

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited condensed Interim financial statements of **NBP Islamic Energy Fund (NIEF)** for the quarter ended September 30, 2024.

Fund's Performance

Contrary to positive return of the KSE-100 Index, the Islamic benchmark KMI-30 Index fell by 1.3% during 1QFY25. The key reason for KMI-30 decline was significant underperformance of the Power sector, as the listed IPPs remained embroiled in another contractual tariff negotiations with the government. With around 13% weight of power sector in KMI-30 Index, the overall KMI-30 Index declined during the period under review.

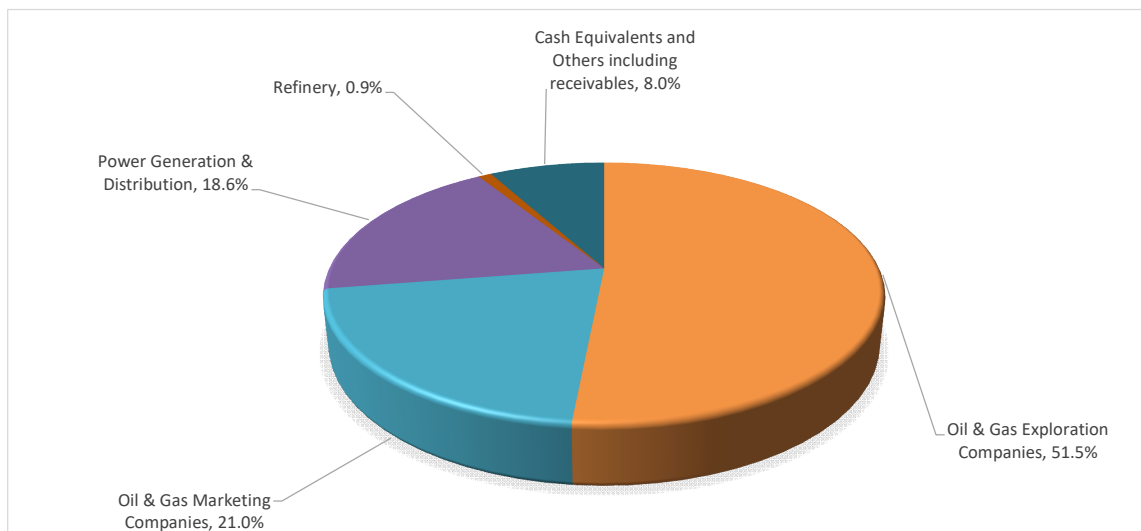
Investors looked past several positive developments that took place during the 1Q mainly pertaining to overall improvement on the economic front. During mid-July, Pakistani authorities and IMF reached Staff Level Agreement (SLA) for a 37-month Extended Fund Facility Arrangement (EFF) of USD 7 billion. The international ratings agencies, both Fitch Ratings and Moody's, upgraded Pakistan's Long-Term Foreign-Currency Issuer Default Rating by one notch. Other economic indicators also pointed towards steady recovery. Inflation finally cooled off to a single digit in 1Q, averaging around 9.2%, with Sept-24 inflation reading at 6.9% (lowest since Jan-21). As a result, central bank was able to cut Policy Rate by another 300 basis points to 17.5%. Related to this, the secondary market yields on government instruments fell sharply across all tenures. The yields on short-term papers saw a decline in the range of around 3% to 5.5%, while longer tenure papers also saw yield compression of around 2% to 4%. Current Account Deficit (CAD) was recorded at merely USD 98 million, down from USD 1.2 bn in same period last year, despite lifting of import restrictions & clearing of backlog of pending payments due to significant improvement in workers' inflows, which improved from USD 6.3 bn in 1QFY24 to USD 8.8 bn in the recent quarter. Both inflation and CAD benefited from softening of commodities in international market as Bloomberg Commodity Index was seen at 93.3 level during 1Q, which is the lowest reading since Aug-21. The FX reserves of the country further increased by around USD 1.3 bn, and surpassed the USD 10 bn mark. Other than the tariff renegotiation in IPPs space, investors were also concerned about the delay in IMF program, since IMF board accorded its nod towards end of Sept-24. Market participants were also perturbed by the Index downgrade by FTSE from Emerging status to Frontier status for Pakistan, which entailed an outsized foreign outflow bulk of which took place towards end of the period.

