

DIRECTORS' REPORT

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

Fund's Performance

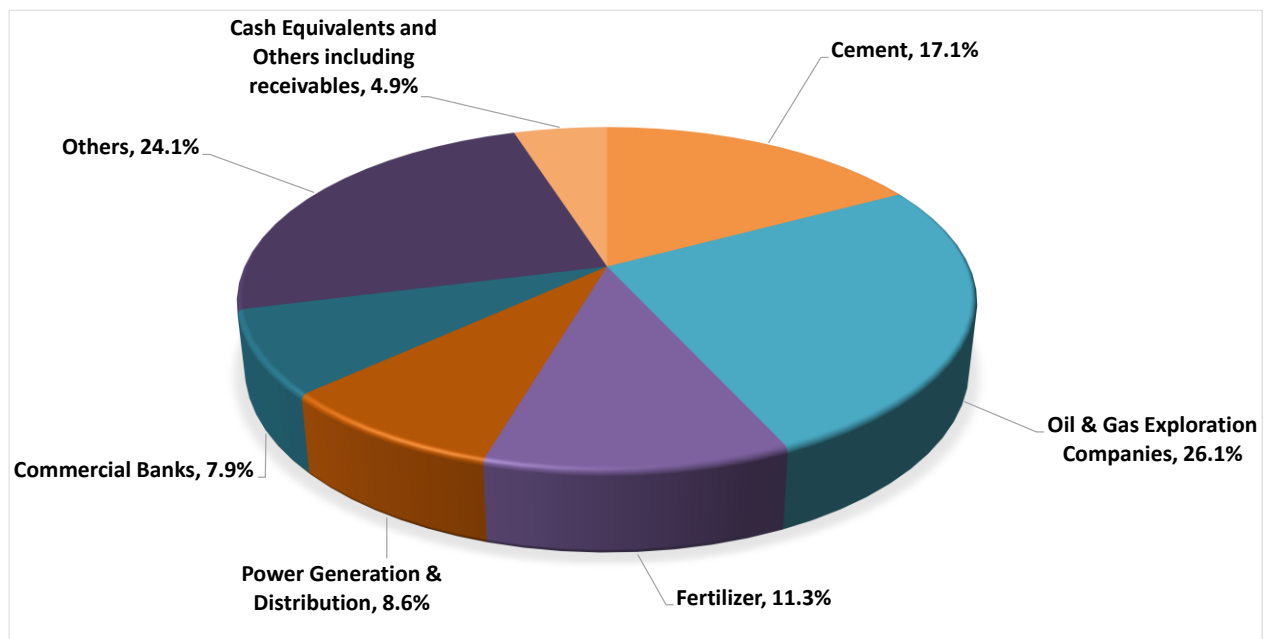
Contrary to positive return of the KSE-100 Index, the Islamic benchmark KMI-30 Index fell by 1.3% during 1QFY25. The key reason for KMI-30 decline was significant underperformance of the Power sector, as the listed IPPs remained embroiled in another contractual tariff negotiations with the government. 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 Stock Fund has Increased from Rs. 3,007 million to Rs. 3,307 million during the period, i.e., an Increase of 10.0%. During the period the unit price of NBP Islamic Stock Fund (NISF) has increased from Rs. 13.8298 on June 30, 2024 to Rs. 14.1421 on September 30, 2024, thus showing an increase of 2.3%. The Benchmark (KMI-30 Index) for the same period was decreased by 1.3%. Thus, the Fund has outperformed its Benchmark by 3.6% during the period under review. Since inception the NAV of the Fund has increased from Rs. 5.9355 (Ex-Div) on January 09, 2015 to Rs. 14.1421 on September 30, 2024, thus showing an increase of 138.3%. During the said period, the Benchmark increased by 137.9%, translating into outperformance of 0.4%. This performance is net of management fee and all other expenses.

NBP Islamic Stock Fund has earned a total income of Rs. 92.42 million during the period. After deducting total expenses of Rs. 35.77 million, the net income is Rs. 56.65 million. The asset allocation of the Fund as on September 30, 2024 is as follows:



NISF 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.

