

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited condensed interim financial statements of **NBP Sarmaya Izafa Fund (NSIF)** 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.

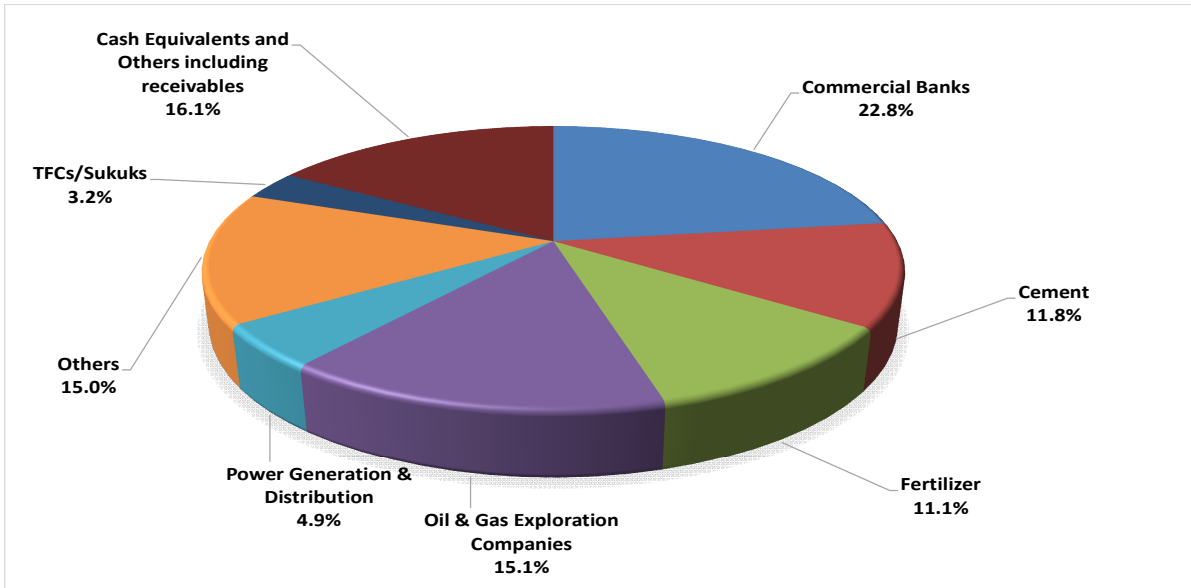
In terms of sector-wise performance, Automobile Assembler, Cements, Commercial Banks, Fertilizers, Insurance, Leather & Tanneries, Miscellaneous, Oil & Gas Exploration, Pharmaceutical, and Transport sectors outperformed the market. On the contrary, Auto Parts & Accessories, Cable & Elec. Goods, Chemicals,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

