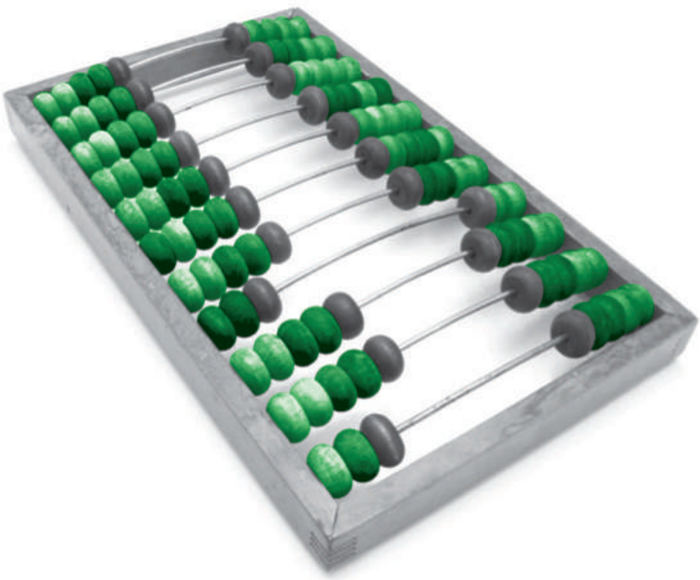
Faysal Funds

Islamic Savings Growth Fund

Condensed Interim Financial Statement
For The Half Year Ended December 31, 2021 (Un-audited)



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FUND INFORMATION

Management Company
Faysal Asset Management Limited

Board of Directors of the Management Company
Mr. Salman Ahmed Usmani, Chairman
Mr. Osman Asghar Khan, Director
Mr. Mian Salman Ali, Director
Syed Muhammad Fraz Zaidi, Director
Mr. Tahir Yaqoob Bhatti, Director
Mr. Nadir Rehman, Director
Mr. Khaldoon Bin Latif, Director/CEO

Chief Executive Officer
Mr. Khaldoon Bin Latif

Chief Financial Officer
Mr. Faisal Ali Khan

Company Secretary of the Management Company
Muhammad Umer Ilyas

Audit Committee
Mr. Osman Asghar Khan, Chairman
Mr. Mian Salman Ali, Member
Syed Muhammad Fraz Zaidi, Member

HR Committee
Mr. Nadir Rehman, Chairman
Mr. Salman Ahmed Usmani, Member
Mr. Osman Asghar Khan, Member

Trustee to the Fund
Central Depository Company of Pakistan Limited,
CDC House, 99B, Block B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi.

Bankers to the Fund
National Bank of Pakistan (Islamic Banking)
Dubai Islamic Bank Pakistan Limited
Al-Baraka Bank Limited
Bank Islami Pakistan Limited
Faysal Bank Limited (Islamic Banking)
Bank Al-Falah (Islamic Banking)
Habib Bank Limited (Islamic Banking)
United Bank Limited (Islamic Banking)
Silk Bank Limited (Islamic Banking)
Soneri Bank Limited

Auditors
A.F. Ferguson & Co. Chartered Accountants

Legal Advisor
Mohsin Tayebaly & Co.
2nd Floor, Dime Centre,
BC-4 Block-9, KDA-5,
Clifton, Karachi.

Registrar
ITMinds Limited
Central Depository Company of Pakistan, Limited
CDC House, 99B, Block-B, S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi.

MISSION AND VISION

To provide world class investment management and advisory services for the benefit of clientele looking to maximize their financial returns while minimizing risk.

To amplify our client-centricity by inspiring innovation, championing customer service, generating competitive returns, and honoring the utmost ethical and professional standards.

MISSION STATEMENT

Faysal Islamic Saving Growth Funds seeks to provide maximum possible preservation of capital and a responsible Shariah compliant return to its units holder.

