

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited Condensed Interim financial statements of **NBP Pakistan Growth Exchange Traded Fund (NBP-GETF)** for the quarter ended September 30, 2024.

Fund's Performance

Equities remained strong during 1QFY25 and the benchmark KSE-100 Index scaled new highs as it crossed the psychological barrier of 80,000 points for the first time. At the end of period, KSE-100 Index settled at around 81,000 level, surging by around 2,669 points, up by 3.4% during the quarter.

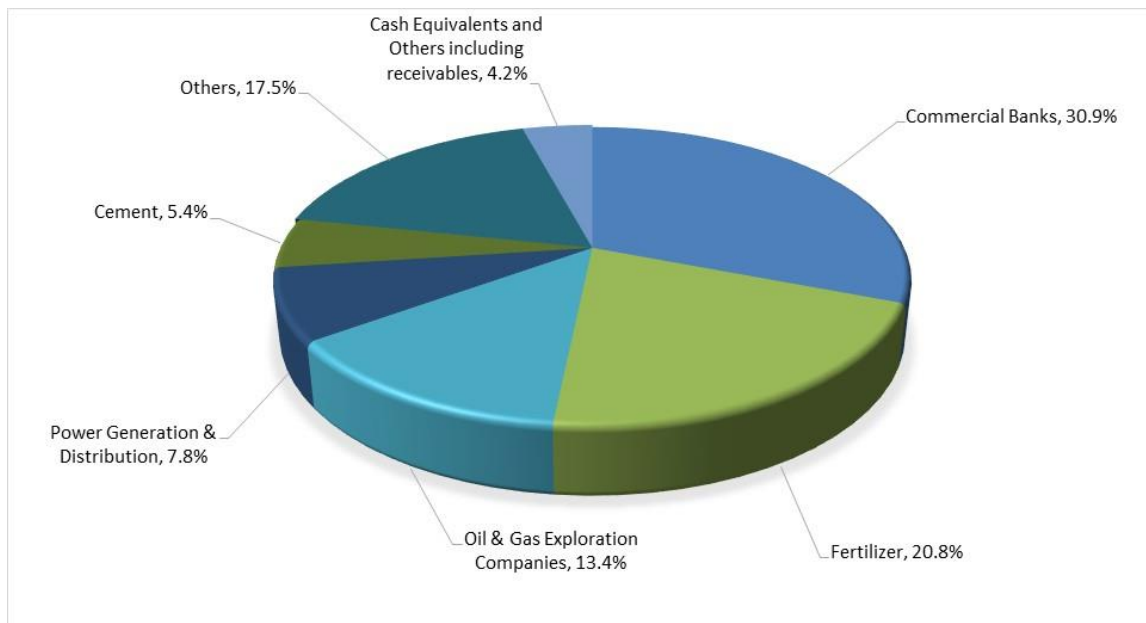
Notwithstanding the heightened volatility during the period, the overall market sentiment remained upbeat. During mid-July, Pakistani authorities and IMF reached Staff Level Agreement (SLA) for a 37-month Extended Fund Facility Arrangement (EFF) of USD 7 billion, which strengthened investors' confidence. The international ratings agencies, both Fitch Ratings and Moody's, upgraded Pakistan's Long-Term Foreign-Currency Issuer Default Rating by one notch. Other macro-economic indicators also highlighted gradual improvement during the period. 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. It was 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 the quarter, 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. Despite these favorable developments, the Index gains were relatively modest as market participants were concerned about the delay in IMF program, since IMF board accorded its nod towards end of Sept-24. Investors 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.