In terms of sector-wise performance, Automobile Assembler, Cements, Fertilizers, Leather & Tanneries, Miscellaneous, Oil & Gas Exploration, Pharmaceutical, and Transport sectors outperformed the market. On the contrary, Auto Parts & Accessories, Cable & Elec. Goods, Commercial Banks, Chemicals, Engineering, Food & Personal Care, Glass &

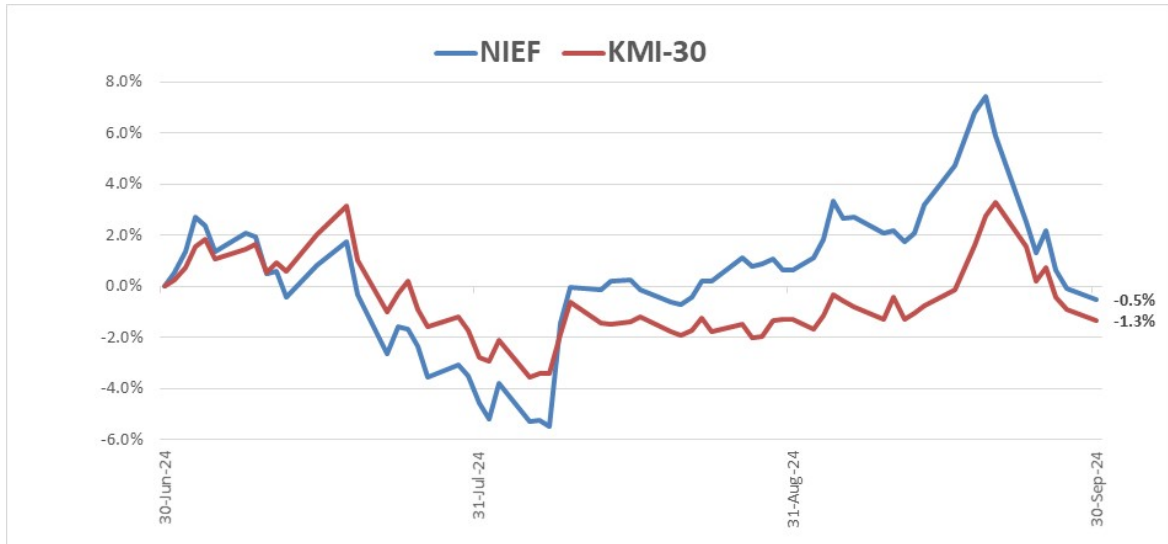
Ceramics, Investment Banks/Companies, Oil & Gas Marketing Companies, Paper & Board, Power Generation & Distribution, Refinery, Sugar & Allied, Technology & Communication, and, Textile Composite sectors lagged behind the market. Regarding participants' market activity, Individuals, Mutual Funds and Banks/DFIs emerged as the largest net buyers with inflows of around USD 47 million, USD 19 million, and USD 8 million, respectively. Conversely, Foreigner and Insurance reduced their net holdings by around USD 22 million and USD 19 million, respectively.

The size of NBP Islamic Energy Fund has decreased from Rs. 1200 million, to Rs 1064 million during the period, i.e., a decrease of 11.3%. During the period the unit price of NBP Islamic Energy Fund has decreased from Rs. 14.2739 on June 30, 2024 to Rs. 14.2012 on September 30, 2024, thus showing a decrease of 0.5%. The Benchmark (KMI-30 Index) decreased by 1.3%. Thus, the Fund has outperformed its Benchmark by 0.8% during the period under review. Since inception the NAV of the Fund has increased from Rs. 7.3914 (Ex-Div) on April 21, 2016, to Rs. Rs. 14.2012 on September 30, 2024, thus showing an increase of 92.1%. During the said period, the Benchmark increased by 111.6%, translating into underperformance of 19.5%. This performance is net of management fee and all other expenses

NBP Islamic Energy Fund has incurred a loss of Rs. 10.72 million during the year. After deducting total expenses of Rs. 13.21 million, the total loss is Rs. 23.93 million. The asset allocation of the Fund as on September 30, 2024 is as follows:



NIEF Performance versus Benchmark



Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of
NBP Fund Management Limited

Chief Executive Officer

Director

Date: October 30, 2024

Place: Karachi.

ڈائریکٹرز کی رپورٹ

NBP فنڈ منجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بھد مسرت 30 ستمبر 2024 کو ختم ہونے والی سرمایہ کے لئے NBP اسلامک انرجی فنڈ (NIEF) کے غیر جانچ شدہ کنڈینڈ عموری مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