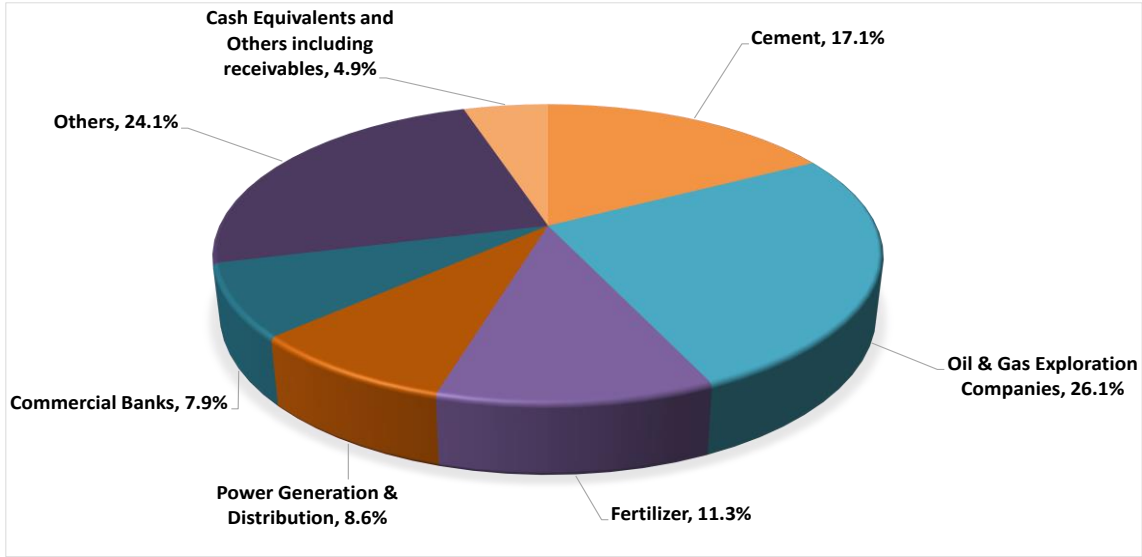
The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of
NBP Fund Management Limited

Chief Executive Officer

Director

Date: October 30, 2024.
Place: Karachi.



NISF کی کارکردگی بمقابلہ بیچ مارک



اظہار تشکر

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

بورڈ اپنے اسٹاف اور ڈسٹی 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 بیچمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 30 اکتوبر 2024

مقام: کراچی

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

		(Un-Audited) September 30, 2024	(Audited) June 30, 2024
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances		238,331	113,437
Investments	4	3,144,878	2,965,684
Accrued profit and dividend receivable		22,777	2,006
Receivable against transfer of units		15,477	133
Receivable against sale of investments		-	1,522
Advances, deposits and prepayment		7,229	7,270
Total assets		3,428,692	3,090,052
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company		37,595	26,238
Payable to Central Depository Company of Pakistan Limited - Trustee		392	366
Payable to Securities and Exchange Commission of Pakistan	7	246	230
Payable against conversion and redemption of units		35,989	41
Payable against purchase of investments		15,863	-
Accrued expenses and other liabilities		31,822	56,411
Total liabilities		121,907	83,286
NET ASSETS		3,306,785	3,006,766
UNITHOLDERS' FUND (AS PER STATEMENT ATTACHED)		3,306,785	3,006,766
CONTINGENCIES AND COMMITMENTS	5		
		----- Number of units -----	
NUMBER OF UNITS IN ISSUE		233,825,492	217,412,473
		----- Rupees -----	
NET ASSETS VALUE PER UNIT		14.1421	13.8298

The annexed notes 1 to 12 form an integral part of these financial statements.

**For NBP Fund Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

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

	Quarter ended September 30, 2024	Quarter ended September 30, 2023
	Note -----	(Rupees in '000) -----
INCOME		
Dividend income	44,885	20,606
Profit on bank balances	4,578	4,285
Gain on sale of investments at fair value through profit or loss (FVTPL) - net	15,072	78,976
Net unrealised appreciation on re-measurement of investments at FVTPL	27,886	148,960
	42,958	227,936
Total income	92,421	252,827
EXPENSES		
Remuneration of NBP Fund Management Limited - Management Company	19,229	10,215
Sindh Sales Tax on remuneration of Management Company	2,884	1,328
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,021	762
Sindh Sales Tax on remuneration of Trustee	153	99
Reimbursement of selling and marketing expenses	6 7,538	7,917
Reimbursement of Allocated expenses	769	1,022
Sindh Sales Tax on reimbursement of selling and marketing expenses	1,131	-
Sindh Sales Tax on reimbursement of Allocated expenses	115	-
Fee - Securities and Exchange Commission of Pakistan	7 731	485
Securities transaction cost	1,662	1,191
Settlement and bank charges	227	56
Auditors' remuneration	130	248
Fund rating fee	41	82
Annual listing fee	8	7
Professional charges	32	32
Shariah advisor fee	83	133
Printing charges	14	14
Total expenses	35,768	23,591
Net income from operating activities	56,653	229,236
Net income for the year before taxation	56,653	229,236
Taxation	8 -	-
Net income for the year after taxation	56,653	229,236
Earnings / (loss) per unit		
Allocation of net income for the year		
Net income for the year	56,653	229,236
Income already paid on units redeemed	(3,396)	(75,718)
	53,257	153,518
Accounting income available for distribution:		
- Relating to capital gain	42,958	153,518
- Excluding capital gain	10,299	-
	53,257	153,518