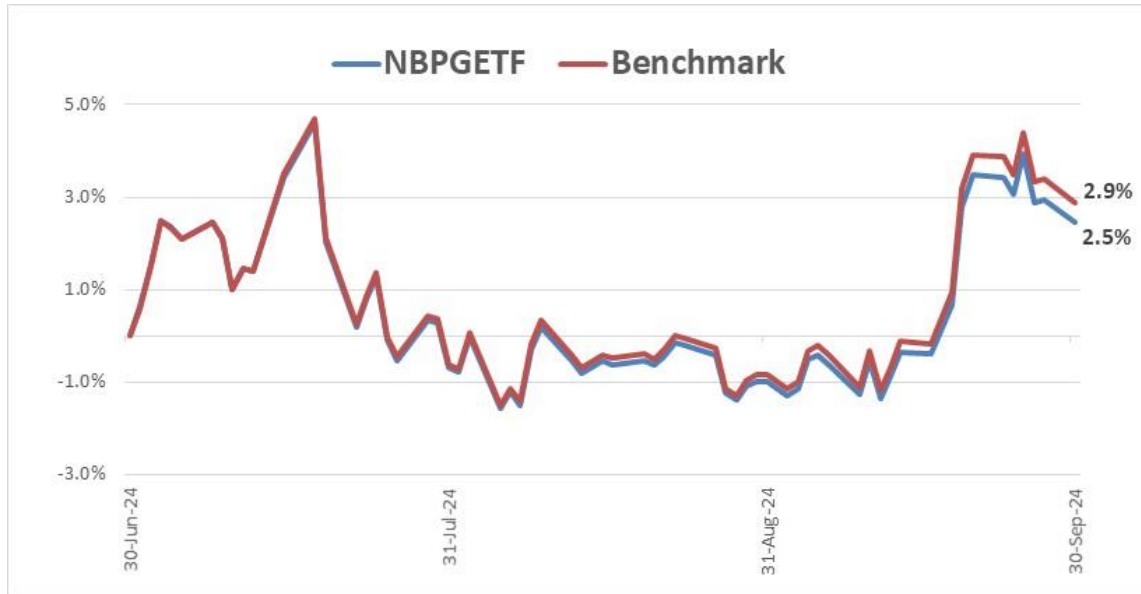
In terms of sector-wise performance, Automobile Assembler, Cements, Commercial Banks, Fertilizers, Insurance, Leather & Tanneries, Miscellaneous, Oil & Gas Exploration, Pharmaceutical, and Transport sectors outperformed the market. On the contrary, Auto Parts & Accessories, Cable & Elec. Goods, Chemicals, Engineering, Food & Personal Care, Glass & Ceramics, Investment Banks/Companies, Oil & Gas Marketing Companies, Paper & Board, Power Generation & Distribution, Refinery, Sugar & Allied, Technology & Communication,

Textile Composite and, Tobacco 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 Pakistan Growth Exchange Traded Fund has increased from Rs. 88 million to Rs. 90 million during the period, i.e., an increase of 2.3%. During the period, the unit price of NBP Pakistan Growth Exchange Traded Fund (NBPGETF) has increased from Rs. 15.9033 on June 30, 2023 to Rs 16.2933 on September 30, 2024, thus showing an increase of 2.5%. The Benchmark for the same period increases by 2.9%. Thus, the Fund has underperformed its Benchmark by 0.4% during the period under review. Tracking error for the period was 0.02%. Since inception the NAV of the Fund has increased from Rs. 8.0273 (Ex-Div) on October 06, 2020 Rs 16.2933 on September 30, 2024, thus showing an increase of 103.0%. During the said period, the Benchmark increased by 125.9%, translating into underperformance of 22.9%. This performance is net of management fee and all other expenses.

The Fund has earned a total income of Rs. 2.51 million during the period. After deducting total expenses of Rs. 0.36 million, the net income is Rs. 2.15 million The asset allocation of the Fund as on September 30, 2024 is as follows:





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

Director

Date October 30, 2024
Place: Karachi.

ڈائریکٹرز کی رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز ہمدست 30 ستمبر 2024 کو ختم ہونے والی پہلی سرمایہ کے لئے NBP پاکستان گروٹھ ایکٹیو ٹریڈ فنڈ (NBP-GETF) کے فیرجاچ شدہ مالیاتی کو حوالے پیش کرتے ہیں۔