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

FAYSAL ISLAMIC SAVINGS GROWTH 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 Faysal Islamic Savings Growth Fund (the Fund) are of the opinion that Faysal Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 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; and

(iii) 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 25, 2022

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INDEPENDENT AUDITOR'S 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 **Faysal Islamic Savings Growth Fund** (the Fund) as at December 31, 2021 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, 2021. The Management Company (Faysal Asset Management 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 quarter ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2021.

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.

Afferguson&Co

Chartered Accountants

Engagement Partner: **Shahbaz Akbar**

Dated: February 28, 2022

Karachi

Condensed Interim Statement of Assets and Liabilities

As at December 31, 2021 (Un-audited)

	Note	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
		--------------- (Rupees)	----------------
Assets			
Balances with banks	4	954,413,881	2,259,400,107
Investments	5	2,589,726,887	1,762,888,084
Receivable against sale of units		-	2,713,557
Deposits, prepayments and other receivables		59,878,997	56,590,610
Total assets		3,604,019,765	4,081,592,358
Liabilities			
Payable to Faysal Asset Management Limited - Management Company	6	6,967,020	12,124,948
Payable to Central Depository Company of Pakistan Limited - Trustee	7	262,823	307,200
Payable to the Securities and Exchange Commission of Pakistan	8	392,649	699,604
Accrued expenses and other liabilities	9	20,177,584	40,168,612
Dividend payable		-	12,221,157
Payable against redemption of units		-	2,462,176
Total liabilities		27,800,076	67,983,697
Net assets		3,576,219,689	4,013,608,661
Unit holders' fund (as per statement attached)		3,576,219,689	4,013,608,661
Contingencies and commitments	11		
		--------- (Number of units)	---------
Number of units in issue		33,346,813	38,803,673
		------------- (Rupees)	-------------
Net asset value per unit		107.24	103.43

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer | Chief Executive Officer | Director

Condensed Interim Income Statement

For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

	Note	Half year ended December 31, 2021	Half year ended December 31, 2020	Quarter ended December 31, 2021	Quarter ended December 31, 2020
		---------- (Rupees) ---------		---------- (Rupees) ---------	
Income					
Profit on corporate sukuk certificates		40,425,413	50,217,925	6,640,581	26,529,636
Profit on GoP Ijarah sukuk certificates		32,632,388	24,612,374	32,632,388	13,775,252
Profit on commercial papers		11,698,913	3,266,096	8,761,319	-
Profit on certificates of musharakah		9,138,557	6,561,070	4,885,121	3,280,535
Profit on murabaha share financing		1,679,642	-	1,238,311	-
Profit on balances with banks		62,559,505	47,923,602	28,605,744	22,567,639
Income from spread transactions - net		(294,446)	-	-	-
Realised (loss) / gain on sale of investments - net		(124,340)	127,600	(447,797)	-
Other income		114,595	300,000	114,595	-
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.6	(3,658,125)	198,073	(7,220,547)	(3,135,570)
Total income		154,172,102	133,206,740	75,209,715	63,017,492
Operating expenses					
Remuneration of Faysal Asset Management Limited - Management Company	6.1	19,635,494	7,932,177	9,676,048	3,379,229
Sindh Sales Tax on remuneration of the Management Company	6.2	2,552,614	1,031,183	1,257,886	439,299
Allocated expenses	6.3	-	1,014,083	-	422,403
Selling and marketing expenses	6.4	1,518,587	6,330,367	967,605	3,097,143
Remuneration of Central Depository Company of Pakistan Limited - Trustee	7.1	1,472,662	1,283,486	725,704	633,605
Sindh Sales Tax on remuneration of the Trustee	7.2	192,428	166,853	94,826	82,367
Auditors' remuneration		306,360	372,600	120,060	186,300
Annual fee to the Securities and Exchange Commission of Pakistan	8.1	392,710	342,263	193,522	168,961
Fees and subscription		183,817	13,863	95,374	6,931
Legal and professional charges		79,120	-	79,120	-
Transaction charges		80,474	292,334	64,134	137,617
Printing charges		17,112	12,512	10,856	6,323
Bank charges		4,400	3,399	4,291	1,227
Other expenses		-	2,612	-	-
Total operating expenses		26,435,778	18,797,732	13,289,426	8,561,405
Net income from operating activities		127,736,324	114,409,008	61,920,289	54,456,087
Reversal of provision / (provision) for Sindh Workers' Welfare Fund	9.1	12,867,251	(2,288,180)	-	(422,581)
Net income for the period before taxation		140,603,575	112,120,828	61,920,289	54,033,506
Taxation	13	-	-	-	-
Net income for the period after taxation		140,603,575	112,120,828	61,920,289	54,033,506
Allocation of net income for the period					
Net income for the period after taxation		140,603,575	112,120,828		
Income already paid on units redeemed		(24,818,802)	(15,991,877)		
		115,784,773	96,128,951		
Accounting income available for distribution					
- Relating to capital gains		-	325,673		
- Excluding capital gains		115,784,773	95,803,278		
		115,784,773	96,128,951		

