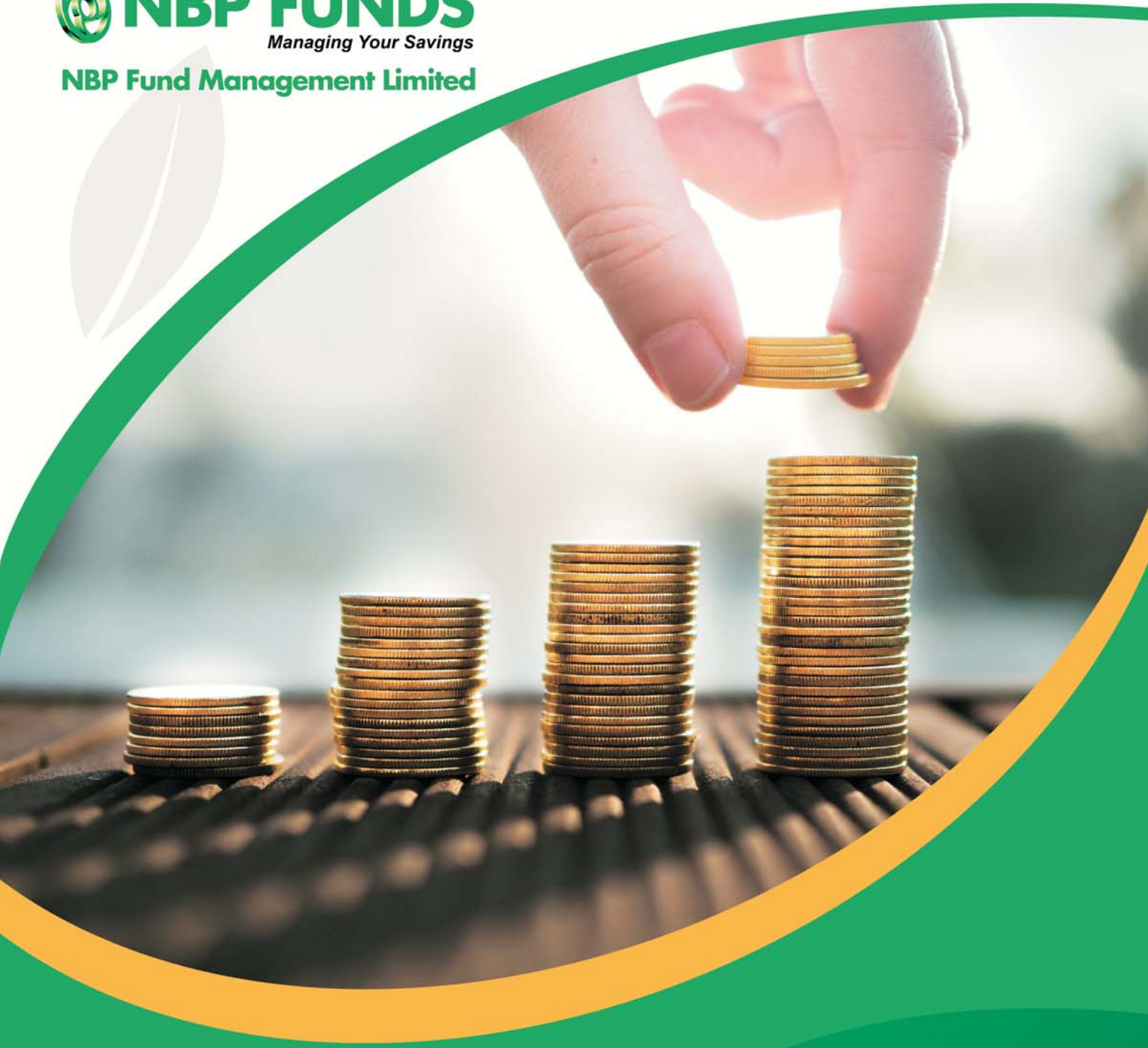




Managing Your Savings

NBP Fund Management Limited



NBP INCOME OPPORTUNITY FUND

HALF YEARLY REPORT
DECEMBER 31, 2024

AM1
Rated by PACRA

MISSION STATEMENT

"To become country's most
investor-focused company,
by assisting investors
in achieving their financial goals."

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FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Ms. Mehnaz Salar	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Saad Amanullah Khan	Director
Mr. Faisal Ahmed	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Zaheer Iqbal

Audit & Risk Committee

Mr. Saad Amanullah Khan	Chairman
Ms. Mehnaz Salar	Member
Mr. Imran Zaffar	Member

Human Resource & Remuneration Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Faisal Ahmed	Member

Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Faisal Ahmed	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Khalid Mansoor	Member

Trustee

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

Bankers to the Fund

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
MCB Bank Limited
JS Bank Limited
Meezan Bank Limited
Habib Bank Limited
United Bank Limited
Bank Al Habib Limited
Habib Metropolitan Bank Limited
National Bank of Pakistan
Samba Bank Limited
Zarai Taraqiati Bank Limited
MCB Islamic Bank Limited
Al Baraka Bank Pakistan Limited

Faysal Bank Limited
Silk Bank Limited
Soneri Bank Limited
Telenor Microfinance Bank Limited
U Microfinance Bank Limited
Dubai Islamic Bank Limited
Khushhali Bank Limited
Bankislami Pakistan Limited
NRSP Microfinance Bank Limited
HBL Microfinance Bank Limited
Mobilink Microfinance Bank Limited
The Bank of Khyber

Auditors

A.F. Ferguson & Co. Chartered Accountants
State Life Building No. 1-C
I.I. Chundrigar Road,
P.O.Box 4716
Karachi.

Legal Advisor

Akhund Forbes
D-21, Block, Scheme 5,
Clifton, Karachi 75600, Pakistan.

Head Office:

7th Floor Clifton Diamond Building, Block No. 4,
Scheme No. 5, Clifton Karachi.
UAN: 021 (111-111-632),
(Toll Free): 0800-20002,
Fax: (021) 35825329
Website: www.nbpfunds.com

Lahore Office:

7-Noon Avenue, Canal Bank,
Muslim Town, Lahore.
UAN: 042-111-111-632
Fax: 92-42-35861095

Islamabad Office:

1st Floor, Ranjha Arcade
Main Double Road, Gulberg Greens,
Islamabad.
UAN: 051-111-111-632
Phone: 051-2514987
Fax: 051-4859031

Peshawar Office:

Opposite Gul Haji Plaza, 2nd Floor
National Bank Building
University Road Peshawar,
UAN: 091-111 111 632
Fax: 091-5703202

Multan Office:

Khan Center, 1st Floor,
Abdali Road, Multan.
Phone No. : 061-4540301-6, 061-4588661-2&4

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the reviewed financial statements of **NBP Income Opportunity Fund (NIOF)** for the half year ended December 31, 2024.

Fund's Performance

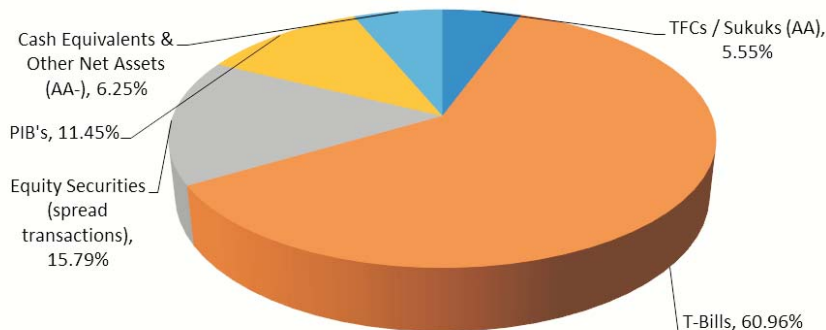
NIOF is categorized as an Income Scheme and has been awarded stability rating of 'A+(f)' by PACRA. During the first half of fiscal year 2025, the State Bank of Pakistan (SBP) held four Monetary Policy Committee (MPC) meetings, reducing the policy rate to 13% in a calibrated manner, aiming to balance inflationary pressures while supporting economic growth. The MPC emphasized that maintaining a tight monetary policy stance was instrumental in sustaining the downward trend in inflation while fostering improved growth prospects. A continued moderation in food inflation, driven by supportive supply-side dynamics and stable global commodity prices, contributed to sustaining economic momentum. There was a notable increase in credit to the private sector, reflecting the easing of financial conditions and banks' efforts partially to meet the advances-to-deposit ratio (ADR) requirements. This growth in credit signaled improved business confidence and economic activity.