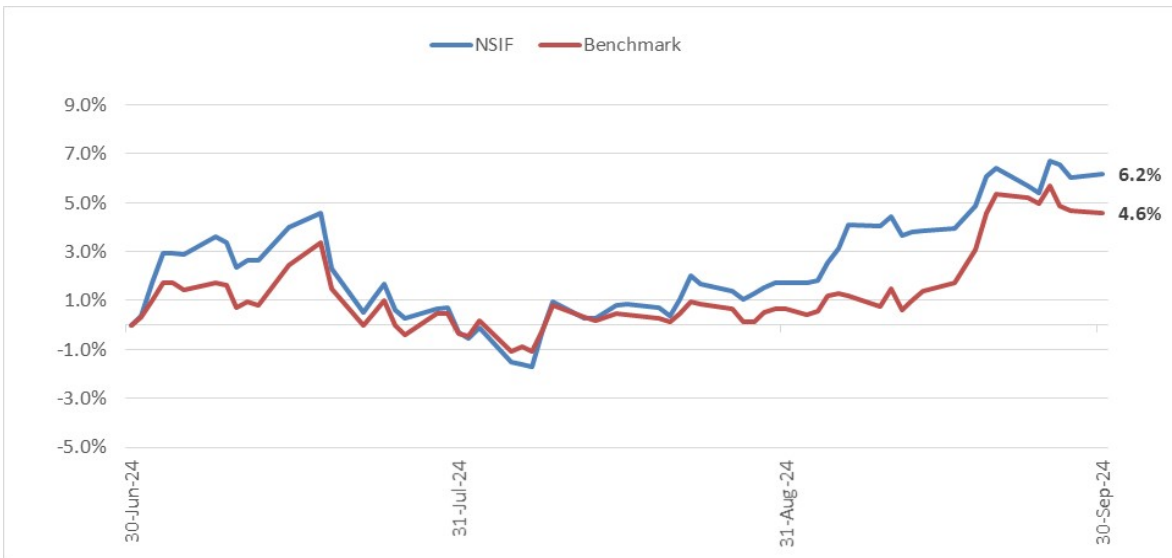
Two Monetary Policy Committee (MPC) meetings were held during the quarter, where MPC reduced the policy rate by 300 basis point to 17.5%. The decision was taken amidst sharp fall in inflation & global oil prices, increase in FX reserves, decline in sovereign yields, and improved business confidence. Inflation as measured by CPI drastically decelerated and averaged 9.2% for the quarter compared to 23.8% in FY24. The MPC assessed that the ease in inflation was attributed to contained demand reinforced by improved supplies of major food items, favorable global commodity prices, and delay in upward adjustments in administered energy prices. However, MPC also noted that near-term inflation outlook remained susceptible to risks, owing to the uncertainty stemming from the timing and magnitude of adjustments in administered energy prices, future course of global commodity prices, and any additional taxation measures to meet the shortfall in revenue collection. The SBP's FX reserves increased during the period and were recorded at USD 10.7 billion as of 27-Sep-24 against USD 9.4 billion at June-24 end. The fresh issuance of long term Corporate Sukuks remained occasional whereas the secondary market witnesses thin trading activity. On the other hand, sizable issuance of short term sukuk from the corporates was witnessed to meet their increasing working capital requirements.

The size of NBP Sarmaya Izafa Fund has Increased from Rs. 611 million to Rs. 622 million during the period, i.e., a Increase of 1.8%. During the period, the unit price of NBP Sarmaya Izafa Fund has increased from Rs. 21.9547 on June 30, 2023 to Rs. 23.3063 on September 30, 2024, thus showing an increase of 6.2%. The Benchmark increase during the same period was 4.6%. Thus, the Fund has outperformed its Benchmark by 1.6% during the period under review. Since inception the NAV of the Fund has increased from Rs. 3.4595 (Ex-Div) on August 20, 2010 to Rs. 23.3063 on September 30, 2024, thus showing an increase of 573.7%. During the said period, the Benchmark increased by 410.7%, translating into outperformance of 163.0%. This performance is net of management fee and all other expenses.

NBP Sarmaya Izafa Fund has earned a total income of Rs. 43.51 million during the period. After deducting total expenses of Rs. 7.05 million, the net income is Rs. 36.47 million. The asset allocation of the Fund as on September 30, 2024 is as follows:



NSIF 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.

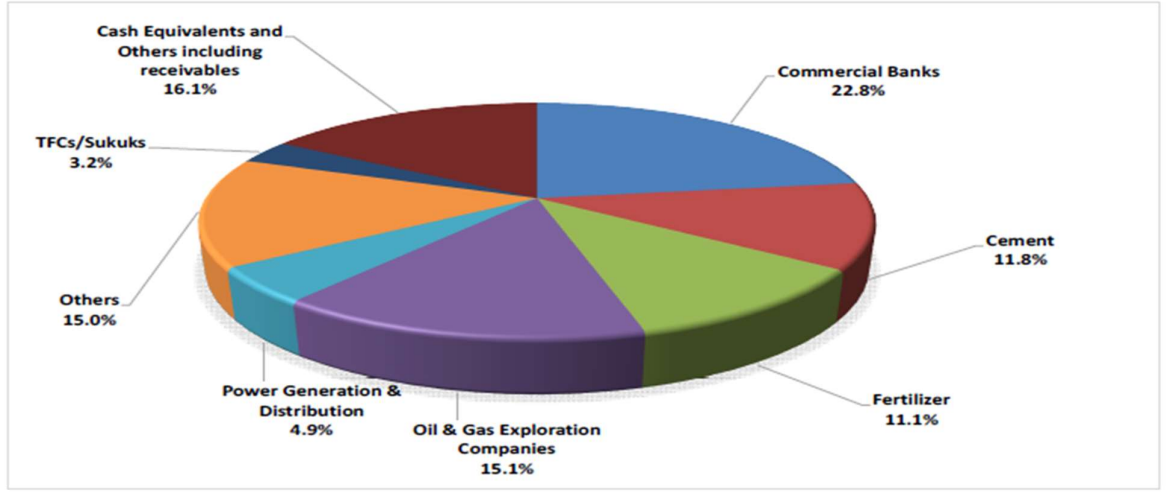
On behalf of the Board of
NBP Fund Management Limited