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer | Chief Executive Officer | Director

Condensed Interim Statement of Comprehensive Income

For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

	Half year ended December 31,		Quarter ended December 31,	
	2021	2020	2021	2020
	---------- (Rupees) ---------		---------- (Rupees) ---------	
Net income for the period after taxation	140,603,575	112,120,828	61,920,289	54,033,506
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	140,603,575	112,120,828	61,920,289	54,033,506

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer   Chief Executive Officer   Director

Condensed Interim Statement of Movement in Unit Holders' Fund

For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

	Half year ended December 31, 2021			Half year ended December 31, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	-------- (Rupees) --------			-------- (Rupees) --------		
Net assets at the beginning of the period (audited)	3,976,563,415	37,045,246	4,013,608,661	2,211,878,655	29,369,646	2,241,248,301
Issuance of 10,406,098 units (2020: 87,088,538 units)						
- Capital value (at net asset value per unit at the beginning of the period)	1,076,302,716	-	1,076,302,716	8,985,795,351	-	8,985,795,351
- Element of income	15,881,325	-	15,881,325	63,437,958	-	63,437,958
Total proceeds on issuance of units	1,092,184,041	-	1,092,184,041	9,049,233,309	-	9,049,233,309
Redemption of 15,862,958 units (2020: 74,602,623 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(1,640,705,746)	-	(1,640,705,746)	(7,697,498,641)	-	(7,697,498,641)
- Element of loss	(4,652,040)	(24,818,802)	(29,470,842)	(42,860,075)	(15,991,877)	(58,851,952)
Total payments on redemption of units	(1,645,357,786)	(24,818,802)	(1,670,176,588)	(7,740,358,716)	(15,991,877)	(7,756,350,593)
Total comprehensive income for the period	-	140,603,575	140,603,575	-	112,120,828	112,120,828
Net assets at the end of the period (un-audited)	3,423,389,670	152,830,019	3,576,219,689	3,520,753,248	125,498,597	3,646,251,845
Undistributed income brought forward						
- Realised income		33,933,258			31,568,089	
- Unrealised income / (loss)		3,111,988			(2,198,443)	
		37,045,246			29,369,646	
Accounting income available for distribution						
- Relating to capital gains		-			325,673	
- Excluding capital gains		115,784,773			95,803,278	
		115,784,773			96,128,951	
Undistributed income carried forward		152,830,019			125,498,597	
Undistributed income carried forward						
- Realised income		156,488,144			125,300,524	
- Unrealised (loss) / income		(3,658,125)			198,073	
		152,830,019			125,498,597	
			(Rupees)			**(Rupees)**
Net assets value per unit at the beginning of the period			103.43			103.18
Net assets value per unit at the end of the period			107.24			106.59

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer | Chief Executive Officer | Director