فنڈ کی کارکردگی

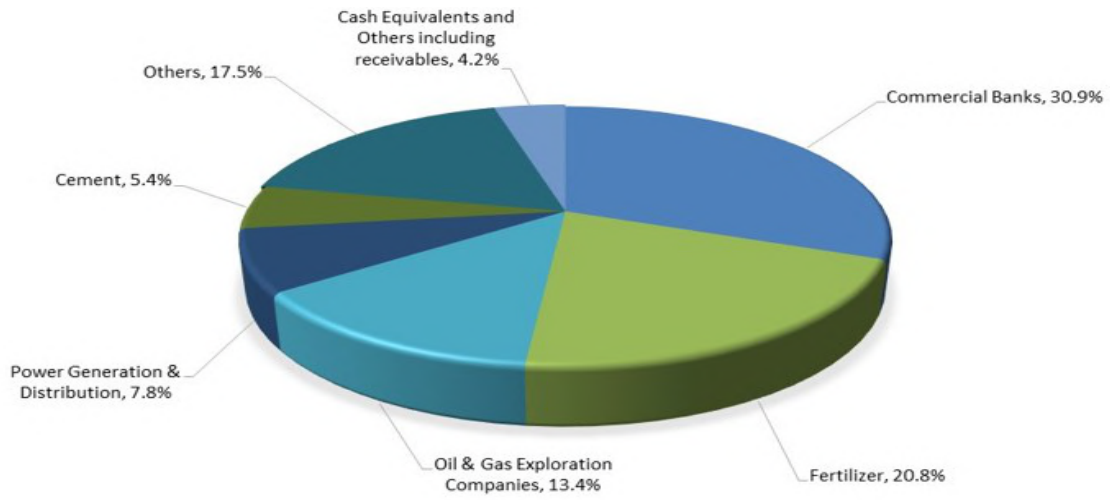
مالی سال 2025 کی پہلی سرمایہ کے دوران ایکٹیو مینجمنٹ میں اور شیج مارک KSE-100 انڈیکس نے پہلی بار 80 ہزار پوائنٹس کی نفسیاتی حد کو عبور کیا اور نئی بلند یوں تک پہنچ گئی۔ اس عرصے کے اختتام پر KSE-100 انڈیکس سرمایہ کے دوران 3.4 فیصد بڑھ کر تقریباً 2669 پوائنٹس کے اضافے سے 81 ہزار کی سطح پر بند ہوا۔

اس عرصے کے دوران زیادہ تارخ حصار کے باوجود، مجموعی طور پر مارکیٹ کے جذبات بے جوش رہے۔ 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 بیچ رہنماؤں اور مؤثر بننے پاکستان کی طویل مدتی قارئین کی انشورڈ یقانت ریٹنگ میں ایک درجہ کا اضافہ کیا ہے۔ دیگر نیکرو اکتانک ایکٹیو مینجمنٹ اس عرصے کے دوران بتدریج بہتری ظاہر کر رہے ہیں۔ آخر کار پہلی سرمایہ میں افراط زر کی شرح کم ہو کر واحد پراگتی جو اوسطاً 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 کے نتیجے میں مرکزی بینک پالیسی رینٹ کو مزید 300 بیس پوائنٹس کم کر کے 17.5 فیصد کرنے میں کامیاب رہا۔ اس سے متعلق سرکاری آلات پر ثانوی مارکیٹ کے شرح منافع میں تمام عرصہ میں تیزی سے کمی واقع ہوئی۔ قبل مدتی بھیر پر شرح منافع میں تقریباً 3 فیصد سے 5.5 فیصد کی دیکھی گئی جبکہ طویل مدتی بھیر کی شرح منافع میں بھی تقریباً 2 سے 4 فیصد کی دیکھی گئی۔ درآمدی پابندیوں کے خاتمے اور زیر التوا ادائیگیوں کے بیک لاگ کی بحترنگ کے باوجود کرنٹ اکاؤنٹ خسارہ (سی ای ڈی) صرف 98 بلین ڈالر ریکارڈ کیا گیا جو گزشتہ سال کے اسی عرصے میں 1.2 بلین ڈالر تھا۔ اس کی وجہ تریلیات 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 ای ڈی کو فائدہ ہوا کیونکہ سرمایہ کے دوران بلوہرگ کوڈنی انڈیکس 93.3 کی سطح پر دیکھا گیا جو 21 اگست کے بعد سے کم ترین ریٹنگ 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 اطمینان نہیں تھے، کیونکہ آئی ایم ایف بورڈ نے اس کی منظوری ستمبر 24 کے آخر میں دی تھی۔ سرمایہ کار آئی ایم ایف کی جانب سے انڈیکس کا بحترنگ اسٹیلٹس سے کم کر کے فریکوئنٹ اسٹیلٹس میں تبدیل کرنے سے بھی پریشان تھے، جس کی وجہ سے اس عرصے کے آخر میں فریکوئنٹ زرمبادلہ کے بڑے حصے کا اخراج ہوا۔