Secondary market yields on government securities and KIBOR witnessed substantial declines during this period, indicating reduced borrowing costs and improved liquidity conditions. As of December-end, net liquid foreign exchange reserves held by the SBP stood at approximately USD 11.7 billion. The SBP conducted thirteen T-Bill auctions, raising approximately Rs. 7.2 trillion against a target of Rs. 6.9 trillion and maturities of Rs. 10.2 trillion. Yields declined by around 8.1%, 8.0%, and 6.6% for 3-month, 6-month, and 12-month tenures, respectively. In the final auction of the half-year, the cut-off yields for the 3-month, 6-month, and 12-month tenures were recorded at 12.0%, 12.0%, and 12.3%, respectively.

Additionally, SBP held six PIB auctions, realizing bids worth approximately Rs. 1.3 trillion. Yields declined by around 4.6%, 4.2%, 3.0%, and 1.9% for 2-year, 3-year, 5-year, and 10-year tenures, respectively, during the period. In the final auction of the half-year, the cut-off yields for these tenures were recorded at 12.5%, 12.5%, 12.6%, and 12.8%, respectively.

The size of NBP Income Opportunity Fund has increased from Rs. 4,566 million to Rs. 7,376 million during the period, a handsome growth of 62%. During the period, the unit price of the Fund has increased from Rs. 10.8713 on June 30, 2024 to Rs. 11.9668 on December 31, 2024 thus showing a return of 20.0% p.a. as compared to the benchmark return of 15.9% p.a. for the same period. The performance of the Fund is net of management fee and all other expenses.

The Fund has earned a total income of Rs. 600.52 million during the period. After deducting total expenses of Rs. 61.35 million, the net income is Rs. 539.17 million. The chart below presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NIOF.



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: **February 26, 2025**
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر 2024ء کو ختم ہونے والی پہلی ششماہی کے لئے NBP انکم اپرچونٹی فنڈ (NIOF) کے جانچ شدہ مالیاتی گوشوارے پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

فنڈ کی کارکردگی

NIOF کی انکم اسکیم کے طور پر درجہ بندی کی گئی ہے اور PACRA کی طرف سے 'A(f)' کی مستحکم ریٹنگ دی گئی ہے۔

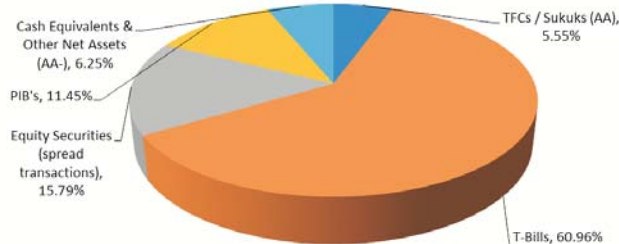
مالی سال 2025 کی پہلی ششماہی کے دوران اسٹیٹ بینک آف پاکستان (SBP) نے مانیٹری پالیسی کمیٹی (ایم پی سی) کے چار اجلاس منعقد کیے، جس میں پالیسی ریٹ کو کم کر کے 13 فیصد کر دیا گیا، جس کا مقصد معاشی نمو کی حمایت کرتے ہوئے افراط زر کے دباؤ کو متوازن کرنا تھا۔ ایم پی سی نے اس بات پر زور دیا کہ سخت مانیٹری پالیسی کو برقرار رکھنے سے افراط زر میں کمی کے رجحان کو برقرار رکھنے میں مدد ملی جبکہ ترقی کے بہتر امکانات کو فروغ ملا۔ غذائی افراط زر میں مسلسل اعتدال، جس کی بنیادی وجہ رسد کی طرف کی محکرات اور مستحکم عالمی اجناس کی قیمتیں ہیں، نے معاشی رفتار کو برقرار رکھنے میں اہم کردار ادا کیا۔ نجی شعبے کے قرضوں میں قابل ذکر اضافہ ہوا، جو مالیاتی حالات میں نرمی اور بینکوں کی ایڈوائس ٹو ڈیپازٹ تناسب (اے ڈی آر) کے تقاضوں کو جزوی طور پر پورا کرنے کی کوششوں کی عکاسی کرتا ہے۔ کریڈٹ میں اس اضافے نے کاروباری اعتماد اور معاشی سرگرمی میں بہتری دکھائی ہے۔

اس عرصے کے دوران گورنمنٹ سکیورٹیز اور کارپوریشن پرائیویٹ مارکیٹ کے منافع میں خاطر خواہ کمی دیکھی گئی، جو قرض کی لاگت میں کمی اور لیکویڈیٹی کی بہتر صورتحال کی نشاندہی کرتی ہے۔ دسمبر کے اختتام تک اسٹیٹ بینک آف پاکستان کے پاس خالص لیکویڈیٹرز مبادلہ کے ذخائر تقریباً 11.7 بلین ڈالر تھے۔ اسٹیٹ بینک آف پاکستان نے تیرہ ٹی بل نیلامیاں کیں جن سے 6.9 ٹریلین روپے کے ہدف کے مقابلے میں تقریباً 7.2 ٹریلین روپے اور ٹی بلز کی تکمیل کی مد میں 10.2 ٹریلین روپے جمع ہوئے۔ 3 ماہ، 6 ماہ اور 12 ماہ کی مدت کے دوران شرح منافع میں بالترتیب 8.1 فیصد، 8.0 فیصد اور 6.6 فیصد کی واقع ہوئی۔ ششماہی کی آخری نیلامی میں 3 ماہ، 6 ماہ اور 12 ماہ کی مدت کے لیے کٹ آف شرح منافع بالترتیب 12.0 فیصد، 12.0 فیصد اور 12.3 فیصد درج کیا گیا۔

مزید برآں اسٹیٹ بینک نے PIB کی چھ نیلامیاں کیں جن میں تقریباً 1.3 ٹریلین روپے کی بولیاں وصول ہوئیں۔ اس عرصے کے دوران 2 سالہ، 3 سالہ، 5 سالہ اور 10 سالہ مدت کے شرح منافع میں بالترتیب 4.6 فیصد، 4.2 فیصد، 3.0 فیصد اور 1.9 فیصد کی کمی واقع ہوئی۔ ششماہی کی آخری نیلامی میں ان مدتوں کے لیے کٹ آف شرح منافع بالترتیب 12.5 فیصد، 12.5 فیصد، 12.6 فیصد اور 12.8 فیصد درج کیا گیا۔

موجودہ مدت کے دوران NBP انکم اپرچونٹی فنڈ (NIOF) کا ساٹھ 4,566 ملین روپے سے بڑھ کر 7,376 ملین روپے ہو گیا ہے یعنی 62% کا اضافہ ہوا۔ زیر جائزہ مدت کے دوران، فنڈ کے پونٹ کی قیمت 30 جون 2024 کو 10.8713 روپے سے بڑھ کر 31 دسمبر 2024 کو 11.9668 روپے ہو گئی، لہذا اسی مدت کے دوران فنڈ نے اپنے نیچ مارک 15.9% کے مقابلے میں 20.0% کا منافع درج کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ نے موجودہ مدت کے دوران 600.52 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 61.35 ملین روپے کے اخراجات متہا کرنے کے بعد خالص آمدنی 539.17 ملین روپے ہے۔ درج ذیل چارٹ NIOF کی ایسٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیکائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:





اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ کمیٹی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر پونٹ 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 مخلص رویہ کا بھی اعتراف کرتا ہے۔
بورڈ اپنے اسٹاف اور ٹرسٹی 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

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 26 فروری 2025ء

مقام: کراچی

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Income Opportunity Fund (the Fund) are of the opinion that NBP Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2024 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber

Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 28, 2025

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NBP Income Opportunity Fund** (the Fund) as at December 31, 2024 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the half year ended December 31, 2024. The Management Company (NBP Fund Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2024 and December 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2024.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.