Condensed Interim Cash Flows Statement

For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

	Note	Half year ended December 31, 2021	2020
		---------------- (Rupees)	----------------
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		140,603,575	112,120,828
Adjustments for			
Unrealised diminution / (appreciation) on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.6	3,658,125	(198,073)
(Reversal of provision) / provision for Sindh Workers' Welfare Fund	9.1	(12,867,251)	2,288,180
		131,394,449	114,210,935
Increase in assets			
Investments - net		(830,496,928)	(834,530,788)
Deposits, prepayments and other receivables		(3,288,387)	(18,993,752)
		(833,785,315)	(853,524,540)
(Decrease) / increase in liabilities			
Payable to Faysal Asset Management Limited - Management Company		(5,157,928)	6,107,505
Payable to Central Depository Company of Pakistan Limited - Trustee		(44,377)	100,264
Payable to the Securities and Exchange Commission of Pakistan (SECP)		(306,955)	(12,745)
Accrued expenses and other liabilities		(7,123,777)	(2,251,711)
		(12,633,037)	3,943,313
Net cash used in from operating activities		(715,023,903)	(735,370,292)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance of units		1,094,897,598	9,049,233,309
Payments against redemption of units		(1,672,638,764)	(7,756,350,593)
Dividend paid		(12,221,157)	-
Net cash (used in) / generated from financing activities		(589,962,323)	1,292,882,716
Net (decrease) / increase in cash and cash equivalents during the period		(1,304,986,226)	557,512,424
Cash and cash equivalents at the beginning of the period		2,259,400,107	1,009,936,498
Cash and cash equivalents at the end of the period	10	954,413,881	1,567,448,922

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer | Chief Executive Officer | Director

Notes to and forming part of the Condensed Interim Financial Statements

For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Faysal Islamic Savings Growth Fund (the Fund) is an open-ended collective investment scheme established through a Trust Deed under the Trust Act, 1882, entered into on April 22, 2009 between Faysal Asset Management Limited (FAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The investment activities and administration of the Fund are managed by the Management Company.

During the year ended June 30, 2021, the Trust Act, 1882 had 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. The Management Company has submitted Collective Investment Scheme Trust Deed to Registrar (acting under Sindh Trusts Act, 2020) for registration to fulfill the requirement for registration of Trust Deed under Sindh Trusts Act,

1.2 The Management Company of the Fund has been licensed by the SECP to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 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 7th Floor, Faysal House, ST-02, Main Shahrah-e-Faisal, Karachi, Pakistan. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.3 The Fund has been categorised as a 'Shariah Compliant Islamic Income Scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from June 15, 2010 and are transferable and redeemable by surrendering them to the Fund.

1.4 According to the Trust Deed, the objective of the Fund is to provide a reasonable rate of return along with maximum possible preservation of capital by investing in Shariah compliant money market and debt securities having good credit quality rating and liquidity. The investment objectives and policies are explained in the Fund's offering document.

1.5 The Management Company has been assigned a quality rating of 'AM2' by VIS Credit Rating Company Limited dated December 31, 2021 (June 30, 2021: 'AM2' dated December 31, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, VIS Credit Rating Company Limited has reaffirmed the stability rating of "A+(f)" [June 30, 2021: A+(f)" dated October 05, 2020] of the Fund on January 7, 2022.

1.6 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 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

Notes to and forming part of the Condensed Interim Financial Statements

For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Wherever 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, 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.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS 34: 'Interim Financial Reporting'. These condensed interim financial statements do 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, 2021.

2.2 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, 2021.

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

3.1 The accounting policies applied and the methods of computations 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, 2021.

3.2 The preparation of these condensed interim financial statements is 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 accounting 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 these condensed interim financial statements, the significant judgments made by the 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 as at and for the year ended June 30, 2021. The Fund’s financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June

3.3 Standards, interpretations and amendments to the 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, 2021. 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 the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these will not 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

For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

	Note	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
		--------------- (Rupees)	----------------
4 BALANCES WITH BANKS			
PLS savings accounts	4.1	954,413,881	2,259,400,107

4.1 These balances in savings accounts carry profit rates ranging from 6.50% to 10.75% (June 30, 2021: 6.50% to 7%) per annum. Deposits in savings accounts also include Rs. 241.220 million (June 30, 2021: 15.718 million) maintained with Faysal Bank Limited, a related party, and carry profit at the rate of 10.75% per annum.