The annexed notes 1 to 12 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

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

	Quarter ended September 30, 2024	Quarter ended September 30, 2023
	----- (Rupees in '000) -----	
Net income for the year after taxation	56,653	229,236
Other comprehensive income for the year	-	-
Total comprehensive income for the year	56,653	229,236

The annexed notes 1 to 12 form an integral part of these financial statements.

**For NBP Fund Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

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

	Quarter ended September 30, 2024	Quarter ended September 30, 2023
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	56,653	229,236
Adjustments for:		
Net unrealised (appreciation) on re-measurement of investments classified as financial assets at FVTPL	6.2 (27,886)	(148,960)
	<u>28,767</u>	<u>80,276</u>
(Increase) / decrease in assets		
Investments - net	(151,308)	510,239
Accrued profit and dividend receivable	(20,771)	(8,433)
Receivable against sale of investments	1,522	22,941
Advances, deposits and prepayment	41	59
	<u>(170,516)</u>	<u>524,806</u>
Increase / (decrease) in liabilities		
Payable to NBP Fund Management Limited - Management Company	11,357	(4,148)
Payable to Central Depository Company of Pakistan Limited - Trustee	26	(64)
Payable to Securities and Exchange Commission of Pakistan	16	(666)
Payable against purchase of investments	15,863	-
Accrued expenses and other liabilities	(24,589)	857
	<u>2,673</u>	<u>(4,021)</u>
Net cash (used in) / generated from operating activities	<u>(139,076)</u>	<u>601,061</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issuance of units	1,034,435	469,454
Amount paid on redemption of units	(770,465)	(1,062,786)
Net cash used in financing activities	<u>263,970</u>	<u>(593,332)</u>
Net increase / (decrease) in cash and cash equivalents during the year	<u>124,894</u>	<u>7,729</u>
Cash and cash equivalents at beginning of the year	113,437	77,912
Cash and cash equivalents at end of the year	5 <u>238,331</u>	<u>85,641</u>

The annexed notes 1 to 12 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NBP ISLAMIC STOCK FUND
NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic Stock Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on 12 November 2014 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (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 No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended 'Shari'ah compliant equity scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009.

The objective of the fund is to provide investors with long-term capital growth from an actively managed portfolio of Shari'ah compliant listed equities securities. The investment objectives and policies are explained in the Fund's offering document.

The Pakistan Credit Rating Agency (PACRA) has assigned an Asset Manager Rating of AM1 to the Management Company and performance ranking of "5-Star" to the fund.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as trustee of the Fund.

During the year ended 30 June, 2021 The Trust Act, 1882 was repealed due to the 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 26, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

2 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 as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; 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.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare 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 condensed interim 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.

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, 2023. 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 STOCK FUND
NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-Audited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

4 INVESTMENTS

(Un-Audited)	(Audited)
As at	As at
September 30,	June 30,
2024	2024
(Rupees in '000)	
3,144,878	2,965,684
	

Financial assets 'At fair value through profit or loss'

4.1 Listed equity securities

All shares have a nominal face value of Rs.10 each except for the shares of Agriauto Industries Limited, Thal Limited, Al-Ghazi Tractors Limited and Shabbir Tiles and Ceramics Limited which have a face value of Rs. 5 each.