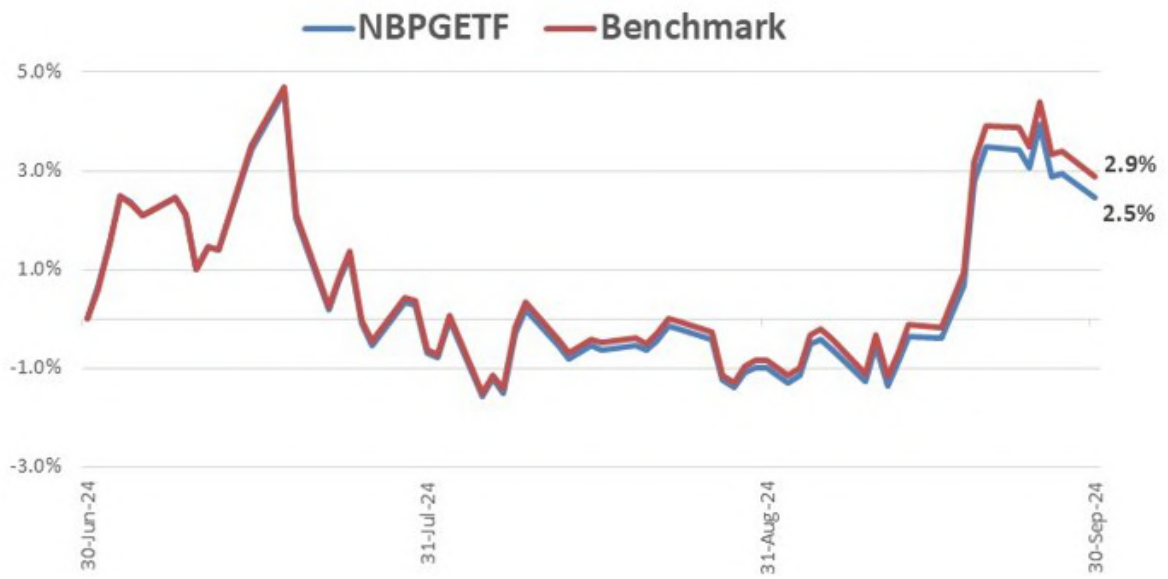
سنگھار کارکردگی کے لحاظ سے آئی ایم ایف، اسملز، سمنٹ، کمرشل بینکس، فریڈلائزرز، انشورنس، لہدرا اینڈ میگزین، متفرق، آئل اینڈ گیس ایکسپلوریشن، فارماسیوٹیکل اور ٹرانسپورٹ کے شعبوں نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ اس کے برعکس آئی ایم ایف اور لوہا، کیمیل اینڈ الیکٹریک گڈز، کیمیکلز، مینجمنٹ سولوشن، ڈیوائسز پر سول اینڈ سیرکس، انویسٹمنٹ بینک، کیمینیاں، آئل اینڈ گیس مارکیٹنگ کیمینیاں، بھیر اینڈ پورٹ، پاور جنریشن اینڈ ڈسٹری بیوٹن، ریٹائرنری، شوگر اینڈ الیکٹریکس، جیکنا لوجی اینڈ کیمیکیشن، ٹیکسٹائل کیمیزٹ اور تھما کو کے شعبوں نے مارکیٹ سے اہتر کارکردگی دکھائی۔ شرکاء کی مارکیٹ سرگرمیوں کے حوالے سے افراد میوچل فنڈز اور ٹیکس / DFIs ہاتھ تھپ 47 بلین ڈالر، 19 بلین ڈالر اور 8 بلین امریکی ڈالر کے ساتھ اہم خالص خریدار رہے۔ اس کے برعکس فریکوئنٹ اور انشورنس نے اپنی خالص ہولڈنگز میں ہاتھ تھپ 22 بلین ڈالر اور 19 بلین ڈالر کی کمی کی ہے۔