	Note	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
5 INVESTMENTS		--------------- (Rupees)	----------------
At fair value through profit or loss			
Corporate sukuk certificates	5.1	882,610,901	823,990,084
GoP Ijarah sukuk certificates	5.2	806,878,000	713,898,000
Certificates of musharakah	5.3	325,000,000	225,000,000
Commercial papers	5.4	547,572,783	-
Listed equity securities	5.5	-	-
Murabaha share financing		27,665,203	-
		2,589,726,887	1,762,888,084

5.1 Corporate sukuk certificates

Corporate Sukuks

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2021	Purchased during the period	Sold during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution) as at December 31, 2021	Percentage in relation to Net assets of the Fund	Percentage in relation to Total market value of investment
				------------- Number of certificates			-------------	---------------- (Rupees)		---------------	------------ %	------------
Oil & Gas Marketing Companies												
Cinergyco PK Limited (Formerly Byco Petroleum Pakistan Limited) (AAA, PACRA, non-traded) (Face value of 41,667 per certificate)	Quarterly	January 18, 2023	3 months KIBOR plus base rate of 1.05%	500	-	-	500	20,844,083	21,012,262	168,179	0.59%	0.81%
Power Generation & Distribution												
The Hub Power Company Limited (AA+, PACRA, non-traded) (Face value of 100,000 per certificate)	Semi-annually	March 19, 2024	12 months KIBOR plus base rate of 1.90%	2,500	-	-	2,500	256,000,000	256,250,000	250,000	7.17%	9.89%
The Hub Power Company Limited (AA+, PACRA, traded) (Face value of 100,000 per certificate)	Quarterly / Semi-annually	August 22, 2023	3 months KIBOR plus base rate of 1.90%	-	500	-	500	51,000,000	51,807,300	807,300	1.45%	2.00%
Pakistan Energy Sukuk - II (AAA, PACRA, traded) (Face value of 5,000 per certificate)	Semi-annually / At maturity	May 21, 2030	6 months KIBOR minus base rate of 0.1%	20,000	-	-	20,000	100,800,000	101,500,000	700,000	2.84%	3.92%
Hub Power Holdings Limited (AA+, PACRA, non-traded) (Face value of 100,000 per certificate)	Semi-annually / At maturity	November 12, 2025	6 months KIBOR minus base rate of 2.50%	3,500	-	-	3,500	324,768,246	324,768,246	-	9.08%	12.54%
Commercial Banks												
Al Baraka Bank Pakistan limited (A+, VIS, traded) (Face value of 1000,000 per certificate)	Semi-annually / At maturity	December 22, 2031	6 months KIBOR minus base rate of 1.50%	-	50	-	50	50,000,000	50,000,000	-	1.40%	1.93%
Technology and Communication												
TPL Corporation Limited (formerly TPL Trakker Limited) (A+, PACRA, non-traded) (Face value of 375,000 per certificate)	Quarterly	April 13, 2022	12 months KIBOR plus base rate of 3.00%	100	-	-	100	37,500,000	37,668,938	168,938	1.05%	1.45%
Chemicals												
Ghani Chemical Industries Limited (A, PACRA, non-traded) (Face value of 37,500 per certificate)	Quarterly	February 2, 2023	3 months KIBOR plus base rate of 1.00%	564	-	-	564	18,374,290	19,457,974	1,083,684	0.54%	0.75%
Miscellaneous												
International Brands Limited (AA, VIS, traded) (Face value of 16,783 per certificate)	Monthly	May 5, 2022	3 months KIBOR plus base rate of 0.50%	1,200	-	-	1,200	20,137,407	20,146,181	8,774	0.56%	0.78%
Total as at December 31, 2021								879,424,026	882,610,901	3,186,875	24.68%	34.08%
Total as at June 30, 2021								818,285,096	823,990,084	5,704,988	20.53%	46.74%

