

NBP FUNDS

Managing Your Savings

Aitemaad اعتماد



اسلامک سیونرز

Islamic Savings

NBP Fund Management Limited



NBP RIBA FREE SAVINGS 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

Al Baraka Islamic Bank Limited
Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bankislami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Silk Bank Limited
Soneri Bank Limited
United Bank Limited

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 4, 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
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 Riba Free Savings Fund (NRFSF)** for the half year ended December 31, 2024.

Fund's Performance

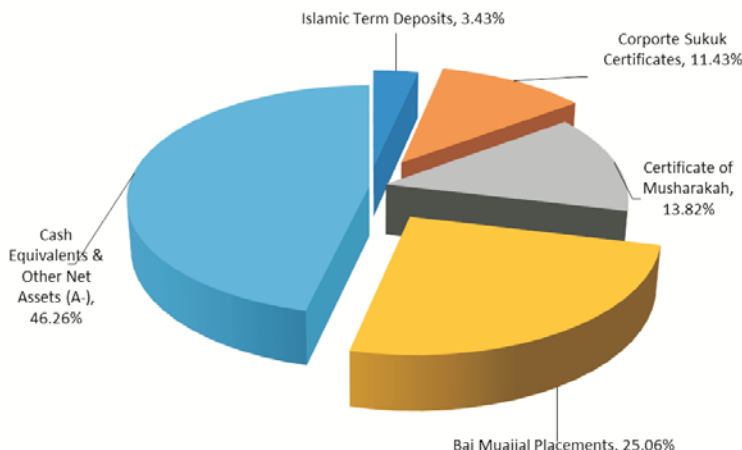
During the first half of fiscal year 2025, the State Bank of Pakistan (SBP) held four Monetary Policy Committee (MPC) meetings, reducing the policy rate to 13% in a calibrated manner, aiming to balance inflationary pressures while supporting economic growth. The MPC emphasized that maintaining a tight 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 Ministry of Finance (MoF) conducted six 1-year fixed-rate Sukuk (Government Debt Securities - GDS) auctions, accepting bids worth approximately Rs. 339 billion against a target of Rs. 480 billion. In the final auction of the half-year, the cut-off yield for the 1-year GDS was recorded at 11.0%. Additionally, Shariah-compliant short-term Sukuks saw a significant increase in fresh issuances by corporates to meet their financing requirements.

NRFSF is an Islamic Income Scheme with no direct or indirect exposure to the stock market. The stability rating of the Fund by PACRA is 'A+ (f)', which denotes a strong capacity to maintain relative stability in returns and very low exposure to risks. The Fund aims to consistently provide better returns than profit rates offered by Islamic Banks / Islamic windows of commercial banks, while also providing easy liquidity along with a good quality credit profile.

The size of NBP Riba Free Savings Fund has increased from Rs. 4,939 million to Rs. 8,747 million during the period, a notable growth of 77.1%. During the period, the unit price of the Fund has increased from Rs. 10.3414 on June 30, 2024 to Rs. 11.1914 on December 31, 2024 thus showing a return of 16.3% p.a. as compared to the benchmark return of 10.0% 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. 653.20 million during the period. After deducting total expenses of Rs. 37.25 million, the net income is Rs. 615.95 million. The asset allocation of NRFSF as on December 31, 2024 is as follows:



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive Officer

Director

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

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 دسمبر 2024ء کو ختم ہونے والی ششماہی کے لئے NBP ربا فری سیونگز فنڈ (NRFSF) کے جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