Chartered Accountants

Engagement Partner: **Noman Abbas Sheikh**

Dated: February 28, 2025

Karachi

UDIN: RR202410061mVEzswHrF

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2024

	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees in '000 -----			
ASSETS			
Bank balances	4	830,975	865,558
Investments	5	6,915,085	3,674,322
Profit receivable		30,645	54,201
Receivable against issuance of units		941	165,581
Deposits, prepayments and other receivables		12,492	13,922
Total assets		7,790,138	4,773,584
LIABILITIES			
Payable to NBP Fund Management Limited - the Management Company	6	69,626	62,182
Payable to Central Depository Company of Pakistan Limited - the Trustee	7	494	312
Payable to the Securities and Exchange Commission of Pakistan	8	429	276
Payable against redemption of units		6,266	85,833
Payable against purchase of investments		294,122	-
Accrued expenses and other liabilities	9	43,443	58,597
Total liabilities		414,380	207,200
NET ASSETS		7,375,758	4,566,384
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		7,375,758	4,566,384
CONTINGENCIES AND COMMITMENTS	10		
-----Number of units-----			
NUMBER OF UNITS IN ISSUE		616,354,136	420,040,480
-----Rupees-----			
NET ASSET VALUE PER UNIT		11.9668	10.8713

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024

	Note	Half year ended		Quarter ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
----- Rupees in '000 -----					
INCOME					
Income on bank balances		73,006	278,669	32,611	121,957
Income on term finance certificates and corporate sukuk certificates		51,236	101,135	18,814	53,873
Income on government securities		380,827	149,705	205,128	87,878
Income on letters of placement		-	33,164	-	17,779
Other income	5.6.1 & 5.8.1	27,308	9,042	24,898	-
Gain on sale of investments		28,118	3,249	24,086	3,562
Net unrealised loss on future transactions	5.10	(34,938)	-	(34,938)	-
Net unrealised appreciation / (diminution) on re-measurement of investments at fair value through profit or loss	5.11	74,966	(70)	17,389	(627)
		68,146	3,179	6,537	2,935
Total income		600,523	574,894	287,988	284,422
EXPENSES					
Remuneration of NBP Fund Management Limited - the Management Company	6.1	24,498	24,294	12,279	11,861
Sindh sales tax on remuneration of the Management Company	6.2	3,675	3,158	1,842	1,542
Reimbursement of allocated expenses	6.3	3,570	3,725	2,289	1,860
Sindh sales tax on allocated expenses	6.6	535	-	343	-
Reimbursement of selling and marketing expenses	6.4	17,108	17,383	8,974	8,679
Sindh sales tax on selling and marketing expenses	6.6	2,566	-	1,346	-
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	7.1	2,167	1,862	1,206	929
Sindh sales tax on remuneration of the Trustee	7.2	325	242	181	121
Fee to the Securities and Exchange Commission of Pakistan	8.1	2,167	1,862	1,206	929
Securities transaction cost		2,595	31	2,593	22
Provision against non-performing term finance certificates		-	32,395	-	17,991
Settlement and bank charges		758	277	554	159
Auditors' remuneration		611	561	380	321
Legal and professional charges		375	79	98	47
Printing charges		18	18	9	9
Rating fee		369	311	184	160
Listing fee		14	14	7	7
Total expenses		61,351	86,212	33,491	44,637
Net income for the period before taxation		539,172	488,682	254,497	239,785
Taxation	11	-	-	-	-
Net income for the period after taxation		539,172	488,682	254,497	239,785
Earnings per unit	14				
Allocation of net income for the period					
Net income for the period after taxation		539,172	488,682		
Income already paid on units redeemed		(48,839)	(58,661)		
		<u>490,333</u>	<u>430,021</u>		
Accounting income available for distribution:					
- Relating to capital gains		68,146	3,179		
- Excluding capital gains		422,187	426,842		
		<u>490,333</u>	<u>430,021</u>		

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- Rupees in '000 -----			
Net income for the period after taxation	539,172	488,682	254,497	239,785
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>539,172</u>	<u>488,682</u>	<u>254,497</u>	<u>239,785</u>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Half year ended December 31, 2024			Half year ended December 31, 2023		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- Rupees in '000 -----					
Net assets at the beginning of the period (audited)	4,003,430	562,954	4,566,384	4,442,195	552,933	4,995,128
Issuance of 520,900,563 units (2023: 114,236,409 units)						
- Capital value (at net asset value per unit at the beginning of the period)	5,662,866	-	5,662,866	1,238,940	-	1,238,940
- Element of income	339,758	-	339,758	95,983	-	95,983
Total proceeds on issuance of units	6,002,624	-	6,002,624	1,334,923	-	1,334,923
Redemption of 324,586,907 units (2023: 185,815,822 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(3,528,682)	-	(3,528,682)	(2,015,247)	-	(2,015,247)
- Element of loss	(154,901)	(48,839)	(203,740)	(86,677)	(58,661)	(145,338)
Total payments on redemption of units	(3,683,583)	(48,839)	(3,732,422)	(2,101,924)	(58,661)	(2,160,585)
Total comprehensive income for the period	-	539,172	539,172	-	488,682	488,682
Net assets at end of the period (un-audited)	6,322,471	1,053,287	7,375,758	3,675,194	982,954	4,658,148
Undistributed income brought forward						
- Realised income		558,359			564,382	
- Unrealised income / (loss)		4,595			(11,449)	
		562,954			552,933	
Accounting income available for distribution						
- Relating to capital gain		68,146			3,179	
- Excluding capital gains		422,187			426,842	
		490,333			430,021	
Undistributed income carried forward		1,053,287			982,954	
Undistributed income carried forward						
- Realised income		978,321			983,024	
- Unrealised income / (loss)		74,966			(70)	
		1,053,287			982,954	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			10.8713			10.8454
Net asset value per unit at the end of the period			11.9668			11.9748

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Note	Half year ended	
		December 31, 2024	December 31, 2023
		----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		539,172	488,682
Adjustments:			
Income on bank balances		(73,006)	(278,669)
Income on term finance certificates and corporate sukuk certificates		(51,236)	(101,135)
Income on government securities		(380,827)	(149,705)
Income on letters of placement		-	(33,164)
Gain on sale of investments		(28,118)	(3,249)
Net unrealised loss on future transactions	5.10	34,938	-
Net unrealised (appreciation) / diminution on re-measurement of investments at fair value through profit or loss	5.11	(74,966)	70
		<u>(573,215)</u>	<u>(565,852)</u>
		(34,043)	(77,170)
(Increase) / decrease in assets			
Investments - net		(1,947,682)	(1,658,117)
Deposits, prepayments and other receivables		1,430	294
		<u>(1,946,252)</u>	<u>(1,657,823)</u>
Increase / (decrease) in liabilities			
Payable to NBP Fund Management Limited - the Management Company		7,444	(718)
Payable to Central Depository Company of Pakistan Limited - the Trustee		182	(5)
Payable to the Securities and Exchange Commission of Pakistan		153	(894)
Accrued expenses and other liabilities		(15,154)	(60,621)
		<u>(7,375)</u>	<u>(62,238)</u>
Income received on bank balances, term finance certificates, corporate sukuk certificates, government securities and letters of placement		528,622	579,130
Net cash used in from operating activities		<u>(1,459,048)</u>	<u>(1,218,101)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from issuance of units		6,167,264	1,365,929
Payments against redemption of units		(3,811,989)	(2,145,739)
Net cash generated from / (used in) financing activities		<u>2,355,275</u>	<u>(779,810)</u>
Net increase / (decrease) in cash and cash equivalents during the period		<u>896,227</u>	<u>(1,997,911)</u>
Cash and cash equivalents at the beginning of the period		1,427,356	3,112,909
Cash and cash equivalents at the end of the period		<u><u>2,323,583</u></u>	<u><u>1,114,998</u></u>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NBP Income Opportunity 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 January 30, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund was registered under the Sindh Trusts Act, 2020 on November 3, 2021.
- 1.2 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).
- 1.3 The Fund has been categorised as an open ended 'Income Scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription under pre - IPO at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from February 11, 2006 and are transferable and redeemable by surrendering them to the Fund.
- 1.4 The objective of the Fund is to seek maximum preservation of capital and a reasonable rate of return by investing in money market and debt securities having good credit rating and liquidity. Other avenues of investments include ready future arbitrage in listed securities and transactions under margin trading system.
- 1.5 The Pakistan Credit Rating Agency (PACRA) has maintained an asset manager rating of the Management Company of AM1 (June 30, 2024: AM1) on June 21, 2024. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, the Pakistan Credit Rating Agency Limited (PACRA) has maintained the stability rating of the Fund to A+(f) on October 10, 2024 (June 30, 2024: A+(f) on April 09, 2024).
- 1.6 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards 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 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, 2024.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at and for the half year ended December 31, 2024.