Chief Executive Officer

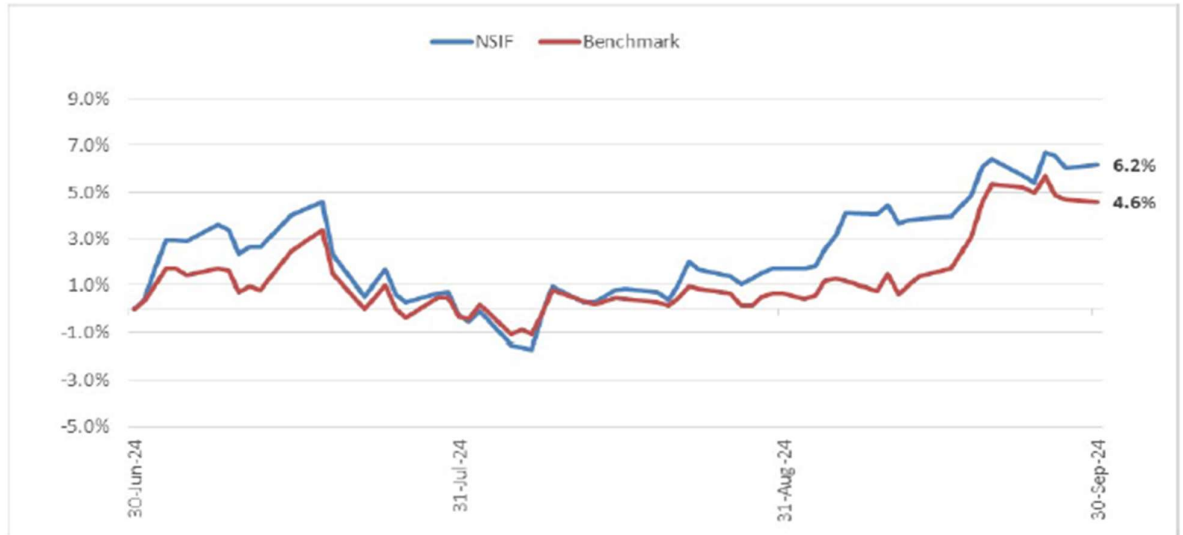
Director

Date: October 30, 2024

Place: Karachi.



NSIF کی کارروائی بمقابلہ شاہکار



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے منجمنت کمیٹی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ 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 رٹنی کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹر

NBP فنڈ منجمنت لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 30 اکتوبر 2024

مقام: کراچی

**NBP SARMAYA IZAFI FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT SEPTEMBER 30, 2024**

	Un-Audited September 30, 2024	Audited June 30, 2024
Note	----- Rupees in '000 -----	
ASSETS		
Bank balances	123,608	123,860
Investments	521,712	523,836
Profit and dividend receivable	3,152	1,688
Receivable against transfer of units	9	-
Receivable against sale of investments	-	-
Deposits, prepayments and other receivables	4,115	3,436
Total assets	652,596	652,820
LIABILITIES		
Payable to NBP Fund Management Limited - the Management Company	25,102	23,468
Payable to Central Depository Company of Pakistan Limited - the Trustee	121	115
Payable to the Securities and Exchange Commission of Pakistan	48	47
Payable against purchase of investments	2,579	57
Payable against redemption of units	23	493
Accrued expenses and other liabilities	2,856	17,986
Total liabilities	30,729	42,166
NET ASSETS	621,868	610,654
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	621,868	610,654
CONTINGENCIES AND COMMITMENTS	5	
	-----Number of units-----	
NUMBER OF UNITS IN ISSUE	26,682,407	27,814,307
	-----Rupees-----	
NET ASSET VALUE PER UNIT	23.3063	21.9547

