassified to income statement	-	-	-
Total comprehensive Income / (loss) for the period	<u>6,705</u>	<u>(669)</u>	<u>(701)</u>

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

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 NINE MONTHS PERIOD ENDED MARCH 31, 2021

Note	2021			FOR THE PERIOD FROM 24 MARCH 2020 to 31 MARCH 2021		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	Rupees in '000					
Net assets at the beginning of the period	48,800	1,629	50,429	-	-	-
Issue of 190,000 units (2020: 730,000 units)						
Value	1,963		1,963	6,912		6,912
Element of (loss) / income	302		302	388		388
Amount received on issuance of units	2,265	-	2,265	7,300	-	7,300
Redemption of 820,000 units						
Value	(8,474)		(8,474)	-	-	-
Element of income / (loss)	(1,369)	-	(1,369)	-	-	-
Amount paid / payable on redemption of units	(9,843)	-	(9,843)	-	-	-
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	1,067		1,067			
Total comprehensive income for the period		6,705	6,705	-	(669)	(669)
Net assets at the end of the period	42,289	8,334	50,623	7,300	(669)	6,631
Undistributed income brought forward						
-Realised		1,629			-	
-Unrealised		-			-	
		1,629			-	
Accounting income available for distribution						
- Relating to capital gains		5,769			-	
- Excluding capital gains		-			(669)	
		5,769			(669)	
Undistributed income carried forward -realized		7,398			(669)	
Undistributed income carried forward comprising						
-Realized		3,261			(392)	
-Unrealized		4,137			(277)	
		7,398			(669)	
Net assets value per unit at beginning of the period			(Rupees) 10,3339			(Rupees) 10,0000
Net assets value per unit at end of the period			(Rupees) 11,9112			(Rupees) 9,0844

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

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 NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	Nine months period ended 2021	From 24 to 31 March 2020
	-----Rupees in '000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	6,705	(669)
Adjustments:		
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	1,067	388
Amortization of preliminary expenses and flotation costs		0.043
	<u>7,772</u>	<u>(281)</u>
(Increase) / decrease in assets		
Investments	2,412	(6,585)
Receivable against sale of investments	28	-
Preliminary expenses and flotation costs	12	(78)
Dividend and other receivables	(822)	(7)
	<u>1,630</u>	<u>(6,670)</u>
Increase / (decrease) in liabilities		
Payable to National Investment Trust Limited '- Management Company	2	618
Payable to Central Depository Company of Pakistan Limited - Trustee	-	0.30
Fee payable to Securities and Exchange Commission of Pakistan	6	0.03
Accrued expenses and other liabilities	59	9
	<u>67</u>	<u>628</u>
Net cash flow generated from / (used in) operating activities	<u>9,469</u>	<u>(6,323)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on sales of units	2,265	6,912
Payment against redemption of units	(9,843)	-
Net cash flow (used in) financing activities	<u>(7,578)</u>	<u>6,912</u>
Net increase in cash and cash equivalents during the period	<u>1,891</u>	<u>589</u>
Cash and cash equivalents at the beginning of the period	1,189	-
Cash and cash equivalents as at the end of the period	<u><u>3,080</u></u>	<u><u>589</u></u>

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

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
FOR THE NINE AND THREE MONTHS PERIOD ENDED MARCH 31, 2021**

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. 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.
- 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 The Management Company has been assigned a quality rating of 'AM1' by VIS dated 31 December 2020 and PACRA has assigned an asset manager rating of 'AM2++' with 'positive outlook' to the Management Company on 5 November 2020.
- 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.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017 along with part and the requirements VIII A of the repealed Companies Ordinance, 1984 and the 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). Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations have been followed.
- 2.1.2 These condensed interim financial statements do 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 30 June 2020.
- 2.1.3 This condensed interim financial information is being submitted to the unit holders as required under Regulation 36 (2)(f) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations).

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, 2020.
- 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, 2020. 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, 2020.

4 BANK BALANCES

These represent balances with banks in savings accounts carrying mark-up rates ranging from 5.00 % to 7.8 % 'per annum. (30 June 2020: 6.50 % to 7.8 % per annum)

5 INVESTMENTS

		March 31, 2021	June 30, 2020
		Unaudited	Audited
		Rupees in '000	
At fair value through profit or loss			
Listed equity securities	5.1	47,626	50,038
		<u>47,626</u>	<u>50,038</u>