3 MATERIAL ACCOUNTING POLICY INFORMATION, SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

3.1 The material 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 these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2024. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2024.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2024. However, these are considered either not to be relevant or do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2025. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements except for the following

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees in '000 -----			
4 BANK BALANCES			
Current accounts	4.1	70	70
Savings accounts	4.2	830,905	865,488
		<u>830,975</u>	<u>865,558</u>

4.1 This represents a balance maintained with National Bank of Pakistan (a related party).

4.2 These include balances of Rs 2.217 million (June 30, 2024: Rs. 2.517 million) and Rs 0.008 million (June 30, 2024: Nil) maintained with National Bank of Pakistan and Telenor Microfinance Bank Limited (related parties) respectively, that carry profit at the rate of 6.00% (June 30, 2024: 20.50%) and 11.50% (June 30, 2024: 19.00%) per annum respectively. Other savings accounts of the Fund carry profit at rates ranging from 0.10% to 13.50% (June 30, 2024: 11.01% to 22.90%) per annum.

5 INVESTMENTS

At fair value through profit or loss

Equity securities	5.1	-	-
Equity securities (spread transactions)	5.2	1,164,316	-
Government securities - Pakistan Investment Bonds	5.3	844,308	712,058
Government securities - Market Treasury Bills	5.4	4,496,802	2,233,368
Government securities - Ijara Sukuks	5.5	-	275,193
Term finance certificates - non-performing securities	5.6	-	-
Term finance certificates	5.7	190,896	192,484
Corporate sukuk certificates	5.8	218,763	248,979
Corporate sukuk certificates - non-performing securities	5.9	-	12,240
		<u>6,915,085</u>	<u>3,674,322</u>

5.1 Equity securities

All shares have a nominal face value of Rs. 10 each.

Name of the investee company	As at July 1, 2024	Purchased during the period	Bonus / right shares	Sold during the period	As at December 31, 2024	Market value as at December 31, 2024	Percentage in relation to			
							net assets of the Fund	total market value of the investments	paid-up capital of the investee company	
						Number of shares	Rupees in '000	----- (%) -----		
TEXTILE COMPOSITE										
Azgard Nine Limited - Non-voting *	308	-	-	-	308	-	-	-	-	-

* These shares are fully provided due to non-tradability.

Total market value as at December 31, 2024 (un-audited)

- - -

Total market value as at June 30, 2024 (audited)

- - -

Total carrying value as at December 31, 2024 (un-audited)

-

Total market value as at June 30, 2024 (audited)

-

5.2 Equity securities (spread transactions)

Name of the Investee Company	Number of shares				Market value as at December 31, 2024 (Rupees in '000)	Percentage in relation to		
	As at July 1, 2024	Purchased during the period	Sold during the period	As at December 31, 2024		net assets of the Fund	total market value of the investments	paid-up capital of the investee company
						----- (%) -----		
CABLE & ELECTRICAL GOODS								
Pak Elektron Limited	-	4,094,000	-	4,094,000	179,522	2.43%	2.60%	0.48%
					179,522	2.43%	2.60%	0.48%
CEMENT								
D.G. Khan Cement Company Limited	-	1,172,500	-	1,172,500	123,019	1.67%	1.78%	0.27%
Fauji Cement Company Limited	-	783,000	-	783,000	28,642	0.39%	0.41%	0.03%
Maple Leaf Cement Factory Limited	-	1,260,500	-	1,260,500	57,907	0.79%	0.84%	0.12%
					209,568	2.85%	3.03%	0.42%
COMMERCIAL BANKS								
Habib Bank Limited *	-	30,000	-	30,000	5,234	0.07%	0.08%	-
					5,234	0.07%	0.08%	
ENGINEERING								
Mughal Iron & Steel Industries Limited	-	59,000	-	59,000	4,726	0.06%	0.07%	0.02%
					4,726	0.06%	0.07%	
OIL & GAS EXPLORATION COMPANIES								
Oil & Gas Development Company Limited	-	667,000	-	667,000	151,582	2.06%	2.19%	0.02%
Pakistan Petroleum Limited	-	384,500	-	384,500	78,265	1.06%	1.13%	0.01%
					229,847	0.03	0.03	
OIL AND GAS MARKETING COMPANIES								
Pakistan State Oil Company Limited	-	96,500	-	96,500	42,527	0.58%	0.61%	0.02%
Sui Northern Gas Pipelines Limited	-	498,500	-	498,500	55,802	0.76%	0.81%	0.08%
Sui Southern Gas Company Limited	-	782,000	-	782,000	38,287	0.52%	0.55%	0.09%
					136,616	1.86%	1.97%	
PHARMACEUTICALS								
The Searle Company Limited	-	1,024,000	-	1,024,000	106,967	1.45%	1.55%	0.20%
					106,967	1.45%	1.55%	
POWER GENERATION & DISTRIBUTION								
The Hub Power Company Limited	-	259,000	-	259,000	33,901	0.46%	0.49%	0.02%
K-Electric Limited	-	1,000,500	-	1,000,500	5,603	0.08%	0.08%	0.01%
					39,504	0.54%	0.57%	
REFINERY								
Attock Refinery Limited	-	118,000	-	118,000	83,936	1.14%	1.21%	0.11%
National Refinery Limited	-	170,500	-	170,500	52,760	0.72%	0.76%	0.21%
Pakistan Refinery Limited	-	1,853,000	-	1,853,000	82,125	1.11%	1.19%	0.29%
					218,821	2.97%	3.16%	
TECHNOLOGY & COMMUNICATION								
Avanceon Limited	-	170,500	-	170,500	10,518	0.14%	0.15%	0.04%
Pakistan Telecommunication Company Limited	-	714,000	-	714,000	19,471	0.00	0.00	0.02%
					29,989	0.40%	0.43%	
TRANSPORT								
Pakistan International Bulk Terminal Limited	-	375,500	-	375,500	3,522	0.05%	0.05%	0.02%
					3,522	0.05%	0.05%	
Total market value as at December 31, 2024 (un-audited)					1,164,316	15.80%	16.83%	
Total market value as at June 30, 2024 (audited)					-	-	-	
Total carrying value as at December 31, 2024 (un-audited)					1,126,267			
Total market value as at June 30, 2024 (audited)					-			

* Nil figures due to rounding off.

5.3 Government securities - Pakistan Investment Bonds

Issue date	Maturity Date	Tenor in years	Yield	Face value				Carrying value as at December 31, 2024	Market value as at December 31, 2024	Unrealised appreciation	Market value as a percentage of	
				As at July 1, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024				net assets of the Fund	total investments of the Fund
Rupees in '000											%	
November 17, 2022	November 17, 2027	5	13.42%	500,000	-	-	500,000	487,917	491,100	3,183	6.66%	7.10%
September 21, 2023	September 21, 2028	5	16.79%	235,000	-	-	235,000	227,300	230,206	2,906	3.12%	3.32%
September 20, 2024	September 20, 2026	2	Zero Coupon	-	150,000	-	150,000	121,793	123,002	1,209	1.67%	1.77%
Total as at December 31, 2024 (Un-audited)								837,010	844,308	7,298	11.45%	12.19%
Total as at June 30, 2024 (Audited)								710,107	712,058	1,951	15.59%	19.38%