The annexed notes from 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 SARMAYA IZAF A FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Quarter Ended	
	September 30, 2024	September 30, 2023
Note	----- Rupees in '000 -----	
INCOME		
Profit on bank balances	5,872	6,232
Income on debt securities	1,100	1,627
Dividend income	10,913	10,951
Gain / (loss) on sale of investments - net	5,348	18,350
Unrealised appreciation / (diminution) on re-measurement of investments	20,280	26,065
	<u>25,628</u>	<u>44,415</u>
Total income	43,512	63,225
EXPENSES		
Remuneration of NBP Fund Management Limited - the Management Company	3,872	2,520
Sindh sales tax on remuneration of the Management Company	581	328
Reimbursement of allocated expenses	155	252
Sales Tax Expense - Nav Related	23	-
Reimbursement of selling and marketing expenses	1,131	1,638
Sales Tax Expense - Selling & Marketing	170	-
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	310	252
Sindh sales tax on remuneration of the Trustee	46	33
Fee to the Securities and Exchange Commission of Pakistan	147	120
Securities transaction costs	180	251
Settlement and bank charges	124	121
Auditors' remuneration	152	152
Legal and professional charges	38	38
Rating fee	86	86
Listing fee	7	7
Printing charges	23	23
Total expenses	7,045	5,821
Net income for the year before taxation	<u>36,467</u>	<u>57,404</u>
Taxation	7	-
Net income for the year after taxation	<u>36,467</u>	<u>57,404</u>
Earnings per unit		
Allocation of net income for the year		
Net income for the year after taxation	36,467	57,404
Income already paid on units redeemed	(681)	(11,654)
	<u>35,786</u>	<u>45,750</u>
Accounting income available for distribution		
- Relating to capital gains	25,628	44,415
- Excluding capital gains	10,159	1,335
	<u>35,786</u>	<u>45,750</u>

The annexed notes from 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 SARMAYA IZAFI FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Quarter Ended	
	September 30, 2024	September 30, 2023
	----- Rupees in '000 -----	
Net income for the year after taxation	36,467	57,404
Other comprehensive income	-	-
Total comprehensive income for the year	<u><u>36,467</u></u>	<u><u>57,404</u></u>

The annexed notes from 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 SARMAYA IZAFI FUND
CONDENSED INTERIM STATEMENT OF CASHFLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Quarter Ended	
	September 30, 2024	September 30, 2023
Note	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	36,467	57,404
Adjustments for:		
Profit on bank balances	(5,872)	(8,846)
Income on Debt securities	(1,100)	(11,784)
Income on government securities	-	(12,520)
Income on commercial papers	-	(1,512)
Dividend income	(10,913)	(57,422)
Unrealised (appreciation) / diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	(20,280)	(26,065)
	(38,165)	(118,149)
Decrease in assets		
Investments - net	22,405	105,480
Receivable against sale of investments	-	6,045
Deposits, prepayments and other receivables	(679)	63
	21,726	111,588
Increase / (decrease) in liabilities		
Payable to NBP Fund Management Limited - the Management Company	1,634	(113)
Payable to Central Depository Company of Pakistan Limited - the Trustee	6	154
Payable to the Securities and Exchange Commission of Pakistan	1	(100)
Payable against purchase of investments	2,522	-
Accrued expenses and other liabilities	(15,130)	(1,956)
	(10,967)	(2,015)
Profit received	5,452	26,148
Dividend received	10,959	54,152
	16,411	80,300
Net cash generated from operating activities	25,472	129,128
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received against issuance of units - net of refund of capital	17,648	1,265
Amounts paid against redemption of units	(43,372)	(120,417)
Distributions pay-out	-	-
Net cash used in financing activities	(25,724)	(119,152)
Net increase in cash and cash equivalents during the year	(252)	9,976
Cash and cash equivalents at the beginning of the year	123,860	98,278
Cash and cash equivalents at the end of the year	4 123,608	108,254

The annexed notes from 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 SARMAYA IZAFI FUND
NOTES TO AND FORMING PART OF THESE CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Sarmaya Izafa 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 June 18, 2010 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC rules).

During the year ended June 30, 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 14, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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 categorised as an open ended asset allocation scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from August 20, 2010 and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to generate income by investing in debt and money market securities and to generate capital appreciation by investing in equity and equity related securities. The Fund also undertakes transactions under margin trading system.