Notes to and forming part of the Condensed Interim Financial Statements

For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

5.2 GoP Ijarah sukuk certificates

Government Securities

Name of the security	Profit payments / principal redemptions	Issue date	Maturity date	Profit rate	As at July 1, 2021	Purchased during the period	Sold during the period	As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation/ (diminution)	Percentage in relation to Net assets of the Fund	Percentage in relation to Total market value of investment
					Number of certificates				---------------- (Rupees) ---------------			------------ % ------------	
GoP Ijarah Sukuk Certificates - XIX - VRR	Semi-annually / At maturity	May 29, 2020	May 29, 2025	Weighted average 6 months T-Bills	6,600	-	-	6,600	664,158,000	661,188,000	(2,970,000)	18.49%	25.53%
GoP Ijarah Sukuk Certificates - XXIV - VRR	Semi-annually / At maturity	October 29, 2021	October 29, 2026	Weighted average 6 months T-Bills	-	1,500	1,000	500	50,075,000	49,690,000	(385,000)	1.39%	1.92%
GoP Ijarah Sukuk Certificates - IV - FRR	Semi-annually / At maturity	July 29, 2020	July 29, 2025	Weighted average 6 months T-Bills	500	500	-	1,000	99,490,000	96,000,000	(3,490,000)	2.68%	3.71%
Total as at December 31, 2021									813,723,000	806,878,000	(6,845,000)	22.56%	31.16%
Total as at June 30, 2021									716,491,000	713,898,000	(2,593,000)	17.79%	40.50%

5.2.1 The nominal value of these sukuk certificates is Rs. 100,000 each.

5.3 Certificates of musharakah

Certificates of mushrakah

Name of the investee company	Profit rate	Maturity date	Face value: As at July 1, 2021	Face value: Purchased during the period	Face value: Matured during the period	Face value: As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation / (diminution) as at December 31, 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
			(Rupees)							%	
Orix Modaraba (AA, PACRA)	3 months KIBOR plus base rate of 0.05%	March 20, 2023	225,000,000	-	-	225,000,000	225,000,000	225,000,000	-	8.69%	6.29%
Orix Modaraba (AA, PACRA)	3 months KIBOR plus base rate of 0.05%	December 23, 2022	-	100,000,000	-	100,000,000	100,000,000	100,000,000	-	3.86%	2.80%
Total as at December 31, 2021							325,000,000	325,000,000	-	12.55%	9.09%
Total as at June 30, 2021							225,000,000	225,000,000	-	12.76%	5.61%

5.4 Commercial papers

Name of the security	Maturity date	Profit rate	Face value: As at July 1, 2021	Face value: Purchased during the period	Face value: Sold / matured during the period	Face value: As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Unrealised appreciation / (diminution) as at December 31, 2021	Percentage in relation to Net assets of the Fund	Percentage in relation to Total market value of investments of the Fund
			(Rupees)							%	
K-Electric Limited ICP-20 (A-1+, VIS)	January 27, 2022	6 months KIBOR plus base rate of 0.45%	-	350,000,000	-	350,000,000	338,730,006	338,730,006	-	9.47%	13.08%
Lucky Electric Power Company Limited ICP-1 (A-1, PACRA)	May 9, 2022	6 months KIBOR plus base rate of 0.75%	-	210,000,000	-	210,000,000	208,842,777	208,842,777	-	5.84%	8.06%
Total as at Decmeber 31, 2021							547,572,783	547,572,783	-		
Total as at June 30, 2021							-	-	-		

5.4.1 The nominal value of these commercial papers is Rs. 1,000,000 each.

Notes to and forming part of the Condensed Interim Financial Statements
For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