5.4 Government securities - Market Treasury Bills

Issue date	Maturity Date	Tenor in months	Yield	Face value				Carrying value as at December 31, 2024	Market value as at December 31, 2024	Unrealised (diminution) / appreciation	Market value as a percentage of	
				As at July 1, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024				net assets of the Fund	total investments of the Fund
Rupees in '000											%	
May 2, 2024	July 25, 2024	3	21.59%	200,000	-	200,000	-	-	-	-	-	-
May 30, 2024	August 22, 2024	3	20.94%	375,000	-	375,000	-	-	-	-	-	-
July 11, 2024	October 3, 2024	3	19.84%	-	250,000	250,000	-	-	-	-	-	-
July 25, 2024	October 17, 2024	3	19.49%	-	250,000	250,000	-	-	-	-	-	-
August 22, 2024	November 14, 2024	3	17.70%	-	250,000	250,000	-	-	-	-	-	-
August 22, 2024	February 20, 2025	6	17.70%	-	250,000	250,000	-	-	-	-	-	-
October 3, 2024	April 3, 2025	6	11.93%	-	500,000	500,000	-	-	-	-	-	-
December 12, 2024	June 12, 2025	6	11.93%	-	500,000	500,000	-	-	-	-	-	-
January 11, 2024	July 11, 2024	-	20.96%	125,000	-	125,000	-	-	-	-	-	-
April 4, 2024	April 3, 2025	12	20.84%	375,000	-	375,000	-	-	-	-	-	-
April 18, 2024	April 17, 2025	12	20.78%	500,000	-	500,000	-	-	-	-	-	-
May 2, 2024	May 2, 2025	12	20.84%	250,000	-	250,000	-	-	-	-	-	-
October 17, 2024	January 9, 2025	3	14.73%	-	1,050,000	-	1,050,000	1,046,703	1,047,029	326	14.20%	15.14%
October 31, 2024	January 23, 2025	3	13.87%	-	200,000	-	200,000	198,380	198,534	154	2.69%	2.87%
November 14, 2024	February 6, 2025	3	13.46%	-	250,000	-	250,000	246,782	247,045	263	3.35%	3.57%
May 30, 2024	May 29, 2025	12	19.98%	100,000	-	-	100,000	93,422	95,393	1,971	1.29%	1.38%
May 16, 2024	May 15, 2025	12	20.36%	175,000	-	-	175,000	164,447	167,669	3,222	2.27%	2.42%
January 25, 2024	January 23, 2025	12	20.14%	375,000	-	200,000	175,000	173,118	173,717	599	2.36%	2.51%
July 11, 2024	July 10, 2025	12	18.42%	-	250,000	-	250,000	229,745	235,394	5,649	3.19%	3.40%
March 21, 2024	March 20, 2025	12	17.75%	-	100,000	-	100,000	96,558	97,516	958	1.32%	1.41%
August 22, 2024	August 21, 2025	12	16.86%	-	250,000	-	250,000	227,061	232,256	5,195	3.15%	3.36%
September 5, 2024	September 4, 2025	12	16.83%	-	500,000	-	500,000	451,442	462,444	11,002	6.27%	6.69%
October 3, 2024	October 2, 2025	12	13.50%	-	500,000	-	500,000	455,348	458,366	3,018	6.21%	6.63%
October 31, 2024	October 30, 2025	12	12.93%	-	200,000	-	200,000	181,042	181,813	771	2.47%	2.63%
November 28, 2024	November 27, 2025	12	12.10%	-	500,000	-	500,000	451,182	450,732	(450)	6.11%	6.52%
December 12, 2024	December 11, 2025	12	11.98%	-	500,000	-	500,000	449,587	448,894	(693)	6.09%	6.49%
Total as at December 31, 2024 (Un-audited)								4,464,817	4,496,802	31,985	60.97%	65.02%
Total as at June 30, 2024 (Audited)								2,230,999	2,233,368	2,369	48.90%	60.78%

5.5 Government securities - Ijara Sukuks

Name of security	Profit payments / principal redemptions	Maturity date	Profit rate	As at	Purchased	Sold	As at	Carrying	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of			
				July 1, 2024	during the period	during the period	December 31, 2024	value as at December 31, 2024	as at December 31, 2024		net assets of the Fund	total investments of the Fund		
				Number of certificates			Rupees in '000			%				
GoP Ijarah sukuk VRR - XL (Face value of Rs. 100,000 per certificate)	Semi-annually / at maturity	December 4, 2024	Weighted average 6 months T-Bills	250	-	250	-	-	-	-	-	-		
GoP Ijarah sukuk VRR - XLI (Face value of Rs. 100,000 per certificate)	Semi-annually / at maturity	December 4, 2026	Weighted average 6 months T-Bills	750	-	750	-	-	-	-	-	-		
GoP Ijarah sukuk VRR - XLII (Face value of Rs. 100,000 per certificate)	Semi-annually / at maturity	December 4, 2028	Weighted average 6 months T-Bills	1,000	-	1,000	-	-	-	-	-	-		
GoP Ijarah sukuk FRR - XXXIII (Face value of Rs. 100,000 per certificate)	Semi-annually / at maturity	December 4, 2026	16.19%	750	-	750	-	-	-	-	-	-		
Total as at December 31, 2024 (Un-audited)										-	-	-		
Total as at June 30, 2024 (Audited)										275,000	275,193	193	5.91%	7.82%

5.6 Term finance certificates - non-performing securities

Name of the security	Security rating	Profit payments / principal redemptions	Maturity date	Profit rate	As at	Purchased	Sold / redeemed	As at	Carrying	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of	
					July 1, 2024	during the period	during the period	December 31, 2024	value as at December 31, 2024	as at December 31, 2024		net assets of the Fund	total investments of the Fund
				Number of certificates			Rupees in '000			%			
CEMENT													
Dewan Cement Limited TFC (Face value of Rs. 5,000 per certificate)	Unrated	-	January 17, 2030	6 months KIBOR plus base rate of 2.00%	30,000	-	-	30,000	-	-	-	-	-
CHEMICAL													
Agritech Limited TFC V (Face value of Rs. 5,000 per certificate) *	Unrated	-	January 1, 2025	11.00% fixed rate	6,464	-	-	6,464	-	-	-	-	-
Agritech Limited TFC I (Face value of Rs. 4,919 per certificate) *	Unrated	-	November 29, 2025	6 months KIBOR plus base rate of 1.75%	30,000	-	-	30,000	-	-	-	-	-
COMMERCIAL BANKS													
Silk Bank Limited - TFC I (Face value of Rs. 4,996 per certificate)	BBB+, VIS	Semi-annually	August 10, 2025	6 months KIBOR plus base rate of 1.85%	20,000	-	-	20,000	-	-	-	-	-
LEASING COMPANIES													
Saudi Pak Leasing Company Limited - TFC II (Face value of Rs. 2,755 per certificate)	Unrated	-	March 13, 2025	6.87%	15,000	-	-	15,000	-	-	-	-	-

NBP INCOME OPPORTUNITY FUND



Name of the security	Security rating	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2024	Purchased during the period	Sold / redeemed during the period	As at December 31, 2024	Carrying value as at December 31, 2024	Market value as at December 31, 2024	Unrealised appreciation / (diminution)	Market value as a percentage of	
					Number of certificates			Rupees in '000				net assets of the Fund	total investments of the Fund

TECHNOLOGY & COMMUNICATION

Worldcall Telecom Limited - TFC III (Face value of Rs. 1,666 per certificate)	Unrated	Quarterly	September 20, 2026	6 months KIBOR plus base rate of 1.60%	45,000	-	-	45,000	-	-	-	-	-
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TEXTILE COMPOSITE

Azgard Nine Limited VII (PPTFC) (Face value of Rs. 5,000 per certificate)	Unrated	-	April 29, 2031	5.00%	16,095	-	-	16,095	-	-	-	-	-
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Azgard Nine Limited - Zero Coupon (Face value of Rs. 5,000 per certificate)	Unrated	-	April 29, 2031	Zero - coupon bond	39,093	-	-	39,093	-	-	-	-	-
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MISCELLANEOUS

PACE Pakistan Limited TFC Revised (Face value of Rs. 4,994 per certificate)	Unrated	-	February 15, 2025	6 months KIBOR plus base rate of 2.00%	30,000	-	-	30,000	-	-	-	-	-
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New Allied Electronic Industries (Private) Limited TFC (Face value of Rs. 2,114 per certificate)	Unrated	-	November 15, 2025	3 months KIBOR plus base rate of 3.00%	15,000	-	-	15,000	-	-	-	-	-
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Total as at December 31, 2024 (Un-audited) - - - - -

Total as at June 30, 2024 (Audited) - - - - -

* Pursuant to the issue of Preference Shares (note 5.6.2), the existing TFCs are reflected as "to be revoked" in the CDC account of the Fund and shall stand revoked subsequent to the period end.

5.6.1 The investee companies had defaulted on their obligation on account of principal and profit payments and accordingly the certificates had been classified as non performing asset by Mutual Funds Association of Pakistan (MUFAP). The accumulated provisions amounting to Rs. 981.419 million (June 30, 2024: Rs. 981.426 million) against investee companies have been maintained by valuing the investments as per Circular no. 1 of 2009 and Circular no. 33 of 2012.

During the period, the Fund has received Rs. 8.048 million (June 30, 2024: Rs. 16.095 million) against recovery of provided term finance certificate of Azgard Nine Limited VII - PPTFC.

5.6.2 Unlisted redeemable preference shares

Name of the Investee Company	Note	As at July 1, 2024	Shares issued during the period	As at December 31, 2024	As at December 31, 2024			Market value as a percentage of	
					Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments

(Number of shares) (Rupees) %

CHEMICAL

Agritech Limited - Class A	5.6.2.1	-	23,933,757	23,933,757	-	-	-	-	-
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Total as at December 31, 2024 (un-audited) - - - - -

Total as at June 30, 2024 (audited) - - - - -

5.6.2.1 The Honourable Lahore High Court approved Agritech Limited's (AGL) Scheme of Arrangement (SoA) on July 5, 2022, which took effect retrospectively from December 31, 2013. With respect to non performing outstanding principal sukuk and term finance certificates issued by AGL, including the accrued profit portion. AGL, after correspondence with the creditors, has agreed in principle on the terms and conditions which are enumerated in the SoA.