##

The Pakistan Credit Rating Agency (PACRA) has reaffirmed an asset manager rating of AM1 as at June 22, 2023 (2022: AM1 as at June 22, 2022) to the Management Company. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, PACRA has maintained the performance ranking of "3-Star" to the Fund dated February 10, 2023 (2022: "3-Star" dated February 4, 2022).

Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

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 VIIIA 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 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, 2022.

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, 2022.

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, 2023.

4 INVESTMENTS

	Un Audited	Audited
	As at	As at
	September	June 30,
Note	30, 2024	2024
	(Rupees in '000)	
Financial assets at fair value through profit or loss		
Listed equity securities	0	504,022
Term finance certificates	4.2	19,814
	<u>521,712</u>	<u>523,836</u>

4.1 Listed equity securities

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

Name of the investee company	Number of shares held					Market value as at September 30, 2024 (Rupees in 000)	Market value as a percentage of			Holding as a percentage of paid-up capital of investee company
	As at July 1, 2024	Purchased during the year	Bonus / right shares received during the year	Sold during the year	As at September 30, 2024		total market value of investments	net assets of the Fund	%	
Oil and gas marketing companies										
Pakistan State Oil Company Limited	44,980	2,800	-	5,800	41,980	6,771	1.35%	1.09%	0.01%	
Hascol Petroleum Limited**	1,861	-	-	-	1,861	12	-	-	-	
						6,783	1.35%	1.09%		
Oil and gas exploration companies										
Oil & Gas Development Company Limited	238,200	2,200	-	18,400	222,000	31,843	6.34%	5.12%	0.01%	
Pakistan Oilfields Limited**	12,503	-	-	2,850	9,653	6,032	1.20%	0.97%	-	
Pakistan Petroleum Limited	287,770	11,460	-	51,400	247,830	26,473	5.27%	4.26%	0.01%	
Mari Petroleum Company Limited	12,779	-	69,433	12,779	69,433	29,547	5.89%	4.75%	0.05%	
						93,895	18.70%	15.10%		
Fertilizer										
Engro Corporation Limited	36,570	-	-	3,700	32,870	9,983	1.99%	1.61%	0.01%	
Engro Fertilizers Limited**	4,600	-	-	4,600	-	-	0.00%	0.00%	-	
Fatima Fertilizer Company Limited	114,000	6,200	-	-	120,200	7,158	1.43%	1.15%	0.01%	
Fauji Fertilizer Bin Qasim Limited	75,500	354,820	-	29,900	400,420	20,069	4.00%	3.23%	0.03%	
Fauji Fertilizer Company Limited - a related party	197,711	13,080	-	68,875	141,916	31,569	6.29%	5.08%	0.01%	
						68,780	13.71%	11.07%		
Engineering										
Mughal Iron and Steel Industries Limited	105,659	-	-	82,595	23,064	1,787	0.36%	0.29%	0.01%	
						1,787	0.36%	0.29%		
Cement										
Kohat Cement Company Limited	173,799	600	-	1,500	172,899	52,553	10.47%	8.45%	0.09%	
Maple Leaf Cement Factory Limited	195,000	37,200	-	-	232,200	7,533	1.50%	1.21%	0.02%	
Lucky Cement Limited**	13,663	400	-	200	13,863	12,255	2.44%	1.97%	-	
Fauji Cement Company Limited	-	25,000	-	4,000	21,000	531	0.11%	0.09%	-	
Attock Cement Pakistan Limited**	6,000	-	-	-	6,000	563	0.11%	0.09%	-	
						73,435	14.63%	11.81%		
Textile composite										
Nishat Mills Limited	83,860	-	-	-	83,860	5,152	1.03%	0.83%	0.02%	
Kohinoor Textile Mills Limited	63,694	500	-	-	64,194	4,597	0.92%	0.74%	0.02%	
Gul Ahmed Textile Mills Limited	236,086	-	-	-	236,086	4,462	0.89%	0.72%	0.03%	
Crescent Textile Mills Limited**	1,875	-	-	-	1,875	23	0.00%	0.00%	-	
						14,233	2.84%	2.29%		
Pharmaceuticals										
The Searle Company Limited	32,670	53,000	-	-	85,670	4,879	0.97%	0.78%	0.02%	