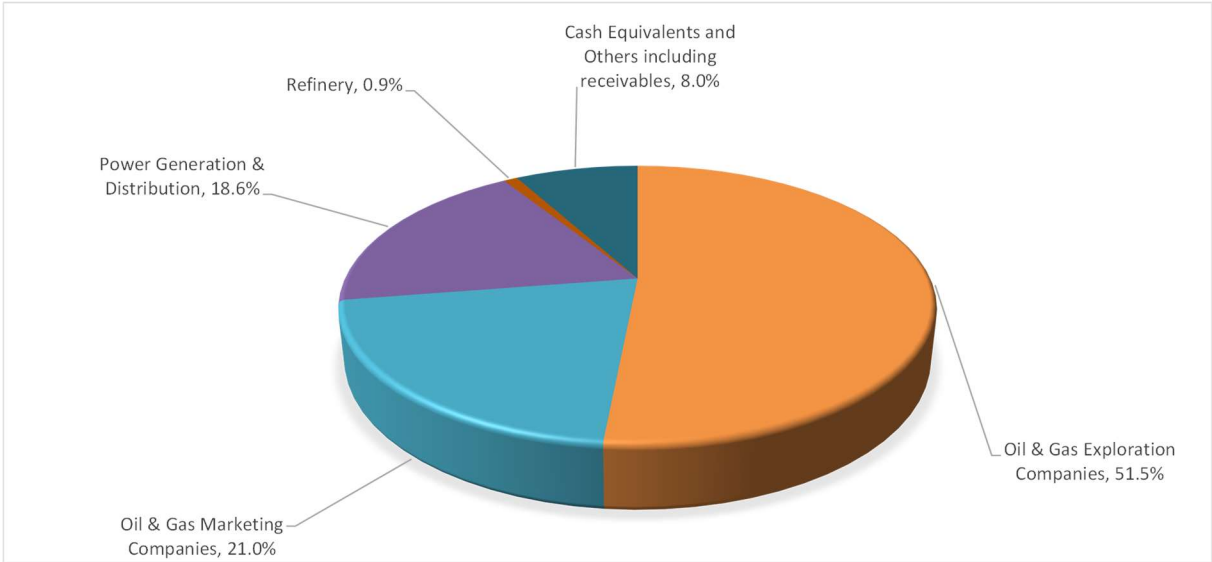
KSE-100 انڈیکس کی مثبت منافع کے برعکس اسلامک شیئ مارک KMI-30 انڈیکس مالی سال 2025 کی پہلی سرمایہ کے دوران 1.3 فیصد گر گیا۔ KMI-30 میں کمی کی اہم وجہ پاور سیکٹور کی نمایاں ناقص کارکردگی تھی، کیونکہ IPPs حکومت کے ساتھ ایک اور معاہدے پر ٹریف مذاکرات میں مصروف ہیں۔ KMI-30 انڈیکس میں پاور سیکٹور کے جائزہ کی مدت کے دوران مجموعی طور پر KMI-30 انڈیکس میں تقریباً 13 فیصد کمی واقع ہوئی۔

سرمایہ کاروں نے پہلی سرمایہ کے دوران ہونے والی متعدد مثبت پیش رفتوں کو دیکھا جو بنیادی طور پر معاشی محاذ پر مجموعی بہتری سے متعلق تھیں۔ جولائی کے وسط میں پاکستانی حکام اور آئی ایم ایف کے درمیان 7 بلین ڈالر کے 37 ماہ کے توسیعی فنڈ سہولت انتظامات (ای ایف ایف) کے لیے اسٹاف لیول ایگریمنٹ (ایس ایل اے) طے پایا جس سے سرمایہ کاروں کا اعتماد بحال ہوا۔ بین الاقوامی ریٹنگ ایجنسیوں، دونوں فیچ رائٹنگ اور موڈرنے نے پاکستان کی طویل مدتی فارن کرنسی ایٹورڈیفائلٹ ریٹنگ میں ایک درجہ کا اضافہ کیا ہے۔ دیگر نیکرو اکنامک انڈیکسز بھی اس عرصے کے دوران بتدریج بہتری ظاہر کر رہے ہیں۔ آخر کار پہلی سرمایہ میں افراط زر کی شرح کم ہو کر واحد عدد پر آگئی جو اسٹاپ 9.2 فیصد رہی اور 24 ستمبر کو افراط زر کی شرح 6.9 فیصد رہی جو 21 جنوری کے بعد سب سے کم ہے۔ اس نتیجے میں مرکزی بینک پالیسی ریٹ کو مزید 300 بیس پوائنٹس کم کر کے 17.5 فیصد کرنے میں کامیاب رہا۔ اس سے متعلق ہر کاری آلات پر ثانوی مارکیٹ کے شرح منافع میں تمام عرصہ میں تیزی سے کمی واقع ہوئی۔ قبل مدتی بھیچر شرح منافع میں تقریباً 3 فیصد سے 5.5 فیصد کی دیکھی گئی جبکہ طویل مدتی بھیچر شرح منافع میں بھی تقریباً 2 سے 4 فیصد کمی دیکھی گئی۔ درآمدی پابندیوں کے خاتمے اور زراعت اور ادائیگیوں کے بیک لاگ کی کلیئرنگ کے باوجود کرنٹ اکاؤنٹ خسارہ (سی اے ڈی) صرف 98 ملین ڈالر ریکارڈ کیا گیا جو گزشتہ سال کے اسی عرصے میں 1.2 بلین ڈالر تھا۔ اس کی وجہ ترسیلات زر کی آمد میں نمایاں بہتری تھی جو مالی سال 24 کی پہلی سرمایہ میں 6.3 بلین ڈالر سے بڑھ کر حالیہ سرمایہ میں 8.8 بلین ڈالر ہو گئی۔ بین الاقوامی مارکیٹ میں اجناس کی قدر میں کمی سے دونوں افراط زر اور سی اے ڈی کو فائدہ ہوا کیونکہ سرمایہ کے دوران بلومبرگ کوڈ ڈی انڈیکس 93.3 کی سطح پر دیکھا گیا جو 21 اگست کے بعد سے کم ترین ریڈنگ ہے۔ ملک کے زرمبادلہ کے ذخائر میں مزید 1.3 بلین ڈالر کا اضافہ ہوا اور یہ 10 بلین ڈالر سے تجاوز کر گیا۔ ان سازگار پیش رفتوں کے باوجود انڈیکس میں اضافہ نسبتاً معمولی تھا کیونکہ مارکیٹ کے شرکاء آئی ایم ایف پروگرام میں تاخیر کے بارے میں فکر مند تھے، کیونکہ آئی ایم ایف بورڈ نے اس کی منظوری ستمبر 24 کے آخر میں دی تھی۔ سرمایہ کار ایف آئی ایس ای کی جانب سے انڈیکس کو ایمرجنگ ایلٹس سے کم کر کے فرنیچر ایلٹس میں تبدیل کرنے سے بھی پریشان تھے، جس کی وجہ سے اس عرصے کے آخر میں غیر ملکی زرمبادلہ کے بڑے حصے کا اخراج ہوا۔