The creditors, under the scheme had to opt out of the two options available or choose not to select any option. The Fund, in this regard, chose not to select any option as mentioned in the Scheme for the settlement of Fund's outstanding liability.

As a result of the above arrangement, on December 23, 2024 AGL issued 23,933,757 cumulative redeemable Class A Preference Shares with limited voting rights having face value amounting to Rs. 239,337,570 and remaining fractional amount of Rs. 7 to be paid in cash to the Fund in compliance with the SoA in settlement of the Principal and markup portion outstanding.

In compliance with the SoA, AGL disbursed tranches of Cash Flow Available for Debt Service (CFADS) payments, starting from September 27, 2022 to December 28, 2023 totalling Rs. 2,524,238 with the remaining liabilities being settled through preference shares.

AGL shall have the option to redeem these preference shares plus any accumulated unpaid dividends in full or in part, within ninety days after the expiry of first anniversary from the date of issue and subsequently, every anniversary thereafter, by giving at least thirty days notice.

In accordance with the applicable financial reporting standards, these cumulative redeemable Class A Preference Shares have been recorded at Rs. Nil citing reason that there is no active market of these unlisted preference shares. Therefore, the fair value of these shares is not determinable with accuracy.

5.7 Term finance certificates

Name of the security	Security rating	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2024	Purchased during the period	Sold / redeemed during the period	As at December 31, 2024	Carrying value as at December 31, 2024	Market value as at December 31, 2024	Unrealised (diminution) / appreciation	Market value as a percentage of		
					Number of certificates	Rupees in '000	Rupees in '000	net assets of the Fund	total investments of the Fund					
COMMERCIAL BANKS														
The Bank of Punjab - TFC II (Face value of Rs. 99,760 per certificate)	AA, PACRA	Semi-annually	April 23, 2028	6 months KIBOR plus base rate of 1.25%	900	-	-	900	90,660	90,896	236	1.24%	1.31%	
MICROFINANCE COMPANIES														
Kashf Foundation - PPTFC (Face value of Rs. 100,000 per certificate)	AAA, PACRA	Quarterly	December 8, 2026	3 months KIBOR plus base rate of 1.50%	1,000	-	-	1,000	101,808	100,000	(1,808)	1.36%	1.45%	
Total as at December 31, 2024 (Un-audited)									192,468	190,896	(1,572)	2.60%	2.76%	
Total as at June 30, 2024 (Audited)									190,660	192,484	1,824	4.18%	5.37%	

5.8 Corporate sukuk certificates

Name of the security	Security rating	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2024	Purchased during the period	Sold / redeemed during the period	As at December 31, 2024	Carrying value as at December 31, 2024	Market value as at December 31, 2024	Unrealised appreciation / (diminution)	Market value as a percentage of		
					Number of certificates	Rupees in '000	Rupees in '000	net assets of the Fund	total investments of the Fund					
CEMENT														
Javedan Corporation Limited Sukuk I (Face value of Rs. 50,000 per certificate)	AA-, VIS	Semi-annually	October 4, 2026	6 months KIBOR plus base rate of 1.75%	150	-	-	150	4,9004,900	-	-	0.07%	0.07%	
POWER GENERATION & DISTRIBUTION														
K-Electric Limited - Sukuk - V (a related party) (Face value of Rs. 3,750 per certificate)	AA+, VIS	Quarterly	August 3, 2027	3 months KIBOR plus base rate of 1.70%	41,000	-	-	41,000	115,082	115,287	205	1.56%	1.67%	
COMMERCIAL BANKS														
Al Baraka Bank (Pakistan) Limited (Face value of Rs. 1,000,000 per certificate)	A, VIS	Semi-annually	December 22, 2031	6 months KIBOR plus base rate of 1.50%	25	-	-	25	25,075	25,063	(12)	0.34%	0.36%	

Name of the security	Security rating	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2024	Purchased during the period	Sold / redeemed during the period	As at December 31, 2024	Carrying value as at December 31, 2024	Market value as at December 31, 2024	Unrealised appreciation / (diminution)	Market value as a percentage of	
					Number of certificates				Rupees in '000			net assets of the Fund	total investments of the Fund
												%	

MISCELLANEOUS

Hub Power Holding Limited Sukuk * (Face value of Rs. 100,000 per certificate)	AA+, PACRA	Semi-annually	November 12, 2025	6 months KIBOR plus base rate of 2.50%	1,075	-	1,075	-	-	-	-	-	-
Shakarganj Food Products Limited Sukuk I (Face value of Rs. 350,000 per certificate) (Note 5.9.1)	BBB-, PACRA	Semi-annually	November 12, 2025	6 months KIBOR plus base rate of 2.50%	70	-	-	70	24,500	23,513	(987)	0.32%	0.35%

NON-BANKING FINANCIAL INSTITUTES

Select Technologies (Private) Limited (Face value of Rs. 100,000 per certificate)	A1, PACRA	Semi-annually	June 16, 2025	6 months KIBOR plus base rate of 1.75%	-	50	-	50	50,000	50,000	-	-	-
Total as at December 31, 2024 (Un-audited)									219,557	218,763	(794)	2.29%	2.45%
Total as at June 30, 2024 (Audited)									250,721	248,979	(1,742)	12.42%	33.42%

* The Hub Power holding has exercised its option of early repurchase of sukuk on November 12, 2024 one year before the actual maturity.

5.8.1 On April 26, 2023, sukuk certificates of Shakarganj Food Products Limited (SFPL) were classified as non-performing by Mutual Funds Association of Pakistan (MUFAP). Therefore, in accordance with the requirement of SECP's Circular No. 33 of 2012, the sukuk certificates were classified as non-performing asset and hence no further profit was accrued thereafter.

On September 8, 2023, the restructuring of the aforementioned sukuk was approved by all the sukuk investors whereby the four principal instalments due on July 10, 2023, October 10, 2023, January 10, 2024 and April 10, 2024 have been deferred for one year from their respective due dates and the tenure of the sukuk has been extended by twelve months. However, SFPL will continue to service profit payments on quarterly basis on the outstanding amount of principal as per earlier agreed terms. During the current period, SFPL has paid all the due instalments and accordingly MUFAP has classified the sukuk as performing in accordance with the requirement of SECP's Circular No. 33 of 2012. Hence the provision recorded on the sukuk certificates has been duly reversed amounting to Rs. 19.308 million.

5.9 Corporate sukuk certificates - non-performing securities

Name of the security	Security rating	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2024	Purchased during the period	Sold / redeemed during the period	As at December 30, 2024	Carrying value as at December 31, 2024	Market value as at December 31, 2024	Unrealised appreciation / (diminution)	Market value as a percentage of	
					Number of certificates				Rupees in '000			net assets of the Fund	total investments of the Fund
												%	

MISCELLANEOUS

Eden Housing Limited Sukuk (2nd Issue) (Face value of Rs. 984 per certificate)	D, VIS	-	September 29, 2025	6 months KIBOR plus base rate of 2.50%	9,200	-	-	9,200	-	-	-	-	-
New Allied Electronic Industries (Private) Limited - Sukuk II (Face value of Rs. 4,905 per certificate)	Unrated	-	December 3, 2025	6 months KIBOR plus base rate of 2.20%	9,000	-	-	9,000	-	-	-	-	-
Total as at December 31, 2024 (Un-audited)									-	-	-	-	-
Total as at June 30, 2024 (Audited)									12,240	12,240	-	0.27%	0.33%

5.9.1 The investee companies had defaulted on their obligations on account of principal and profit payments and accordingly had been classified as non performing assets by the Mutual Funds Association of Pakistan (MUFAP). The accumulated provision amounting to Rs. 53.205 million (June 30, 2024: Rs. 72.465 million) against investee companies have been maintained by valuing the investments as per Circular no. 1 of 2009 and Circular no. 33 of 2012.

5.10 The net unrealised loss on future transactions amounts to Rs. 34.938 million in the current period (December 31, 2023: Nil) resulting as a result of the mark to market of future stock contracts.