AGP Limited	31,600	-	-	-	31,600	3,500	0.70%	0.56%	0.01%	
Highnoon Laboratories Limited	6,609	-	-	6,606	3	2	0.00%	0.00%	0.00%	
Citi Pharma Limited	22,405	-	-	-	22,405	781	0.16%	0.13%	0.01%	
Haleon Pakistan Limited**	4,800	-	-	-	4,800	2,637	0.53%	0.42%	-	
						11,799	2.36%	1.89%		
Technology & communication										
Systems Limited	51,229	-	-	5,300	45,929	18,642	3.71%	3.00%	0.02%	
						18,642	3.71%	3.00%		
Transport										
Pakistan National Shipping Corporation	34,000	3,150	-	-	37,150	13,753	2.74%	2.21%	0.03%	
						13,753	2.74%	2.21%		
Cable & electrical goods										
Pak Elektron Limited	118,760	-	-	22,000	96,760	2,425	0.48%	0.39%	0.01%	
						2,425	0.48%	0.39%		
Power generation & distribution										
The Hub Power Company Limited	231,379	14,000	-	-	245,379	29,284	5.83%	4.71%	0.02%	
Lalpir Power Limited	69,500	-	-	-	69,500	1,258	0.25%	0.20%	0.02%	
						30,542	6.08%	4.91%		
Commercial banks										
Bank Al Falah Limited	429,955	-	-	-	429,955	26,077	5.20%	4.19%	0.03%	
Bank Al Habib Limited	212,850	-	-	10,687	202,163	19,954	3.98%	3.21%	0.02%	
Faysal Bank Limited	135,945	-	-	-	135,945	6,240	1.24%	1.00%	0.01%	
Askari Bank Limited	345,000	218,000	-	-	563,000	14,813	2.95%	2.38%	0.04%	
Habib Bank Limited	221,167	-	-	7,300	213,867	27,170	5.41%	4.37%	0.01%	
MCB Bank Limited	69,800	-	-	2,700	67,100	16,131	3.21%	2.59%	0.01%	
United Bank Limited**	8,076	-	-	-	8,076	2,354	0.47%	0.38%	-	
Soneri Bank Limited	-	60,181	-	21,000	39,181	550	0.11%	0.09%	-	
National Bank of Pakistan (a related party of the fund)	250,000	-	-	10,500	239,500	14,370	2.86%	2.31%	0.01%	
Meezan Bank Limited**	65,298	-	-	2,700	62,598	14,282	2.85%	2.30%	-	
						141,938	28.28%	22.82%		
Insurance										
IGI Holdings Limited	56,800	-	-	600	56,200	8,261	1.65%	1.33%	0.04%	
						8,261	1.65%	1.33%		
Glass and ceramics										
Tariq Glass Industries Limited	44,656	-	-	-	44,656	4,979	0.99%	0.80%	0.03%	
Shabbir Tiles and Ceramics Limited*	552,000	-	-	-	552,000	7,651	1.52%	1.23%	0.23%	
						12,629	2.51%	2.03%		
Automobile parts & accessories										
Panther Tyres Limited **	200	-	-	-	200	8	-	-	-	
Indus Motor Company Limited	-	871	-	-	871	1,510	-	-	-	
						1,518	0.00%	0.00%		
Food & personal care products										
Shezan International Limited	6,050	-	-	-	6,050	510	0.10%	0.08%	0.06%	
						510	0.10%	0.08%		
Miscellaneous										
Synthetic Products Enterprises Limited	1	-	-	-	1	-	-	-	-	
Pakistan Hotels Developers Limited	-	2,250	-	2,250	-	-	-	-	-	
Dawood Lawrencepur Limited	4,800	-	-	-	4,800	970	0.19%	0.16%	0.01%	
						970	0.19%	0.16%		
Total						501,898	99.69%	80.47%		
Carrying value as at September 30, 2024						481,617				

4.2 Term Finance Certificate

	Name of the security	Security rating	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2024	Purchased during the year	Matured / disposed off during the year	As at Sep 30, 2024	Carrying value as at Sep 30, 2024	Market value as at Sep 30, 2024	Unrealised diminution as at Sep 30, 2024	Percentage in relation to	
													Total market value of investments	Net assets of the Fund
						----- Number of certificates-----			Rs in '000			----- % -----		
COMMERCIAL BANKS														
	Soneri Bank Limited - TFC (Face value of Rs. 100,000 per certificate)	A+, PACRA	Semi- annually	December 26, 2032	6 Months KIBOR plus base rate of 1.70%	200.00	-	-	200	19,814	19,814	-	3.80%	3.19%
Total as at Sep 30, 2024										19,814	19,814	-	3.80%	3.19%
Total as at Sep 30, 2023										-	-	-	-	-

5 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments 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 0.73% per annum of the net assets of the Fund.