Name of the investee company	As at July 01, 2024	Purchases during the period	Bonus / Right issue	Sales during the period	As at September 30, 2024	Market value as at September 30, 2024	Market value as a percentage of		Holding as a percentage of Paid up capital of the investee company
							Net assets	Total investments	
.....No. of shares..... Rupees in '000 %									
OIL & GAS MARKETING COMPANIES									
Attock Petroleum Limited	167	7,885	-	-	8,052	3,237	0.10	0.10	0.01
Pakistan State Oil Company Limited	425,420	152,000	-	24,600	552,820	89,164	2.70	2.84	0.12
Hascal Petroleum Limited	1,583	-	-	-	1,583	10	0.00	0.00	0.00
Sui Northern Gas Pipelines Limited	36,500	-	-	-	36,500	2,327	0.07	0.07	0.01
OIL & GAS EXPLORATION COMPANIES									
Pakistan Petroleum Limited	2,759,252	333,000	-	604,000	2,488,252	265,795	8.04	8.45	0.09
Mari Petroleum Company Limited	92,062	-	575,377	92,062	575,377	244,846	7.40	7.79	0.43
Oil and Gas Development Company Limited	2,311,174	306,700	-	160,600	2,457,274	352,447	10.66	11.21	0.06
FERTILIZERS									
Engro Fertilizers Limited	61,300	-	-	61,300	-	-	-	-	-
Engro Corporation Limited	436,247	20,800	-	70,800	386,247	117,311	3.55	3.73	0.07
Fauji Fertilizer Bin Qasim Limited	476,000	3,170,534	-	558,500	3,088,034	154,772	4.68	4.92	0.24
Fatima Fertilizer Company Limited	1,370,130	462,500	-	106,000	1,726,630	102,821	3.11	3.27	0.08
REFINERY									
Attock Refinery Limited	9,800	-	-	9,800	-	-	-	-	-
CEMENT									
Kohat Cement Limited	993,187	57,141	-	16,875	1,033,453	314,118	9.50	9.99	0.51
Lucky Cement Limited	174,016	18,400	-	14,027	178,389	157,703	4.77	5.01	0.06
Maple Leaf Cement Factory Limited	541,502	535,500	-	45,000	1,032,002	33,478	1.01	1.06	0.10
Fauji Cement Company Limited	1	580,000	-	20,000	560,001	14,157	0.43	0.45	0.02
Attock Cement (Pakistan) Limited	498,385	34,565	-	32,000	500,950	47,039	1.42	1.50	0.36
MISCELLANEOUS									
Ecopack Limited	2	-	-	-	2	0	0.00	0.00	0.00
Synthetic Products Enterprises Limited	16,637	-	-	-	16,637	610	0.02	0.02	0.01
AUTOMOBILE PARTS & ACCESSORIES									
Agriautos Industries Limited	250	-	-	-	250	21	0.00	0.00	0.00
Thal Limited	6,094	-	-	-	6,094	2,499	0.08	0.08	0.01
Panther Tyres Limited	120,499	-	-	-	120,499	4,784	0.14	0.15	0.07
AUTOMOBILES ASSEMBLER									
Millat Tractors Limited	4	-	-	-	4	2	0.00	0.00	0.00
GLASS AND CERAMICS									
Tariq Glass Industries Limited	230,176	98,842	-	-	329,018	36,682	1.11	1.17	0.19
Shabbir Tiles and Ceramics Limited	1,977,500	-	-	123,000	1,854,500	25,703	0.78	0.82	0.77
Ghani Glass Limited	219,000	115,000	-	-	334,000	8,353	0.25	0.27	0.04