5.11 Net unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss	Note	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
		-----Rupees in '000-----	
Market value of investments	5.1 to 5.9	6,915,085	3,517,733
Less: carrying value of investments	5.1 to 5.9	(6,840,119)	(3,517,803)
		<u>74,966</u>	<u>(70)</u>

6 PAYABLE TO NBP FUND MANAGEMENT LIMITED - THE MANAGEMENT COMPANY - RELATED PARTY

Remuneration payable to the Management Company	6.1	4,059	3,489
Sindh sales tax payable on remuneration of the Management Company	6.2	609	454
Reimbursement of allocated expenses payable	6.3	3,570	1,617
Sindh sales tax on allocated expenses payable	6.6	535	-
Reimbursement of selling and marketing expenses payable	6.4	17,108	15,421
Sindh sales tax on selling and marketing expenses payable	6.6	2,566	-
Sales and transfer load payable		379	436
Sindh sales tax on sales and transfer load		57	57
Federal Excise Duty on remuneration of the Management Company and sales load	6.5	40,695	40,695
ADC charges payable including Sindh sales tax		48	13
		<u>69,626</u>	<u>62,182</u>

6.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 6.00% (December 31, 2023: 6.00%) of net income, subject to floor and capping of 0.50% (December 31, 2023: 0.50%) and 1.00% (December 31, 2023: 1.00%) per annum respectively of the average net assets of the Fund during the period ended December 31, 2024. The remuneration is payable to the Management Company monthly in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 15% (December 31, 2023: 13%) on the remuneration of the Management Company through Sindh Sales Tax on Services Act, 2011. Accordingly an amount of Rs. 3.675 million (December 31, 2023: Rs. 3.158 million) was charged during the period.

6.3 In accordance with Regulation 60 of the NBFC Regulations, an asset management company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company based on its discretion has charged allocated expenses under the following rates;

Rate applicable from July 1, 2024 to November 24, 2024	Rate applicable from November 25, 2024 to December 31, 2024	Rate applicable from July 1, 2023 to December 31, 2023
0.10% of average annual net assets	0.20% of average annual net assets	0.15% of average annual net assets

- 6.4 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion has charged selling and marketing expenses at the following rates keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations. These expenses have also been approved by the Board of Directors of the Management Company. The expenses have been charged at the following rates:

Rate applicable from July 1, 2024 to August 04, 2024	Rate applicable from August 05, 2024 to November 24, 2024	Rate applicable from November 24, 2024 to December 31, 2024	Rate applicable from July 1, 2023 to December 31, 2023
0.70% of average annual net assets	0.60% of average annual net assets	0.50% of average annual net assets	0.70% of average annual net assets

- 6.5 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration and sale load were already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Honourable Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Honourable Supreme Court of Pakistan (SCP) which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period till 2016 amounting to Rs 40.695 million (June 30, 2024: Rs 40.695 million) is being retained in these condensed interim financial statements of the Fund as the matter is pending before the SCP. Had the provision for FED not been made, the net asset value per unit of the Fund as at December 31, 2023 would have been higher by Re 0.0660 (June 30, 2024: Re 0.0969) per unit.

- 6.6 Effective July 1, 2024, the Sindh Finance Act of 2024 introduced a 15% sales tax on all reimbursable expenses for Management Companies. This resulted in Sindh sales tax levied on reimbursed allocated and reimbursed selling and marketing expenses amounting to Rs. 0.535 million and Rs. 2.566 million respectively.

	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
7 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE - RELATED PARTY		-----Rupees in '000-----	
Trustee fee payable	7.1	429	276
Sindh sales tax payable on Trustee fee	7.2	65	36
		494	312

- 7.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.075% (December 31, 2023: 0.075%) per annum of average annual net assets. Accordingly the Fund has charged trustee fee at the above mentioned rate during the period.

- 7.2 During the period, an amount of Rs. 0.325 million (December 31, 2023: Rs. 0.242 million) was charged on account of sales tax. Sindh sales tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of Trustee has been enhanced from the rate of 13% to 15% (December 31, 2023: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
8 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		----- Rupees in '000 -----	
Annual fee payable	8.1	429	276

- 8.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP).

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.075% (December 31, 2023: 0.075%) per annum of the daily net assets during the period ended December 31, 2024.

Further, the Fund is required to pay the SECP fee within fifteen days of the close of every calendar month.

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
9 ACCRUED EXPENSES AND OTHER LIABILITIES	-----Rupees in '000-----	
Auditors' remuneration payable	630	679
Brokerage fee payable	2,596	116
Settlement charges payable	473	136
Printing charges payable	238	236
Withholding tax payable	613	50,322
Capital gain tax payable	3,109	6,484
Legal and professional charges payable	742	476
Payable against future stock contracts	34,938	-
Other payable	104	148
	<u>43,443</u>	<u>58,597</u>

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2024 and June 30, 2024.

11 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 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 Company 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, accordingly no provision for taxation has been made in these condensed interim financial statements.

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

	Note	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
12 CASH AND CASH EQUIVALENTS		----- Rupees in '000 -----	
Bank Balances	4	830,975	1,114,998
Government securities - Market Treasury Bills *	5.4	1,492,608	-
		2,323,583	1,114,998

* original maturity of 3 months or less

13 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund for the period ended December 31, 2024 is 2.40% (December 31, 2023: 2.17%) which includes 0.34% (December 31, 2023: 0.21%) representing government levies. The TER excluding government levies is 2.06% (December 31, 2023: 1.96%) which is within the maximum limit of 2.50% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

14 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these condensed interim financial statements as, in the opinion of the management, the determination of the cumulative weighted average number of outstanding units for calculating EPU is not practicable.

15 DETAILS OF NON-COMPLIANT INVESTMENTS

The SECP vide Circular no. 7 of 2009 dated March 6, 2009, required all asset management companies to categorise funds under their management on the basis of criteria laid down in the circular. The Board has approved the category of the fund as 'Income Scheme'.

The SECP vide circular no. 16 dated July 07, 2010, prescribed specific disclosures for the scheme holding investments that are non-compliant either with the minimum investment criteria specified for the category assigned to such schemes or with investment requirements of their constitutive documents.

In this regard, the below-mentioned securities were in compliance with the circular (i.e. investment grade) at the time of purchase and were subsequently downgraded to non investment grade by MUFAP and were consequently classified as non-performing assets on default by the respective issuer at the time of repayment of coupon due on the respective dates.

Following are the details of non-compliant investments of the Fund:

Name of non-compliant investment	Non-compliance of clause	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	% of net assets	% of gross assets
			-----Rupees in '000-----				
Azgard Nine Limited - Zero Coupon	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Term finance certificates	195,465	(195,465)	-	-	-
Azgard Nine Limited VII - PPTFC	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Term finance certificates	64,372	(64,372)	-	-	-
AgriTech Limited I	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Term finance certificates	147,336	(147,336)	-	-	-

Name of non-compliant investment	Non-compliance of clause	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	% of net assets	% of gross assets
			-----Rupees in '000-----				
Agritech Limited V	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Term finance certificates	32,320	(32,320)	-	-	-
Dewan Cement Limited	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Pre - IPO	150,000	(150,000)	-	-	-
Eden Housing Limited	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Sukuks	9,056	(9,056)	-	-	-
New Allied Electronics Industries (Private) Limited - PPTFC	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Term finance certificates	31,707	(31,707)	-	-	-
New Allied Electronics Industries (Private) Limited	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Sukuks	44,149	(44,149)	-	-	-
Pace Pakistan Limited	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Term finance certificates	149,820	(149,820)	-	-	-
Saudi Pak Leasing Company Limited	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Term finance certificates	41,321	(41,321)	-	-	-
Silk Bank Limited	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Term finance certificates	99,920	(99,920)	-	-	-
Worldcall Telecom Limited	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Term finance certificates	69,157	(69,157)	-	-	-
Azgard Nine Limited (Non-voting)	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Shares	13	(13)	-	-	-
Agritech Limited - Class A	Rating is below investment grade as prescribed in clause 9 (v) of annexure of circular 7 of 2009	Shares	-	-	-	-	-
Total carrying value and accumulated impairment as at December 31, 2024			<u>1,034,636</u>	<u>(1,034,636)</u>	<u>-</u>		
Total carrying value and accumulated impairment as at June 30, 2024			<u>1,066,144</u>	<u>(1,053,904)</u>	<u>12,240</u>		

15.1 At the time of purchase, these investments were in compliance with the aforementioned circular. However, these had either subsequently defaulted or were downgraded to non-investment grade.