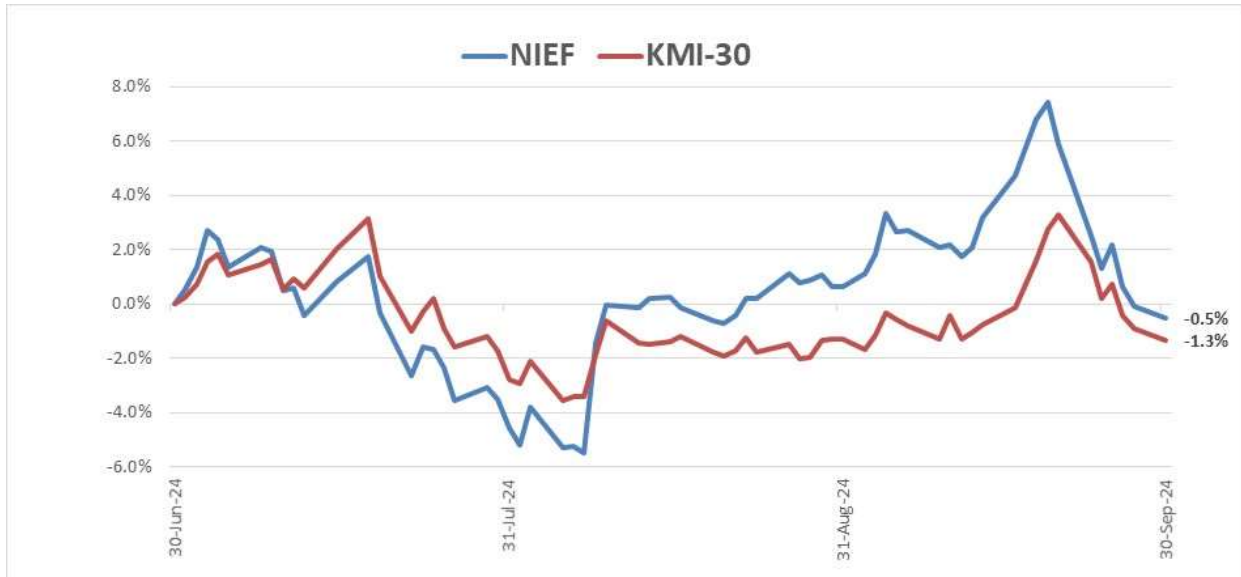
سیکٹور اور کارکردگی کے لحاظ سے آٹوموبائل اسمبلر، سینٹ، کمرشل بینکس، فرنیچر، انشورنس، لیڈر اینڈ میجریز، متفرق، آئل اینڈ گیس ایکسپلوریشن، فارماسیوٹیکل اور ٹرانسپورٹ کے شعبوں نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ اس کے برعکس آٹو پارٹس اور لوازمات، کبیل اینڈ ایکٹریکٹرز، گڈز، کیپیکلز، انجینئرنگ، فوڈ اینڈ پوسٹل کیٹگریز، گلاس اینڈ سیرامکس، انویسٹمنٹ بینک/کمپنیاں، آئل اینڈ گیس مارکیٹنگ کمپنیاں، بھیچر اینڈ بورڈ، پاور جنریشن اینڈ ڈسٹری بیوٹن، ریفرنسری، شوگر اینڈ الائیڈ، بیٹا نالوجی اینڈ کیوٹیکیشن، بیٹسٹائل کمپوزٹ اور تھامبو کے شعبوں نے مارکیٹ سے اہتر کارکردگی دکھائی۔ شرکاء کی مارکیٹ سرگرمیوں کے حوالے سے افراد، میوچل فنڈز اور بینکس/DFIs بالترتیب 47 ملین ڈالر، 19 ملین ڈالر اور 8 ملین امریکی ڈالر کے ساتھ اہم خالص خریدار رہے۔ اس کے برعکس غیر ملکی اور انشورنس نے اپنی خالص ہولڈنگز میں بالترتیب 22 ملین ڈالر اور 19 ملین ڈالر کی کمی کی ہے۔