موجودہ مدت کے دوران NBP پاکستان گروٹھ ایکٹیو ٹریڈ فنڈ کا ساٹھ 88 بلین روپے سے بڑھ کر 90 بلین روپے ہو گیا یعنی 2.3% کا اضافہ ہوا۔ اس مدت کے دوران، NBP پاکستان گروٹھ ایکٹیو ٹریڈ فنڈ (NBPGETF) کے پوز کی قیمت 30 جون 2023 کو 15.9033 روپے سے بڑھ کر 30 ستمبر 2024 کو 16.2933 روپے ہو گئی، لہذا اسی مدت کے دوران 2.5% کا اضافہ دیکھنے میں آیا۔ اسی مدت میں شیج مارک 2.9 فیصد کا اضافہ ہوا۔ لہذا فنڈ نے زیر پراجازہ مدت کے دوران اپنے شیج مارک سے 0.4% اہتر کارکردگی ظاہر کی، مدت کے لئے ٹریڈنگ ایرر 0.02% تھا۔ اپنے آغاز سے فنڈ کا NAV 106 اکتوبر 2020 کو 8.0273 (Ex-Div) روپے سے بڑھ کر 30 ستمبر 2024 کو 16.2933 روپے ہو گیا، لہذا 103.0% کا اضافہ ظاہر کیا۔ مذکورہ مدت کے دوران، شیج مارک 125.9% سے بڑھا لہذا 22.9% کی اہتر کارکردگی کا مظاہرہ کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ میں اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ کو اس مدت کے دوران 2.51 بلین روپے کی مجموعی آمدنی ہوئی ہے۔ 0.36 بلین روپے کے اخراجات منہا کرنے کے بعد، خالص آمدنی 2.15 بلین روپے ہے۔ 30 ستمبر 2024 کے مطابق فنڈ کی ایسٹ ایلیکیشن حسب ذیل ہے:



کارکردگی بخلاف بنچ مارک NBP-GETF



اظہار تشکر

بورڈ اس موقع سے قائدہ اٹھاتے ہوئے مینجمنٹ کمپنی پرائیوٹ، اعتباراً اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر پوزٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور انسٹیٹیوٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مخلص رویہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور رٹرنی 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 مینجمنٹ لمیٹڈ

ڈائریکٹرز

چیف ایگزیکٹو

تاریخ: 30 اکتوبر 2024ء

مقام: کراچی

NBP PAKISTAN GROWTH EXCHANGE TRADED 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		4,551	2,353
Investments	4	86,493	96,206
Profit and dividend receivable		377	331
Other receivables		63	63
Total assets		91,484	98,953
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company		20	20
Payable to Central Depository Company of Pakistan Limited - Trustee		8	9
Payable to the Securities and Exchange Commission of Pakistan		7	7
Payable against Redemption of Units		159	-
Dividend Payable		-	9,766
Accrued expenses and other liabilities		1,025	729
Total liabilities		1,219	10,531
NET ASSETS		90,265	88,422
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		90,265	88,422
CONTINGENCIES AND COMMITMENTS	5		
		----- Number of units -----	
NUMBER OF UNITS IN ISSUE		5,540,000	5,560,000
		----- Rupees -----	
NET ASSET VALUE PER UNIT		16.2933	15.9033