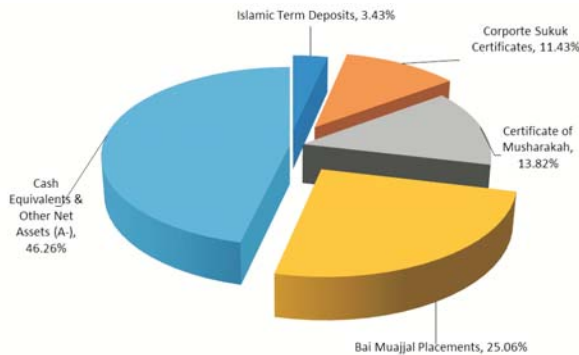
مالی سال 2025 کی پہلی ششماہی کے دوران اسٹیٹ بینک آف پاکستان (SBP) نے مانیٹری پالیسی کمیٹی (ایم پی سی) کے چار اجلاس منعقد کیے، جس میں پالیسی ریٹ کو کم کر کے 13 فیصد کر دیا گیا، جس کا مقصد معاشی نمو کی حمایت کرتے ہوئے افراط زر کے دباؤ کو متوازن کرنا تھا۔ ایم پی سی نے اس بات پر زور دیا کہ سخت مانیٹری پالیسی 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 محرکات 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 سیکورٹیز اور کارپوریٹ مارکیٹ کے شرح 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 لیکویڈیزرز مبادلہ کے ذخائر تقریباً 11.7 بلین ڈالر تھے۔ وزارت خزانہ نے 480 بلین روپے کے ہدف کے مقابلے میں تقریباً 339 بلین روپے کی چھ 1 سالہ مقررہ شرح سکوک (گورنمنٹ ڈیٹ سیکورٹیز - GDS) نیلامیاں کیں۔ ششماہی کی آخری نیلامی میں مقررہ شرح سکوک کا کٹ آف شرح منافع 1 سالہ جی ڈی ایس %11.0 درج کیا گیا۔ اس کے علاوہ، اپنی مالی ضروریات کو پورا کرنے کے لئے کارپوریٹس کی جانب سے شریعہ کیپٹال سٹریٹجی پروفاٹل کے ساتھ آسان لیکویڈیٹی بھی مہیا کرنا ہے۔

NRFSF ایک اسلامک انکم اسکیم ہے جس کا اسٹاک مارکیٹ سے کوئی بالواسطہ یا بلاواسطہ انویسٹمنٹ نہیں۔ فنڈ کو PACRA کی طرف سے A+(f) کی اسٹیٹیلیٹی ریٹنگ دی گئی ہے جو منافع جات میں استحکام برقرار رکھنے کی زبردست اہلیت اور خطرات کی زد میں آنے کے بہت معمولی امکانات کی نشان دہی کرتی ہے۔ فنڈ کا مقصد اسلامی بینکوں / کمرشل بینکوں کی اسلامی ونڈوز کی پیش کردہ منافع کی شرحوں کے مقابلے تو اتر سے بہتر منافع فراہم کرنا ہے، جب کہ اعلیٰ کوالٹی کے کریڈٹ پروفاٹل کے ساتھ آسان لیکویڈیٹی بھی مہیا کرنا ہے۔

NBP ربا فری سیونگز فنڈ کا ساہز اس مدت کے دوران 4,939 ملین روپے سے بڑھ کر 8,747 ملین روپے ہو گیا ہے یعنی %77.1 کا قابل ذکر اضافہ ہوا ہے۔ اس مدت کے دوران، فنڈ کے پونڈ کی قیمت 30 جون 2024 کو 10.3414 روپے سے بڑھ کر 31 دسمبر 2024 کو 11.1914 روپے تک پہنچ چکی ہے، لہذا اسی مدت کے لئے اپنے بیچ مارک منافع %10.0 کے مقابلے میں %16.3 منافع درج کر لیا۔ فنڈ کی کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ نے اس مدت کے دوران 653.20 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 37.25 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 615.95 ملین روپے رہی۔ 31 دسمبر 2024 کو NRFSF کی ایسٹ ایلیکیشن حسب ذیل 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 Riba Free Savings 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 Riba Free Savings 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: RR202410061o7OkZMNIq