موجودہ مدت کے دوران NBP اسلامک انرجی فنڈ کا سائز 1200 ملین روپے سے کم ہو کر 1064 ملین روپے ہو گیا، یعنی 11.3% کی کمی ہوئی۔ اس مدت کے دوران NBP اسلامک انرجی فنڈ کے یونٹ کی قیمت 30 جون 2024 کو 14.2739 روپے سے کم ہو کر 30 ستمبر 2024 کو 14.2012 روپے ہو گئی، لہذا 0.5% کی کمی ظاہر ہوئی۔ شیئ مارک میں (KMI-30 انڈیکس) 1.3% کی کمی ہوئی۔ لہذا فنڈ کی کارکردگی زیر جائزہ مدت کے دوران اپنے شیئ مارک سے 0.8% بہتر رہی۔ اپنے قیام کے وقت 21 اپریل 2016 سے اب تک فنڈ کے یونٹ کی قیمت (Ex-Div) 7.3914 روپے سے بڑھ کر 30 ستمبر 2024 کو 14.2012 روپے ہو گئی، لہذا 92.1% کا اضافہ ظاہر کیا۔ مذکورہ مدت کے دوران، فنڈ کے شیئ مارک میں 111.6% کا اضافہ ہوا، جس کے نتیجے میں 19.5% اہتر کارکردگی رہی۔ یہ کارکردگی منجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

NBP اسلامک انرجی فنڈ کو موجودہ مدت کے دوران 10.72 ملین روپے کا نقصان اٹھانا پڑا۔ 13.21 ملین روپے کے اخراجات منہا کرنے کے بعد خالص نقصان 23.93 ملین روپے ہے۔ 30 ستمبر 2024 کو فنڈ کی ایٹ ایبلٹی کیٹیشن درج ذیل ہے:



NIEF کی کارکردگی بر مقلابلہ بنچ مارک



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے منجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکر یہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے ٹکس رویہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور ٹرینی کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ منجمنٹ لمیٹڈ

ڈائریکٹرز

چیف ایگزیکٹو

تاریخ: 30 اکتوبر 2024

مقام: کراچی

NBP ISLAMIC ENERGY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2024

	(Unaudited) September 30 2024	(Audited) June 30 2024
Note	----- Rupees in '000 -----	
ASSETS		
Bank balances	85,575	49,181
Investments	978,521	1,161,028
Mark-up accrued	526	1,043
Deposits and other receivables	5,604	5,604
Dividend Receivable	11,941	-
Receivable against sell of investments	9,581	20,502
Receivable against issuance of units	3,209	651
Total assets	1,094,958	1,238,009
LIABILITIES		
Payable to NBP Fund Management Limited - Management Company	20,521	13,948
Payable to Central Depository Company of Pakistan Limited - Trustee	185	203
Payable to the Securities and Exchange Commission of Pakistan	78	93
Payable against redemption of units	8	1,009
Accrued expenses and other liabilities	10,462	22,578
Total liabilities	31,254	37,831
NET ASSETS	1,063,704	1,200,178
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	1,063,704	1,200,178
Contingencies and commitments		
	-----Number of units-----	
Number of units in issue	74,902,670	84,082,304
	-----Rupees-----	
Net asset value per unit	14.2012	14.2739

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NBP ISLAMIC ENERGY FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Quarter ended September	
	2024	2023
	Note ----- Rupees in '000 -----	
INCOME		
Profit on bank deposits	3,290	1,629
Dividend income	20,468	19,741
Realised Gain/(loss) on sale of investment- net	5,556	20,693
Net unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets 'at fair value through profit and loss'	(40,041)	68,882
	(34,485)	89,576
Total (loss)/income	(10,727)	110,945
EXPENSES		
Remuneration of NBP Fund Management Company Limited - Management	3,937	2,543
Sindh Sales Tax on remuneration of the Management Company	591	331
Reimbursement of allocated expenses	262	339
Sindh Sales tax on Reimbursement of Allocated expenses	39	-
Reimbursement of selling and marketing expenses	4,987	3,301
Sindh Sales tax on Reimbursement of Selling and marketing expenses	748	-
Remuneration of Central Depository Company of Pakistan Limited - The trustee	503	339
Sindh Sales Tax on remuneration of the Trustee	75	44
Fee to the Securities and Exchange Commission of Pakistan	249	161
Auditors' remuneration	211	251
Securities transaction cost	1,434	500
Legal fee	37	37
Listing fee	8	5
Printing charges	18	18
Settlement and bank charges	108	106
	13,207	7,974
Total expenses	13,207	7,974
Net (loss)/income from operating activities	(23,934)	102,971
Net (loss)/income for the year before taxation	(23,934)	102,971
Taxation	-	-
Net (loss)/income for the year after taxation	(23,934)	102,971
Allocation of net income for the period		
Net Income for the year after taxation		102,971
Income already paid on units redeemed		(16,672)
		86,299
Accounting income available for distribution:		
Relating to capital gain		20,693
Excluding capital gain		65,606
		86,299