16 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

16.1 Related parties / connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan 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,

directors and key management personnel of the Management Company and other associated companies. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

- 16.2** Transactions with related parties / connected persons essentially comprise of 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 related parties / connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 16.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 16.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 16.5** Allocated expenses and selling and marketing expenses are reimbursed by the Fund to the Management Company subject to the maximum prescribed Total Expense Ratio.
- 16.6** The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

----- (Un-audited) -----	
Half year ended	
December 31, 2024	December 31, 2023
----- Rupees in '000 -----	

Details of transactions with related parties / connected persons during the period are as follows:

NBP Fund Management Limited - the Management Company

Remuneration of the Management Company	24,498	24,294
Sindh sales tax on remuneration of the Management Company	3,675	3,158
Reimbursement of allocated expenses	3,570	3,725
Sindh sales tax on allocated expenses	535	-
Reimbursement of selling and marketing expenses	17,108	17,383
Sindh sales tax on selling and marketing expenses	2,566	-
Sales and transfer load including Sindh sales tax	3,756	365
ADC charges including Sindh sales tax	483	157
Dividend re-invest: 516 units (December 31, 2023: Nil)	6	-
Units issued to unitholders on behalf of the Management Company	9,627	-

Central Depository Company of Pakistan Limited - the Trustee

Remuneration of the Trustee	2,167	1,862
Sindh sales tax on remuneration of the Trustee	325	242
Settlement charges	285	54

National Bank of Pakistan - Parent of the Management Company

Income on bank balances	97	18
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Telenor Microfinance Bank Limited - common directorship

Income on bank balances	4	4
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	----- (Un-audited) -----	
	Half year ended	
	December 31, 2024	December 31, 2023
	----- Rupees in '000 -----	
Details of transactions with related parties / connected persons during the period are as follows:		
Muhammad Murtaza Ali - Company Secretary and Chief Operating Officer of the Management Company Dividend re-invested: 4 units (December 31, 2023: Nil) *	-	-
Faisal Ahmed - Director of the Management Company ** Dividend re-invested: 75 units (December 31, 2023: Nil) *	-	-
Pakistan Stock Exchange Limited - common directorship ** Listing fee	14	-
K-Electric Limited - common directorship Profit of sukuk certificate	14,197	34,111
First Credit and Investment Bank Limited - a related party Dividend re-invested: 903 units (December 31, 2023: Nil)	11	-
Haider Amjad - a related party Units issued / transferred in: 224,263 units (December 31, 2023: Nil) Units redeemed / transferred out: 224,263 units (December 31, 2023: Nil) Dividend re-invested: 1 unit (December 31, 2023: Nil) *	2,657 2,659 -	- - -
CDC Trustee NBP Islamic Government Securities Fund - a related party Sale of sukuk certificates	106,073	-
NBP Employees Pension Fund - unit holder with more than 10% holding Dividend re-invested: 191,171 units (December 31, 2023: Nil)	2,288	-
Colgate-Palmolive (Pakistan) Ltd - unit holder with more than 10% holding Units issued / transferred in: 79,235,087 units (December 31, 2023: Nil) Dividend re-invested: 3,190 units (December 31, 2023: Nil)	900,000 38	- -
Employees of the Management Company Units issued / transferred in: 5,157,688 units (December 31, 2023: 4788,124 units) Units redeemed / transferred out: 3,469,950 units (December 31, 2023: 874,078 units) Dividend re-invested: 1,755 units (December 31, 2023: Nil)	59,898 40,409 21	9,206 10,192 -

----- (Un-audited) -----	
Half year ended	
December 31, 2024	December 31, 2023
----- Rupees in '000 -----	

Portfolio managed by the Management Company

Units redeemed / transferred out: Nil (December 31, 2023: 3,006,469 units)	-	33,500
Dividend re-invested: 27,105 units (December 31, 2023: Nil)	324	-
Purchase of Sukuk certificates	-	100,000
Purchase of term finance certificates	-	101,808

* Nil figures due to rounding off

** Comparative period figures have not been shown as the individual was not a related party / connected person as at June 30, 2024.

(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees in '000 -----	

Amounts outstanding as at period / year end are as follows:

NBP Fund Management Limited - the Management Company

Remuneration payable to the Management Company	4,059	3,489
Sindh sales tax payable on remuneration of the Management Company	609	454
Reimbursement of allocated expenses payable	3,570	1,617
Sindh sales tax on allocated expenses payable	535	-
Reimbursement of selling and marketing expenses payable	17,108	15,421
Sindh sales tax on selling and marketing expenses payable	2,566	-
Sales and transfer load payable	379	436
Sindh sales tax on sales and transfer load	57	57
Federal Excise Duty and related Sindh sales tax on management fee and sales load	40,695	40,695
ADC charges payable including Sindh sales tax	48	13
Units held: 516 units (June 30, 2024: Nil)	6	-

Central Depository Company of Pakistan Limited - the Trustee

Remuneration payable to the Trustee	429	276
Sindh sales tax payable on remuneration of the Trustee	65	36
Settlement charges payable	164	107
Security deposit	100	100

National Bank of Pakistan - Parent of the Management Company

Bank balances	2,287	2,587
Profit receivable on bank balances	32	-

Telenor Microfinance Bank Limited - common directorship

Bank balance	8	-
Profit receivable on bank balances	4	2

Muhammad Murtaza Ali - Company Secretary and Chief Operating Officer of the Management Company

Units held: 130 (June 30, 2024: 126)	2	1
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	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	----- Rupees in '000 -----	
Amounts outstanding as at period / year end are as follows:		
Faisal Ahmed - Director of the Management Company * Units held: 75 (June 30, 2024: Nil)	1	-
Pakistan Stock Exchange Limited - common directorship ** Prepaid Listing fee	21	-
K-Electric Limited - common directorship Sukuk certificates	115,287	135,582
Profit receivable on sukuk certificates	2,867	-
First Credit and Investment Bank Limited - a related party Units held: 903 units (June 30, 2024: Nil)	11	-
Haider Amjad - a related party Units held: 1 unit (June 30, 2024: Nil) **	-	-
NBP Employees Pension Fund - unit holder with more than 10% holding Units held: 177,041,821 units (June 30, 2024: 176,850,652)	2,118,624	1,922,596
Colgate-Palmolive (Pakistan) Ltd - unit holder with more than 10% holding Units held: 79,238,278 units (June 30, 2024: Nil)	948,229	-
Employees of the Management Company *** Units held: 1,836,419 (June 30, 2024: 146,926)	21,976	1,597
Portfolio managed by the Management Company *** Units held: 23,532,475 (June 30, 2024: 23,506,861) Profit receivable on term finance certificates	281,525 -	255,550 1,394

* Comparative period figures have not been shown as the individual was not a related party / connected person as at June 30, 2024.

** Nil due to rounding off.

*** This reflects the position of the related party / connected persons status as at December 31, 2024.

17 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at December 31, 2024 and June 30, 2024 the Fund held the following financial instruments measured at fair value:

----- Un-audited -----			
----- As at December 31, 2024 -----			
Level 1	Level 2	Level 3	Total
----- Rupees in '000-----			

At fair value through profit or loss

Equity securities (spread transactions)	1,164,316	-	-	1,164,316
Government securities - Pakistan				
investment Bonds	-	844,308	-	844,308
Government securities - Market Treasury Bills	-	4,496,802	-	4,496,802
Term finance certificates	-	190,896	-	190,896
Corporate sukuk certificates	-	218,763	-	218,763
	<u>1,164,316</u>	<u>5,750,769</u>	<u>-</u>	<u>6,915,085</u>

----- Audited -----			
----- As at June 30, 2024 -----			
Level 1	Level 2	Level 3	Total
----- Rupees in '000-----			

At fair value through profit or loss

Government securities - Pakistan				-
investment bonds	-	712,058	-	712,058
Government securities - Market treasury bills	-	2,233,368	-	2,233,368
Government securities - Ijara sukuks	-	275,193	-	275,193
Term finance certificates	-	192,484	-	192,484
Corporate sukuk certificates	-	261,219	-	261,219
	<u>-</u>	<u>3,674,322</u>	<u>-</u>	<u>3,674,322</u>

During the period ended December 31, 2024 and year ended June 30, 2024, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

18 GENERAL

- 18.1 Figures in these condensed interim financial statements have been rounded off to the nearest thousand of Rupees unless otherwise stated.

18.2 Corresponding figures have been re-classified and re-arranged in these condensed interim financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current period. No significant rearrangements or reclassifications have been made in these condensed interim financial statements during the current period.

19 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 26, 2025.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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