Balance carried forward 17,286,568 1,977,880 60 63

Name of the investee company	As at July 01, 2024	Purchases during the period	Bonus / Right Issue	Sales during the period	As at September 30, 2024	Market value as at September 30, 2024	Market value as a percentage of		Holding as a percentage of Paid up capital of the investee company
							Net assets	Total investments	
					No. of shares	Rupees in '000	%		
Balance brought forward					17,286,568	1,977,880	60	63	
ENGINEERING									
Mughal Iron and Steel Industries Limited	402,992	-	-	202,300	200,692	15,546	0.47	0.49	0.06
International Steels Limited	151,625	-	-	151,625	-	-	-	-	-
International Industries Limited	64,100	-	-	64,100	-	-	-	-	-
Aisha Steel Mills Limited	572,878	-	-	-	572,878	3,609	0.11	0.11	0.06
TEXTILE COMPOSITE									
Kohinoor Textile Mills Limited	948,655	160,789	-	-	1,109,444	79,447	2.40	2.53	0.37
Nishat Mills Limited	586,690	53,000	-	-	639,690	39,296	1.19	1.25	0.18
Interloop Limited	3	-	-	-	3	0	0.00	0.00	0.00
PAPER AND BOARD									
Cherat Packaging Limited.	2	-	-	-	2	0	0.00	0.00	0.00
Roshan Packages Limited	257,500	-	-	93,000	164,500	2,640	0.08	0.08	0.12
Century Paper and Board Mills Limited	430,500	-	-	-	430,500	10,745	0.32	0.34	0.19
PHARMACEUTICALS									
Ferozsons Laboratories Limited	6,300	-	-	-	6,300	1,830	0.06	0.06	0.01
Abbot Laboratories (Pakistan) Limited	50	-	-	-	50	38	0.00	0.00	0.00
The Searle Company Limited	170,674	391,000	-	-	561,674	31,987	0.97	1.02	0.14
GlaxoSmithKline (Pakistan) Limited	-	264,361	-	-	264,361	50,847	1.54	1.62	0.08
Haleon Pakistan Limited	84,200	-	-	6,700	77,500	42,578	1.29	1.35	0.07
AGP Limited	164,937	42,400	-	-	207,337	22,963	0.69	0.73	0.07
IBL HealthCare Limited	405,043	-	-	41,500	363,543	11,095	0.34	0.35	0.51
Citi Pharma Ltd.	90,348	-	-	-	90,348	3,149	0.10	0.10	0.04
Highnoon Laboratories Limited	16,800	-	-	16,800	-	-	-	-	-
TECHNOLOGY AND COMMUNICATION									
Avanceon Limited	21,572	44,000	-	-	65,572	3,345	0.10	0.11	0.02
Systems Limited	401,918	18,500	-	35,800	384,618	156,113	4.72	4.96	0.13
POWER GENERATION AND DISTRIBUTION									
Hub Power Company Limited	2,084,255	379,309	-	71,000	2,392,564	285,529	8.63	9.08	0.18
COMMERCIAL BANKS									
Meezan Bank Limited	1,100,113	6,600	-	103,200	1,003,513	228,951	6.92	7.28	0.06
Faysal Bank Limited	682,553	146,000	-	137,000	691,553	31,742	0.96	1.01	0.05
FOOD AND PERSONAL CARE PRODUCTS									
Al-Shaheer Corporation Limited	18,378	-	-	-	18,378	116	0.00	0.00	0.00
At-Tahir Limited	867,196	-	-	431,500	435,696	6,649	0.20	0.21	0.20
Shezan International Limited	27,060	-	-	-	27,060	2,279	0.07	0.07	0.28
Bunny's Limited	312,000	-	-	-	312,000	4,231	0.13	0.13	0.47
Unity Foods Limited	467,000	-	-	95,000	372,000	9,464	0.29	0.30	0.03
TRANSPORT									
Pakistan National Shipping Corporation Limit	227,170	-	-	-	227,170	84,101	2.54	2.67	0.17
Pakistan International Bulk Terminal Limited	609,500	-	-	-	609,500	3,425	0.10	0.11	0.03
CABLE & ELECTRICAL GOODS									
Pak Elektron Limited	769,161	807,000	-	185,000	1,391,161	34,862	1.05	1.11	0.16
Emco Industries Limited	12,000	-	-	-	12,000	420	0.01	0.01	0.03
Total as at September 30, 2024					29,918,175	3,144,878	95	100	
Carrying value as at September 30, 2024						3,116,992			

Investments include shares with market value of Rs 425.345 million (June 30, 2024: 452.452 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular number 11 dated October 23, 2007 issued by the SECP.

**NBP ISLAMIC STOCK FUND
NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

5 CONTINGENCIES AND COMMITMENTS

There were no contingencies outstanding as at September 30, 2024 and June 30, 2024.

6 REIMBURSEMENT OF SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 0.98% per annum of the net assets of the Fund.

7 Payable to the 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 this CIS.

8 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.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

9 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 4.65% (September 30, 2023: 4.63%) which includes 0.68% (September 30, 2023: 0.37%) representing Government Levy and the SECP Fee. The prescribed limit for the ratio is 4.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "Shari'ah compliant equity" scheme.

10 TRANSACTIONS WITH CONNECTED PERSONS

- 10.1** Connected persons include NBP Fund Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and its connected persons and Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 10.2** The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 10.3** Remuneration and front-end load payable to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.
- 10.4** Remuneration payable to the Trustee is determined in accordance with the provisions of the NBFC regulation and the Trust Deed.