The annexed notes 1 to 11 form an integral part of this condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NBP PAKISTAN GROWTH EXCHANGE TRADED FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Note	Quarter Ended September 30, 2024	Quarter Ended September 30, 2023
----- (Rupees in '000) -----			
INCOME			
Profit on bank deposits		46	87
Dividend income		2,110	1,480
		2,156	1,567
Loss) / gain on sale of investments - net		(235)	1,774
Unrealised appreciation on re-measurement of investments classified as financial assets ' at fair value through profit or loss' - net		593	3,269
		358	5,043
Total income		2,514	6,610
EXPENSES			
Remuneration of NBP Fund Management Limited - Management Company		-	-
Sindh Sales Tax on remuneration of the Management Company		-	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee		22	15
Sindh Sales Tax on remuneration of the Trustee		3	2
Annual fee of the Securities and Exchange Commission of Pakistan		21	15
Listing Fee		7	7
Securities transaction cost		39	39
Auditors' remuneration		63	63
Legal and professional charges		53	25
Settlement and bank charges		102	2
Printing charges		46	1
Total operating expenses		356	169
Net income from operating activities		2,158	6,441
Element of income / (losses) and capital gains / (losses) included in prices of units issued less those in units redeemed - net		(3)	(40)
Net income for the period before taxation		2,155	6,401
Taxation	7	-	-
Net income for the period after taxation		2,155	6,401
Accounting income available for distribution:			
- Relating to capital gains		358	5,043
- Excluding capital gains		1,797	1,358
		2,155	6,401

The annexed notes 1 to 11 form an integral part of this condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**NBP PAKISTAN GROWTH EXCHANGE TRADED 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 period after taxation	2,155	6,401
Other comprehensive income for the period	-	-
Total comprehensive income for the period	2,155	6,401

The annexed notes 1 to 11 form an integral part of this condensed interim financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director

NBP PAKISTAN GROWTH EXCHANGE TRADED FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Quarter Ended September 30, 2024			Quarter Ended September 30, 2023		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at beginning of the period	55,475	32,947	88,422	54,492	(853)	53,639
Issuance of 10,000 units (2023: Nil units)						
- Capital value	159	-	159	-	-	-
- Element of (loss)	3	-	3	-	-	-
Total proceeds on issuance of units	162	-	162	-	-	-
Redemption of 30,000 units (2023: 20,000 units)						
- Capital value	(477)	-	(477)	(295)	-	(295)
- Element of income	-	-	-	(39)	-	(39)
Total payments on redemption of units	(477)	-	(477)	(334)	-	(334)
Element of income / (losses) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	3	-	3	40	-	40
Total comprehensive income for the period	-	2,155	2,155	-	6,401	6,401
Final Distribution Nil (2023: Rs. 0.34 per unit declared on 19-Sep-2023)	-	-	-	-	(1,846)	(1,846)
Net assets at end of the period (un-audited)	55,163	35,102	90,265	54,198	3,702	57,900
Undistributed income brought forward forward:						
- Realised income		-			2,269	
- Unrealised income / (loss)		32,947			(3,122)	
		32,947			(853)	
Accounting income available for distribution:						
- Relating to capital gains		358			5,043	
- Excluding capital gains		1,797			1,358	
		2,155			6,401	
Final Distribution Nil (2023: Rs. 0.34 per unit declared on 19-Sep-2023)		-			(1,846)	
Undistributed income carried forward		35,102			3,702	
Undistributed income carried forward:						
- Realised income		34,509			433	
- Unrealised income		593			3,269	
		35,102			3,702	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			15.9033			9.8240
Net assets value per unit at end of the period			16.2933			10.6629

The annexed notes 1 to 11 form an integral part of this condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NBP PAKISTAN GROWTH EXCHANGE TRADED FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Quarter Ended September 30, 2024	Quarter Ended September 30, 2023
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	2,155	6,401
Adjustments		
Profit on bank deposits	(46)	(87)
Dividend income	(2,110)	(1,480)
Gain / (Loss) on sale of investments - net	235	-
Unrealised diminution on re-measurement of investments classified as financial assets ' at fair value through profit or loss' - net	(593)	(3,269)
Element of (income) / losses and capital (gains) / losses included in prices of units issued less those in units redeemed - net	3	40
	(2,511)	(4,796)
(Increase) / Decrease in assets		
Investments - net	10,071	(244)
	10,071	(244)
Increase in liabilities		
Payable to Central Depository Company of Pakistan Limited - Trustee	(1)	12
Dividend Payable	(9,766)	(764)
Payable to the Securities and Exchange Commission of Pakistan	-	(6)
Accrued expenses and other liabilities	296	102
	(9,471)	(656)
Dividend income received	2,110	949
Profit received on bank deposits		85
Net cash (used in) / generated from operating activities	2,354	1,739
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issuance of units	162	-
Amount paid against redemption of units	(318)	(334)
Dividend Paid	-	(1,846)
Net cash (used in) from financing activities	(156)	(2,180)
Net decrease in cash and cash equivalents during the period	2,198	(441)
Cash and cash equivalents at the beginning of the period	2,353	2,073
Cash and cash equivalents at the end of the period	4,551	1,632