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NBP ISLAMIC ENERGY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	<u>Quarter ended September</u>	
	<u>2024</u>	<u>2023</u>
	----- Rupees in '000 -----	
Net (loss)/income for the year after taxation	(23,934)	102,971
Other comprehensive (loss) / income for the period	-	-
Total comprehensive (loss) / income for the period	<u>(23,934)</u>	<u>102,971</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NBP ISLAMIC ENERGY FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Quarter Ended September 2024			Quarter Ended September 2023		
	(Rupees in '000)					
	Capital value	September 30	June 30	Capital value	Undistributed income	Total
Net assets at beginning of the period	1,059,563	140,615	1,200,178	647,995	(6,594)	641,401
Issuance of 34,767,419 units (2023: 21,867,296 units)						
- Capital value	496,268	-	496,268	193,811	-	193,811
- Element of income	11,580	-	11,580	32,480	-	32,480
Total proceeds on issue of units	507,848	-	507,848	226,291	-	226,291
Redemption of 43,947,052 units (2023: 25,277,126 units)						
- Capital value	(627,294)	-	(627,294)	(224,032)	-	(224,032)
- Element of (loss)	6,906	-	6,906	(8,482)	(16,672)	(25,154)
Total payments on redemption of units	(620,387)	-	(620,388)	(232,514)	(16,672)	(249,186)
Total comprehensive (loss) / income for the year		(23,934)	(23,934)	-	102,971	102,971
Net assets at end of the period	947,024	116,681	1,063,704	641,772	96,377	721,477
Undistributed income brought forward						
- Realised (loss) / income		(87,535)			25,835	
- Unrealised gain / (loss)		228,150			(32,429)	
		140,615			(6,594)	
Accounting income available for distribution:						
- Relating to capital gains		-			20,693	
- Excluding capital gains		-			65,606	
Net Income For The Period After Taxation		-			102,971	
Distribution during the year		-			-	
Undistributed income carried forward		140,615			96,377	
Undistributed income carried forward						
- Realised (loss) / income		180,656			27,495	
- Unrealised gain / (loss)		(40,041)			68,882	
		140,615			96,377	
		- (Rupees) -			- (Rupees) -	
Net assets value per unit at beginning of the year		14.2738			8.8630	
Net assets value per unit at end of the year		14.2012			10.4625	

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NBP ISLAMIC ENERGY FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	<u>Quarter ended September</u>	
	2024	2023
	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the year before taxation	(23,934)	102,971
Adjustments:		
Net unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets 'at fair value through profit and loss'	(40,041)	(68,882)
	(40,041)	34,089
(Increase) / Decrease in assets		
Investments - net	233,469	12,370
Profit Receivable	517	68
Dividend Receivable	(11,941)	(15,109)
Deposits and other receivables	-	(96)
	222,045	(2,767)
Increase / (Decrease) in liabilities		
Payable to NBP Fund Management Limited - Management Company	6,573	126
Payable to Central Depository Company of Pakistan Limited - Trustee	(18)	14
Payable to the Securities and Exchange Commission of Pakistan	(15)	(81)
Accrued expenses and other liabilities	(12,116)	(1,612)
	(5,576)	(1,553)
Net cash generated from operating activities	152,494	29,768
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received on issuance of units - net	505,290	226,791
Amounts paid on redemption of units - net	(621,390)	(248,749)
Net cash generated / (used) in financing activities	(116,100)	(21,958)
Net increase in cash and cash equivalents during the period	36,394	7,810
Cash and cash equivalents at the beginning of the period	49,181	36,954
Cash and cash equivalents at the end of the period	85,575	44,764

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic Energy Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited, as the Management Company and Central Depository Company of Pakistan Limited (CDC), as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on March 25, 2016 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).

The Management Company of the Fund has been licensed to act as an asset management company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual

The Fund has been categorized as an open ended 'Sharia compliant equity scheme' by the Board of Directors (the Board) of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited.

The objective of the Fund is to provide higher risk adjusted returns to investors by investing in diversified portfolio of Sharia compliant energy sector equity instruments. The investment objectives and policies are explained in the Fund's offering document.

The Pakistan Credit Rating Agency (PACRA) has maintained an asset manager rating of AM1 as at June 21, 2024 (2023: AM1) to the Management Company. The Fund has not yet been rated.

The title to the assets of the Fund is held in the name of the CDC as the Trustee of the Fund.