(Un-Audited)
Quarter ended September 30, 2024 **Quarter ended September 30, 2023**

(Rupees in '000)

10.5 Details of the transactions with connected persons are as follows:

NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	19,229	10,215
Sindh sales tax on remuneration of the Management Company	2,884	1,328
Reimbursement of Allocated expenses	769	1,022
Reimbursement of Selling and marketing expense	7,538	7,917
Sindh Sales Tax on reimbursement of selling and marketing expenses	1,131	-
Sindh Sales Tax on reimbursement of Allocated expenses	115	-
Sales load and transfer load including SST	1,196	353
ADC including SST	75	147
Employees of the Management Company		
Units Issued / Trasferred In: 7,560,700 units (2023: 7,919,584 units)	105,291	91,547
Units Redeemed / Transferred Out: 5,813,741 units (2023: 7,677,440 units)	81,029	88,985
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	1,021	762
Sindh sales tax on remuneration of Trustee	153	99
Taurus Securities Limited (Subsidiary of Parent Company)		
Brokerage expense	176	134
National Bank of Pakistan - (Parent of the Management Company)		
Profit on bank deposits	24	-
International Steel Limited (Common Directorship)		
Purchase of Nil shares (2023: 925 shares)	-	43
Sale of 151,625 shares (2023: 800 shares)	12,271	39
Portfolio Managed by the Management Company		
Units issued / transferred In: Nil (2023: 3,653,521 units)	-	43,609
Units redeemed / transferred out 3,746,648 (2023: 3,410,234 units)	53,108	38,902
* CDC Trustee Punjab Pension Fund Trust (10% or more holding)		
Units redeemed / transferred out: Nil (2023: 21,738,374 units)	-	250,000
* CDC Trustee Punjab General Provident Fund (10% or more holding)		
Units redeemed / transferred out: Nil (2023: 12,603,771 units)	-	150,000

(Un-Audited) (Audited)
As at September 30, 2024 **As at June 30, 2024**
(Rupees in '000)

10.6 Amounts outstanding as at period end

NBP Fund Management Limited - Management Company		
Remuneration payable to the Management Company	6,468	6,056
Sindh sales tax payable on remuneration of Management Company	970	787
Reimbursement of Accounting and operational charges	2,130	1,361
Reimbursement of Selling and marketing expense	20,656	13,118
Sales load and transfer load including SST	5,975	4,779
ADC payable including SST	130	117
Sindh Sales Tax on reimbursement of selling and marketing expenses	1,131	-
Sindh Sales Tax on reimbursement of Allocated expenses	115	-

Other payable	20	20
Employees of the Management Company		
Units held: 6,348,194 units (June 30, 2024: 4,601,235 units)	89,777	63,634
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee	341	324
Security deposit	103	103
Sindh Sales Tax on remuneration of Trustee	51	42
National Fullerton Asset Management Ltd- Emp. Provident Fund - Related		
Units held: 622,202 units (June 30, 2024: 622,202 units)	8,799	8,605
Taurus Securities Limited (Subsidiary of Parent Company)		
Brokerage payable	-	51
National Bank of Pakistan - (Parent of the Management Company)		
Bank balance	390	472
Profit receivable	2	1
Portfolio Managed by the Management Company		
Units held: 6,463,702 units (June 30, 2024: 10,210,350 units)	91,410	141,207
International Steel Limited (Common Directorship)		
Shares held: Nil shares (June 30, 2024: 151,625 shares)	-	12,820
* CDC Trustee Punjab Pension Fund Trust (10% or more holding)		
Units held: Nil units (June 30, 2024: 23,004,064 Units)	-	318,142
* CDC Trustee Punjab General Provident Fund (10% or more holding)		
Units held: Nil units (June 30, 2024: 33,277,063 Units)	-	460,215

* Current period figures has not been shown as the company ceased to be a related party/ connected person as at September 30, 2024.

** Comparative balances with these parties have not been disclosed as these parties were not related party / connected person in the last term.

11 DATE OF AUTHORISATION FOR ISSUE

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

12 GENERAL

12.1 Figures have been rounded off to the nearest thousand rupees.

12.2 Corresponding figures have been rearranged or reclassified, where necessary, for the purposes of better presentation.

**For NBP Fund Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director