The annexed notes 1 to 11 form an integral part of this condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NBP PAKISTAN GROWTH EXCHANGE TRADED FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Pakistan Growth Exchange Traded Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered 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 June 03, 2020

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 Securities and Exchange Commission of Pakistan (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 Funds Association of Pakistan (MUFAP).

The Fund has been categorized as an open ended exchange traded mutual fund that aims to provide investors an opportunity to track the performance of NBP Pakistan Growth Index that has been constituted and is maintained by the Management Company and comprises of 15 equity securities selected with high consideration towards market capitalisation and traded value.

The Fund is a hybrid fund having features of both open ended and close ended funds. A new concept of Authorised Participants (APs) has been introduced who will act as market makers. The Management Company will only have contact with the APs for issuance and redemption of units. The units of the Fund are tradeable in the Pakistan Stock Exchange Limited (PSX). The APs to whom the units are issued may either keep the units with themselves or trade in the PSX. Consequently, upon trading, the holders of the units keep on changing. Moreover, on issuance and redemption of units, the basket of shares will be exchanged between APs and Management Company and cash will be paid / received if there is a difference in the market value of shares and net asset value.

The Pakistan Credit Rating Agency Limited (PACRA) has reaffirmed an asset manager rating of AM1 as at June 21, 2024 (2023: AM1 on June 22, 2023) to the Management Company. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.

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.

The Fund is an Open Ended Exchange Traded Mutual Fund categorised as "Listed Index Tracking Fund" and is listed on Pakistan Stock Exchange (PSX) Limited.

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 November 02, 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 Financial Reporting Standards (IFRS) 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
- 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.

NBP PAKISTAN GROWTH EXCHANGE TRADED FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and 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 VIIIA 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 declared that this condensed interim financial information gives a true and fair view. 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.
- 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, 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.

4 INVESTMENTS

At fair value through profit or loss

	(Un-audited) September 30, 2024	(Audited) June 30, 2024
Note	----- (Rupees in '000) -----	-----
Quoted equity securities	4.1 <u>86,493</u>	<u>96,206</u>

NBP PAKISTAN GROWTH EXCHANGE TRADED FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

4.1 Investments in equity securities - listed

Shares of listed companies - fully paid up ordinary shares with a face value of Rs. 10 each unless otherwise stated.