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

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	3,952,854	2,385,788
Investments	5	4,700,960	2,319,295
Profit receivable		138,864	80,083
Receivable against issuance of units		18,890	268,467
Deposits and prepayments		216	546
Total assets		8,811,784	5,054,179
LIABILITIES			
Payable to NBP Fund Management Limited - the Management Company	6	17,198	17,636
Payable to Central Depository Company of Pakistan Limited - the Trustee	7	574	320
Payable to the Securities and Exchange Commission of Pakistan	8	499	283
Payable against redemption of units		39,443	44,245
Accrued expenses and other liabilities	9	6,916	52,906
Total liabilities		64,630	115,390
NET ASSETS		8,747,154	4,938,789
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		8,747,154	4,938,789
CONTINGENCIES AND COMMITMENTS	10		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		781,593,202	477,574,443
		----- (Rupees) -----	
NET ASSET VALUE PER UNIT	11	11.1914	10.3414

The annexed notes 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
INCOME					
Profit on bank balances		383,404	59,676	133,089	23,887
Profit on corporate sukuk certificates		125,002	21,001	71,717	6,206
Profit on Islamic term deposit receipts		22,571	6,856	1,649	-
Income on government securities		-	48,033	-	36,963
Profit on bai muajjal placements		35,185	-	-	-
Profit on certificates of musharakah		87,302	19,108	42,804	9,804
(Loss) / gain on sale of investments - net		(258)	2,155	(258)	2,155
Net unrealised appreciation on re-measurement of investments at fair value through profit or loss	5.6	-	2,596	-	1,462
		(258)	4,751	(258)	3,617
Total income		653,206	159,425	249,001	80,477
EXPENSES					
Remuneration of NBP Fund Management Limited - the Management Company	6.1	24,147	8,652	10,964	4,253
Sindh sales tax on remuneration of the Management Company	6.2	3,622	1,125	1,645	553
Reimbursement of allocated expenses	6.3	-	1,102	-	545
Reimbursement of selling and marketing expenses	6.4	777	5,855	777	2,690
Sindh sales tax on selling and marketing expenses	6.6	116	-	116	-
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	7.1	2,959	551	1,436	272
Sindh sales tax on remuneration of the Trustee	7.2	444	72	216	36
Fee to the Securities and Exchange Commission of Pakistan	8.1	2,959	551	1,436	272
Settlement and bank charges		427	268	266	133
Auditors' remuneration		881	806	618	612
Rating fee		346	315	171	157
Legal and professional charges		88	58	44	28
Listing fee		16	15	8	8
Printing charges		37	29	18	14
Securities transaction costs		53	-	53	-
Shariah advisory fee		382	101	294	50
Total expenses		37,254	19,500	18,062	9,623
Net income for the period before taxation		615,952	139,925	230,939	70,854
Taxation	12	-	-	-	-
Net income for the period after taxation		615,952	139,925	230,939	70,854
Earnings per unit	14				
Allocation of net income for the period:					
Net income for the period after taxation		615,952	139,925		
Income already paid on units redeemed		(217,433)	(15,574)		
		398,519	124,351		
Accounting income available for distribution					
- Relating to capital gains		-	4,751		
- Excluding capital gains		398,519	119,600		
		398,519	124,351		

The annexed notes 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	615,952	139,925	230,939	70,854
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>615,952</u>	<u>139,925</u>	<u>230,939</u>	<u>70,854</u>

The annexed notes 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)	4,868,108	70,681	4,938,789	1,529,602	61,484	1,591,086
Issue of 1,127,932,845 units (2023: 30,471,903 units)						
- Capital value (at net asset value per unit at the beginning of the period)	11,664,405	-	11,664,405	314,473	-	314,473
- Element of income	446,285	-	446,285	24,708	-	24,708
Total proceeds on issuance of units	12,110,690	-	12,110,690	339,181	-	339,181
Redemption of 823,914,086 units (2023: 55,653,394 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(8,520,425)	-	(8,520,425)	(574,349)	-	(574,349)
- Element of loss	(180,419)	(217,433)	(397,852)	(14,886)	(15,574)	(30,460)
Total payments on redemption of units	(8,700,844)	(217,433)	(8,918,277)	(589,235)	(15,574)	(604,809)
Total comprehensive income for the period	-	615,952	615,952	-	139,925	139,925
Net assets at the end of the period (un-audited)	8,277,954	469,200	8,747,154	1,279,548	185,835	1,465,383
Undistributed income brought forward						
- Realised income		70,681			64,355	
- Unrealised income / (loss)		-			(2,871)	
		70,681			61,484	
Accounting income available for distribution						
- Relating to capital gains		-			4,751	
- Excluding capital gains		398,519			119,600	
		398,519			124,351	
Undistributed income carried forward		469,200			185,835	
Undistributed income carried forward						
- Realised income		469,200			183,239	
- Unrealised income		-			2,596	
		469,200			185,835	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			<u>10.3414</u>			<u>10.3201</u>
Net asset value per unit at the end of the period			<u>11.1914</u>			<u>11.3602</u>