5.5 Listed equity securities

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

Name of the investee company	As at July 1, 2021	Purchased during the period	Sold during the period	As at December 31, 2021	Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total market value of investments	Holding as a percentage of paid-up capital of investee company
	---- Number of shares ----				Balance as at December 31, 2021			Market value as a percentage of		
	---- Number of shares held ----				---- (Rupees) ----			---- Percentage ----		
Technology and Communication										
Worldcall Telecom Limited	-	140,500	140,500	-	-	-	-	-	-	-
					-	-	-	-	-	
Oil and Gas Marketing Companies										
Sui Northern Gas Pipelines Limited	-	83,500	83,500	-	-	-	-	-	-	-
					-	-	-	-	-	
Total as at December 31, 2021					-	-	-	-	-	
Total as at June 30, 2021					-	-	-	-	-	

	Note	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
		---- (Rupees) ----	
5.6 Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'			
Market value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	2,589,726,887	1,762,888,084
Less: carrying value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	2,593,385,012	1,759,776,096
		(3,658,125)	3,111,988

6 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

	Note	December 31, 2021	June 30, 2021
Management remuneration payable	6.1	3,095,570	3,329,465
Sindh Sales Tax on remuneration of the Management Company	6.2	402,425	432,831
Allocated expenses payable	6.3	-	1,556,833
Selling and marketing expenses payable	6.4	873,854	2,387,945
Sales load payable		2,595,171	4,417,874
		6,967,020	12,124,948

6.1 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 subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the following rates:

Rate from July 1, 2021 to December 31, 2021	Rate from July 1, 2020 to July 21, 2020	Rate from July 22, 2020 to July 26, 2020	Rate from July 27, 2020 to August 23, 2020	Rate from August 24, 2020 to December 31, 2020
1% of average annual net assets	0.50% of average annual net assets	1% of average annual net assets	0.60% of average annual net assets	0.40% of average annual net assets

The remuneration is payable to the Management Company monthly in arrears.

Notes to and forming part of the Condensed Interim Financial Statements

For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

6.2 During the period, an amount of Rs. 2.553 million (December 31, 2020: Rs. 1.031 million) was charged on account of sales tax at the rate of 13% (December 31, 2020: 13%) on management fee levied through the Sindh Sales Tax on Services Act, 2011.

6.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a collective investment scheme (CIS).

The Management Company, based on its own discretion, has not charged any such expenses to the Fund for the period ended December 31, 2021.

6.4 The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan.

Accordingly, the Management Company has charged selling and marketing expenses based on its discretion (duly approved by the Board of Directors) while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 0.1% of the average annual net assets of the Fund (December 31, 2020: 0.15% of average annual net assets from July 1, 2020 to July 21, 2020 and 0.05% of average annual net assets from July 22, 2020 to December 31, 2020).

			December 31, 2021 (Un-audited)	**June 30, 2021 (Audited)**
7	**PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE**	**Note**	**--------------- (Rupees)**	**----------------**
	Remuneration payable	7.1	231,686	271,827
	Sindh Sales Tax payable on remuneration of the Trustee	7.2	31,137	35,373
			262,823	307,200

7.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.075% (June 30, 2021: 0.075%) per annum of average annual net assets of the Fund.

7.2 During the period, an amount of Rs. 0.192 million (2020: 0.167 million) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 at the rate of 13%.

			December 31, 2021 (Un-audited)	**June 30, 2021 (Audited)**
8	**PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**	**Note**	**--------------- (Rupees)**	**----------------**
	Annual fee payable	8.1	392,649	699,604

8.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.02% (June 30, 2021: 0.02%) of average annual net assets of the Fund.