Listed equity securities

Name of the Investee Company	Number of shares held					Market value	Market value as a percentage of			Holding as a percentage of paid-up capital of investee
	As at July 1, 2024	Purchased during the period	Bonus / right shares received during	Sold during the period	As at September 30, 2024		Net assets of the Fund	Total market value of investments	%	
OIL AND GAS EXPLORATION COMPANIES										
Oil and Gas Development Company Limited	58,936	13,991	-	5,893	67,034	9,615	10.65%	11.12%	0.00%	
Pakistan Oilfields Limited	7,784	15	-	1,705	6,094	3,808	4.22%	4.40%	0.00%	
Pakistan Petroleum Limited	70,056	14,568	-	7,064	77,560	8,285	9.18%	9.58%	0.00%	
						21,708	24.05%	25.10%		
FERTILIZERS										
Engro Corporation Limited	19,460	38	-	5,094	14,404	4,375	4.85%	5.06%	0.00%	
Engro Fertilizer Limited	38,364	1,185	-	3,539	36,010	6,851	7.59%	7.92%	0.00%	
Fauji Fertilizer Company Limited	37,252	629	-	4,087	33,794	7,517	8.33%	8.69%	0.00%	
						18,743	20.77%	21.67%		
AUTOMOBILE ASSEMBLER										
Millat Tractors Limited	-	3,885	-	7	3,878	2,148	2.38%	2.48%	0.02%	
						2,148	2.38%	2.48%		
CEMENT										
Lucky Cement Limited	7,228	14	-	1,702	5,540	4,898	5.43%	5.66%	0.00%	
						4,898	5.43%	5.66%		
POWER GENERATION & DISTRIBUTION										
The Hub Power Company Limited	67,276	133	-	8,131	59,278	7,074	7.84%	8.18%	0.00%	
						7,074	7.84%	8.18%		
COMMERCIAL BANKS										
Meezan Bank Limited	31,692	62	-	4,054	27,700	6,320	7.00%	7.31%	0.00%	
Habib Bank Limited	51,708	1,212	-	5,276	47,644	6,053	6.71%	7.00%	0.00%	
Bank Alhabib Limited	36,696	628	-	4,084	33,240	3,281	3.63%	3.79%	0.01%	
MCB Bank Limited	24,464	49	-	4,569	19,944	4,794	5.31%	5.55%	0.00%	
Bank Alfalah Limited	47,260	93	-	47,353	-	-	0.00%	0.00%	0.00%	
United Bank Limited	31,136	61	-	5,713	25,484	7,427	8.23%	8.59%	0.00%	
						27,875	30.88%	32.24%		
TECHNOLOGY & COMMUNICATION										
Systems Limited	11,676	23	-	1,727	9,972	4,047	4.48%	4.68%	0.00%	
						4,047	4.48%	4.68%		
Total - September 30, 2024						86,493	95.83%	100%		
Carrying value as at September 30, 2024						<u>86,493</u>				

5 CONTINGENCIES AND COMMITMENTS

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

6 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

As per NBFC Regulation 62(1), 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.

7 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income

NBP PAKISTAN GROWTH EXCHANGE TRADED FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

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.

8 TOTAL EXPENSE RATIO

The annualized total expense ratio (TER) of the Fund based on the current period is 1.59% (2023: 1.11%) which includes 0.13% (2023: 0.10%) representing Government Levies and the SECP Fee. The prescribed limit for the ratio is 2.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorized as an "Index" scheme.

9 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

- 9.1** Connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) 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.
- 9.2** Transactions with connected persons / related parties are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments. The transactions with connected persons / related parties are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 9.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 9.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 9.5** Details of transactions with related parties / connected persons during the period are as follows:

	----- (Un-audited) -----	
	Quarter Ended	
	September 30, 2024	September 30, 2023
	----- (Rupees in '000) -----	
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	22	15
Sindh Sales Tax on remuneration of the Trustee	3	2
Settlement charges	46	1

NBP PAKISTAN GROWTH EXCHANGE TRADED FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	----- (Un-audited) ----- Quarter Ended	
	September 30, 2024	September 30, 2023
	----- (Rupees in '000) -----	
Taurus Securities Limited - subsidiary of parent company		
Brokerage expense	2	37
Fauji Fertilizer Company Limited - common directorship		
629 shares purchased (2023: Nil shares)	65	-
4,087 shares sold (2023: sale of 6,717 shares)	461	651
Dividend income	339	115
JS Global Capital Limited - unit holder with more than 10% holding		
Units purchased during the period: 10,000 units (2023: Nil units purchased)	159	-
Units redeemed during the period: 20,000 (2023: 30,000 units purchased)	477	335

9.6 Amounts / balances outstanding as at period end are as follows

	(Un-audited) September 30, 2024	(Audited) June 30, 2024
	----- (Rupees in '000) -----	
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	-	-
Sindh Sales Tax on remuneration of the Management Company	-	-
Other payable to Management Company	20	20
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	7	8
Sindh Sales Tax payable on Trustee remuneration	1	1
Settlement charges payable	177	132
Fauji Fertilizer Company Limited - common directorship		
Shares held: 33,794 shares (June 30, 2023.: 37,252 shares)	7,517	6,068
JS Global Capital Limited - unit holder with more than 10% holding		
Units held: 5,040,000 units (June 30, 2023: 5,060,000 units)	82,118	80,471

10 DATE OF AUTHORISATION FOR ISSUE

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

11 GENERAL

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director