During the year ended June 30, 2021 the Trust Act, 1882 was repealed due to promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on October 14, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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

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 and the requirements of the Trust Deed differ with the requirements of IAS 34, 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 and the 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 the International Accounting Standard 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, 2024.

NBP ISLAMIC ENERGY FUND
NOTES TO AND FORMING PART OF THE CONDENSE FINANCIAL STATEMENTS (Un-Audited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2024.

These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 3.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2024.
- 3.2** The preparation of the condensed interim financial statements in conformity with 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 the condensed interim financial statements, the significant judgments 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 as at and for the year ended June 30, 2024. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2024.

NBP ISLAMIC ENERGY FUND
NOTES TO AND FORMING PART OF THE CONDENSE FINANCIAL STATEMENTS (Un-Audited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

		Un-Audited As at September 30, 2024	Audited As at June 30, 2024
4	BANK BALANCES		
	Current accounts	3,449	3,680
	Savings accounts	82,126	45,501
		<u>85,575</u>	<u>49,181</u>

4.1 These include saving account that carry profit at the rates ranging from 8% to 14.7% (June 30, 2024: 18.5% to 21.75%) per annum.

		Un-Audited As at September 30, 2024	Audited As at June 30, 2024
5	INVESTMENTS		
	Financial assets at fair value through profit or loss		
	Listed equity securities	978,521	1,161,028
		<u>978,521</u>	<u>1,161,028</u>

5.1 Investment in equity securities - listed

All shares have a nominal face value of Rs. 10 each except for shares of K-Electric Limited which have a face value of Rs. 3.5 each.

Name of the investee company	As at July 01, 2024	Purchased during the year	Bonus /right issue	Sold during the year	As at September 30, 2024	Market value as at September 30, 2024	Market value as a percentage of net assets	Market value as a percentage of total investment	Investment as a percentage of paid up capital of the investee company
					----- Number of shares ----- Rupees in '000 ----- % -----				
OIL AND GAS MARKETING COMPANIES									
Attock Petroleum Limited	39,704	19,292	-	26,700	32,296	12,983	1.22%	1.33%	0.03
Pakistan State Oil Company Limited	511,649	575,900	-	278,202	809,347	130,540	12.27%	13.34%	0.17
Shell Pakistan Limited	80,600	-	-	50,500	30,100	4,421	0.42%	0.45%	0.01
Sui Northern Gas Pipelines Limited	1,133,400	537,000	-	547,500	1,122,900	71,574	6.73%	7.31%	0.18
Sui Southern Gas Company	608,000	-	-	203,000	405,000	3,451	0.32%	0.35%	0.05
						222,969	20.96%	22.79%	
OIL AND GAS EXPLORATION COMPANIES									
Oil and Gas Development Company Limited	1,712,147	152,200	-	422,700	1,441,647	206,775	19.44%	21.13%	0.03
Pakistan Petroleum Limited	1,973,550	718,800	-	775,000	1,917,350	204,811	19.25%	20.93%	0.07
Mari Petroleum Company Limited	73,347	5,840	347,572	106,486	320,273	136,289	12.81%	13.93%	0.24
						547,875	51.51%	55.99%	
REFINERY									
National Refinery Limited	36,700	-	-	36,700	-	10,061	0.00%	0.00%	-
Attock Refinery Limited	96,772	-	-	65,500	31,272	10,061	0.95%	1.03%	0.03
						10,061	0.95%	1.03%	
POWER GENERATION AND DISTRIBUTION									
The Hub Power Company Limited	1,405,275	466,700	-	446,300	1,425,675	170,140	16.00%	17.39%	0.11
K Electric	8,070,500	-	-	763,000	7,307,500	27,476	2.58%	2.81%	0.03
						197,616	18.58%	20.20%	
						<u>978,521</u>	<u>92.0%</u>	<u>100%</u>	
						<u>1,018,562</u>			

Carrying Value as at September 30, 2024

NBP ISLAMIC ENERGY FUND
NOTES TO AND FORMING PART OF THE CONDENSE FINANCIAL STATEMENTS (Un-Audited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

5.2 Investments include shares with market value amounting to Rs 57.82 million (June 30, 2024: Rs 104.794 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular no. 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan.

6 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as of September 30, 2024 and June 30, 2024.

7 REIMBURSEMENT OF SELLING AND MARKETING EXPENSES

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2025 to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these condensed interim financial statements during the period.

8 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

As per NBFC Regulation 62(1) w.e.f. July 01, 2024, the Asset Management Company, within fifteen days of the close of every calendar month of the Collective Investment Scheme, shall pay the Commission non-refundable fee which is 0.095% of average annual net assets of the CIS.

9 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2025 to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these condensed interim financial statements during the period.

10 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the year ended September 30, 2024 is 5.04% (September 30, 2023: 4.71%) which includes 0.72% (September 30, 2023: 0.32%) representing government levies on the Fund such as provision against Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations.