The annexed notes 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

	Half year ended	
	December 31, 2024	December 31, 2023
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	615,952	139,925
Adjustments:		
Profit on bank balances	(383,404)	(59,676)
Profit on corporate sukuk certificates	(125,002)	(21,001)
Profit on Islamic term deposit receipts	(22,571)	(6,856)
Income on government securities	-	(48,033)
Profit on bai muajjal placements	(35,185)	-
Profit on certificates of musharakah	(87,302)	(19,108)
Loss / (gain) on sale of investments - net	258	(2,155)
Net unrealised appreciation on re-measurement of investments at fair value through profit or loss	5.6 -	(2,596)
	(653,206)	(159,425)
(Increase) / decrease in assets		
Investments - net	(2,487,384)	(348,486)
Deposits and prepayments	330	300
	(2,487,054)	(348,186)
(Decrease) / increase in liabilities		
Payable to NBP Fund Management Limited - the Management Company	(438)	(954)
Payable to Central Depository Company of Pakistan Limited - the Trustee	254	(4)
Payable to the Securities and Exchange Commission of Pakistan	216	(323)
Accrued expenses and other liabilities	(45,990)	(35,222)
	(45,958)	(36,503)
Profit / income received on bank balances, corporate sukuk certificates, Islamic term deposit receipts, government securities, bai muajjal placements and certificates of musharakah	594,683	144,836
Net cash used in operating activities	(1,975,583)	(259,353)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	12,360,267	332,543
Payment against redemption of units	(8,923,079)	(614,138)
Net cash generated from / (used in) financing activities	3,437,188	(281,595)
Net increase / (decrease) in cash and cash equivalents during the period	1,461,605	(540,948)
Cash and cash equivalents at the beginning of the period	4,000,083	1,205,344
Cash and cash equivalents at the end of the period	13 <u>5,461,688</u>	<u>664,396</u>

The annexed notes 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 INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 NBP Riba Free Savings 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. Accordingly, on October 18, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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 (the SECP). The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.3 The Fund has been categorised as an open ended Shariah compliant income 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.

1.4 The investment objective of the Fund is to provide preservation of capital and earn a reasonable rate of return along with a high degree of liquidity by investing in Shariah compliant banks and money market and debt securities.

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 is 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 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, 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 requires 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 the 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 the accounting and reporting standards as applicable in Pakistan that are not yet effective

There are certain new 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.

NBP RIBA FREE SAVINGS FUND

		(Un-audited)	(Audited)
		December 31,	June 30,
		2024	2024
4	BANK BALANCES	Note ----- (Rupees in '000) -----	
	Balances with banks in:		
	Current accounts	7,401	3,910
	Savings accounts	4.1 <u>3,945,453</u>	<u>2,381,878</u>
		<u>3,952,854</u>	<u>2,385,788</u>

4.1 These include a balance of Rs. 0.696 million (June 30, 2024: Rs 1.242 million) maintained with National Bank of Pakistan (related party) that carries profit at the rate of 6.00% (June 30, 2024: 10.00%) per annum. Other savings accounts of the Fund carry profit at rates ranging from 0.10% to 13.50% per annum (June 30, 2024: 11.01% to 20.50% per annum).