7 TAXATION

The Fund's income is exempt from Income Tax as per 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 the capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2025 to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these financial statements during the year

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 annualised total expense ratio (TER) of the Fund based on the current period is 4.55% (September 30, 2023: 4.63%) which includes 0.64% (September 30, 2023: 0.38%) representing Government Levy, Sindh Worker's Welfare Fund 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 'Asset Allocation Scheme'.

9 Fee Payable to the Commission

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.

10 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 10.1** 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.
- 10.2** Transactions with connected persons / related parties are 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.
- 10.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 10.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

10.5 Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

	Quarter ended September 30, 2024	Quarter ended September 30, 2023
10.6 Details of the transactions with connected persons during the period are as follows:	(Rupees in '000)	
NBP Fund Management Limited - Management Company		
Remuneration for the period	3,872	2,520
Sindh sales tax on remuneration	581	328
Reimbursement of operational expenses to the Management Company	155	252
Reimbursement of Selling and marketing expense	1,131	1,638
Sales Tax Expense On Selling & Marketing	170	-
Sales Tax Expense On Nav Related	23	-
Front-end load	64	-
ADC charges including Sindh sales tax	26	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	310	252
Sindh Sale Tax on Remuneration CDC Trustee	46	33
CDS charges	9	9
Employees of the Management Company		
Units Issued / Trasferred In: 139,202 units (2023: 170 units)	3,007	3
Units Redeemed / Transferred Out: 162,272 units (2023: 3,246 units)	3,521	54
Taurus Securities Limited		
Brokerage expense	13	8
Fauji Fertilizer Company Limited Company (Common Directorship)		
Dividend Income	1,812	482
Shares Purchase: 13,080 Shares (2023: Nil shares)	2,188	-
Shares Sold: 68,875 Shares (2023: 22,000 shares)	13,231	1,181
Telenor Microfinance Bank Limited		
Profit Income	-	9
Khushhali Bank Limited		
Profit Income	2	-
	Un Audited	Audited
	September 30,	June 30,
	2024	2024
	(Rupees in '000)	

10.7 Amounts outstanding as at period end ;

NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	1,268	1,232
Sindh Sales Tax on remuneration of the Management Company	190	160
Federal excise duty on sales load	3,733	3,733
Federal excise duty on remuneration of the Management Company	16,000	16,000
Reimbursement of Allocated expenses payable	190	35
Reimbursement of Selling and Marketing expenses	3,132	2,001
Sales and transfer load payable	252	196
Sindh Sales Tax on sales load payable	34	26
Sales Tax Expense On Selling & Marketing	170	-
Sales Tax Expense On Nav Related	23	-
ADC Charges Payable including Sindh sales tax	111	85
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	106	103
Sindh sales tax on remuneration of the Trustee	14	12
CDS charges	173	157
Security deposit	100	100
National Bank of Pakistan (Parent Company)		
Bank balances	413	423
Fauji Fertilizer Company Limited (Common Directorship)		
Ordinary shares held; 141,916 (June 30, 2024: 197,711 shares)	31,569	32,302
Khalid Mehmood - Chief Financial Officer		
Units held: 24 units (June 30, 2024: 24 units)	1	1

	Un Audited September 30, 2024 (Rupees in '000)	Audited June 30, 2024
Employees of the Management Company		
Units held: 640,637 units (June 30, 2024: 663,707 units)	14,931	14,571
Ali Aamir - Related Party		
Units held: 144,111 units (June 30, 2024: 144,111 units)	3,359	3,164
Ronak Iqbal Lakhani - unit holder with more than 10% holding		
Units held: Nil (June 30, 2024: 5,933,353 units)	0	130,265
Aftab F. Tapal - unit holder with more than 10% holding		
Units held: Nil units (June 30, 2024: 5,758,800 units)	0	126,433
Telenor Microfinance Bank Limited (Common Directorship)		
Bank balance - savings account	3	3
Profit Receivable on bank balances	9	8

11 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized 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 unless otherwise stated.

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