NBP ISLAMIC ENERGY FUND
NOTES TO AND FORMING PART OF THE CONDENSE FINANCIAL STATEMENTS (Un-Audited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

11 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan, Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, Funds under management of the Management Company, directors and key management personnel of the Management Company and other associated companies. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

- 11.1** Transactions with related parties / connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to related parties / connected persons. The transactions with related parties / connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with the market rates.
- 11.2** Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the Trust Deed and Offering Document.

	Un audited	
	For the Quarter ended	
	September	September 30,
	30, 2024	2023
	----- Rupees in '000' -----	
11.3 Details of transactions with related parties / connected persons during the period as follows:		
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	3,937	2,543
Sindh Sales Tax on remuneration of the Management Company	591	331
Sales and transfer load	658	33
Sindh Sales Tax on sales load	99	4
ADC Charges including SST	19	-
Reimbursement of allocated expenses	262	339
Sindh Sales tax on Reimbursement of allocated expenses	39	-
Reimbursement of selling & marketing expense	4,987	3,301
Sindh Sales tax on Reimbursement of selling & marketing expense	748	-
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	503	339
Sindh Sales Tax on remuneration of the Trustee	75	44
Key management personnel of management Company (Employees)		
Units Issued / Trasferred In: 2,763,024 units (2023: 5,402,322 units)	40,362	55,462
Units Redeemed / Transferred Out: 2,182,247 units (2023: 3,021,039 units)	31,324	30,968
Dr Amjad Waheed - Cheif Executive Officer - CEO*		
Units Issued / Trasferred In: 1,615 units (2023: Nil)	24	-
National Fullerton Asset Management Ltd- Emp. Provident Fund*		
Units Redeemed / Transferred Out: 131,382 units (2023: Nil)	1,915	-
Taurus Securities Limited - common directorship		
Brokerage Expense	107	90
Portfolio managed by Management Company		
Units Issued / Trasferred In: 6,936,788 units (2023: 5,311,711 units)	102,900	69,424
Units Redeemed / Transferred Out Nil Units (2023: 1,344,554 units)	-	13,582
K-Electric Limited - Common directorship		
Shares sold: 763,000 shares (2023: Nil Shares)	3,245	-

NBP ISLAMIC ENERGY FUND
NOTES TO AND FORMING PART OF THE CONDENSE FINANCIAL STATEMENTS (Un-Audited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Un-Audited As at September 30, 2024	Audited As at June 30, 2024
11.4 Amounts outstanding as at period/ year end are as follows:		
	-----Rupees in '000-----	
NBP Fund Management Limited - Management Company		
Remuneration payable of the Management Company	1,232	1,468
Sindh Sales Tax on remuneration of the Management Company	185	191
Federal excise duty payable on remuneration of the -Management Company	583	583
Reimbursement of allocated expenses payable	745	483
Sindh Sales Tax on Reimbursement of allocated expenses payable	39	-
Reimbursement of Selling and marketing expenses	13,527	8,539
Sindh Sales Tax on Reimbursement of Selling and marketing expenses	748	-
Sales load and transfer load payable	1,671	1,012
Federal excise duty payable on sales load	1,501	1501
Sindh sales tax payable on sales load	234	132
Other payable	16	16
ADC share- Payable to AMC	41	23
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	161	180
Sindh Sales Tax on remuneration of the Trustee	24	23
Security deposit	100	100
Key management personnel of management Company		
Units held: 3,029,938 units (June 30, 2024: 2,449,161 units)	43,029	34,959
National Bank of Pakistan (Parent Company)		
Bank Balances	87	144
Taurus Securities Limited- Subsidiary of Parent Company		
Brokerage Payable	316	-
Dr Amjad Waheed - Cheif Executive Officer - CEO		
Units held: 4,736 units (June 30, 2024: 3,121 units)	67	45
National Fullerton Asset Management Ltd- Emp. Provident Fund		
Units held: 476,018 units (June 30, 2024: 607,401 units)	6,760	8,670
Farida Ali Asghar (More than 10% shareholding)		
Units Held: 11,285,528 (June 2024: 11,285,828 units)	160,268	161,089
Portfolio managed by the Management Company		
Units held: 17,053,292 units (June 30, 2024: 10,116,504 units)	242,177	144,402
K-Electric Limited (Common Directorship)		
Shares held: 7,307,500 (June 2024: 8,070,500 shares.)	27,476	37,366

*Prior period balances with these parties have not been disclosed as they were not connected person and related parties during prior years.

NBP ISLAMIC ENERGY FUND
NOTES TO AND FORMING PART OF THE CONDENSE FINANCIAL STATEMENTS (Un-Audited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

12 GENERAL

Figures in these financial statements have been rounded off to the nearest thousand of rupees.

No significant rearrangements or reclassifications have been made in these financial statements during the current year.

13 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue by the Board of the Management Company on October 30, 2024.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director