Notes to and forming part of the Condensed Interim Financial Statements

For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

9	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
			---------- (Rupees)	----------
	Provision for Sindh Workers' Welfare Fund	9.1	-	12,867,311
	Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	9.2	5,271,869	5,271,869
	Auditors' remuneration payable		490,613	597,291
	Transaction charges payable		1,009,216	825,276
	Withholding tax payable		769,454	15,738,868
	Capital gain tax payable		858,788	-
	Zakat payable		237,033	1,258,567
	Legal and professional charges payable		272,239	-
	Printing charges payable		126,532	-
	Shariah advisory fee payable		127,498	77,082
	Other liabilities		11,014,342	3,532,348
			20,177,584	40,168,612

9.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP.

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the condensed interim financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in these condensed interim financial statements of the Fund.

Notes to and forming part of the Condensed Interim Financial Statements
For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
	--------------- (Rupees)	----------------
Balances outstanding as at period / year end		
Faysal Asset Management Limited - Management Company		
Management remuneration payable	3,095,570	3,329,465
Sindh Sales Tax payable on remuneration of the Management Company	402,425	432,831
Allocated expenses payable	-	1,556,833
Selling and marketing expenses payable	873,854	2,387,945
Sales load payable	2,595,171	4,417,874
Faysal Bank Limited (Group / Associated Company)		
Balance with bank	241,220,042	138,561,363
Profit receivable on balance with bank	-	317,956
Units in issue: 1,821,335 units (June 30, 2021: 1,821,335 units)	195,319,965	188,380,679
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	231,686	271,827
Sindh Sales Tax payable on remuneration of the Trustee	31,137	35,373
Security deposit	100,000	100,000
Faysal Bank Limited - Staff Provident Fund		
Units in issue: 4,508,466 units (June 30, 2021: 4,508,466 units)	483,487,894	466,310,638
Faysal Bank Limited - Staff Gratuity Fund		
Units in issue: 2,337,460 units (June 30, 2021 : 2,337,460 units)	239,945,210	241,763,488
Directors and Key Management Personnel of the Management Company		
Units in issue: 1 unit (June 30, 2021: 18,182 units)	107	1,880,564
Unit holders holding more than 10% units		
Outstanding 9,390,172 units (June 30, 2021: 9,390,172 units)	1,007,002,045	971,225,490

15.7 Other balances due to / from related parties / connected persons are included in the respective notes to these condensed interim financial statements.

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

Notes to and forming part of the Condensed Interim Financial Statements
For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

16.1 Fair value hierarchy

International Financial Reporting Standard 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: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Fair value measurements using 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).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

	As at December 31, 2021			
	---------------------------- (Un-audited) ----------------------------			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss	---------- (Rupees) ---------			
Corporate sukuk certificates	-	882,610,901	-	882,610,901
GoP Ijarah sukuk certificates	-	806,878,000	-	806,878,000
Certificates of musharakah **	-	325,000,000	-	325,000,000
Commercial papers *	-	547,572,783	-	547,572,783
Murabaha share financing	-	27,665,203	-	27,665,203
	-	2,589,726,887	-	2,589,726,887

	As at June 30, 2021			
	---------------------------- (Audited) ----------------------------			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss	---------- (Rupees) ---------			
Corporate sukuk certificates	-	823,990,084	-	823,990,084
GoP Ijarah sukuk certificates	-	713,898,000	-	713,898,000
Certificates of musharakah **	-	225,000,000	-	225,000,000
	-	1,762,888,084	-	1,762,888,084

* The valuation of commercial papers has been done based on amortisation to its fair value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and are placed with counterparties which have high credit rating.

Notes to and forming part of the Condensed Interim Financial Statements
For The Six Months Period And Quarter Ended December 31, 2021 (Un-Audited)

** The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

17 GENERAL

17.1 Figures have been rounded off to the nearest rupee.

18 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on February 18, 2022 by the Board of Directors of the Management Company.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

Head Office

West wing, 7th Floor,Faysal House, ST-02, Shahrah-e-Faisal,Karachi, Pakistan.

Karachi
U 92 21 111329725
F **92 21 38657800**

Lahore
T 92 42 35785558
F 92 42 35755196

Islamabad
T 92 51 2605721 / 23
F 92 51 2275252

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