		(Un-audited)	(Audited)
		December 31,	June 30,
		2024	2024
5	INVESTMENTS	Note ----- (Rupees in '000) -----	
	Financial assets at 'fair value through profit or loss'		
	Government securities - GoP Ijara sukuks	5.1 -	-
	Islamic term deposit receipts	5.2 300,000	1,110,000
	Corporate sukuk certificates	5.3 1,000,000	655,000
	Certificates of musharakah	5.4 1,208,834	554,295
	Bai muajjal placements	5.5 2,192,126	-
		<u>4,700,960</u>	<u>2,319,295</u>

5.1 Government securities - GoP Ijara sukuks

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2024	Purchased during the period	Sold 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	
											total investments of the Fund	net assets of the Fund
				----- Number of certificates -----			----- Rupees in '000 -----			----- (%) -----		
GoP Ijarah sukuk GIS - VRR - XIX (Face value of Rs. 5,000 per certificate)		Semi-annually May 29, 2025	Weighted average 6 months T-Bills	-	2,575,000	2,575,000	-	-	-	-	-	-
Total as at December 31, 2024 (un-audited)												
Total as at June 30, 2024 (audited)												

5.2 Islamic term deposit receipts

Name of investee company	Rating	Maturity date	Profit rate	As at July 1, 2024	Purchased during the period	Matured 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	
											total investments of the Fund	net assets of the Fund
				----- Number of certificates -----			----- (Rupees in '000) -----			----- (%) -----		
COMMERCIAL BANKS												
United Bank Limited - Islamic Banking	AA, PACRA	July 4, 2024	19.75%	600,000	-	600,000	-	-	-	-	-	-
Faysal Bank Limited	AA, PACRA	July 29, 2024	20.10%	510,000	-	510,000	-	-	-	-	-	-
Faysal Bank Limited	AA, PACRA	August 29, 2024	18.60%	-	510,000	510,000	-	-	-	-	-	-
Soneri Bank Limited Mustaqeem Islamic Banking	AA-, PACRA	October 4, 2024	18.15%	-	300,000	300,000	-	-	-	-	-	-
Soneri Bank Limited Mustaqeem Islamic Banking	AA-, PACRA	January 20, 2025	11.25%	-	300,000	-	300,000	300,000	300,000	-	6.38%	3.43%
Total as at December 31, 2024 (un-audited)								300,000	300,000	-	6.38%	3.43%
Total as at June 30, 2024 (audited)								1,110,000	1,110,000	-	47.86%	22.48%

5.3 Corporate sukuk certificates

Name of security	Rating	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2024	Purchased during the period	Sold / Matured 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	
												total investments of the Fund	net assets of the Fund
					Number of certificates			Rupees in '000			%		

POWER GENERATION AND DISTRIBUTION

Lucky Electric Power Company- Short term sukuk - XXVIII (Face value per certificate Rs. 1,000,000)	AA, PACRA	Semi-annually	October 15, 2024	6 months KIBOR plus base rate of 0.25%	100	-	100	-	-	-	-	-	-
Pakistan Mobile Communications Limited- Short term sukuk (Face value per certificate Rs. 1,000,000)	AA, PACRA	Semi-annually	October 24, 2024	3 months KIBOR plus base rate of 0.25%	150	-	150	-	-	-	-	-	-
The Hub Power Company Limited- Short term sukuk (Face value per certificate Rs. 1,000,000)	AA, PACRA	Semi-annually	November 3, 2024	6 months KIBOR plus base rate of 0.25%	100	-	100	-	-	-	-	-	-
K-Electric Limited Short term sukuk - XXVI (Face value per certificate Rs. 1,000,000)	AA, PACRA	Semi-annually	December 4, 2024	6 months KIBOR plus base rate of 0.15%	305	-	305	-	-	-	-	-	-
K-Electric Limited Short term sukuk - XXVII (Face value per certificate Rs. 1,000,000)	AA, PACRA	Semi-annually	January 5, 2025	6 months KIBOR plus base rate of 0.15%	-	200	-	200	200,000	200,000	-	4.25%	2.29%
K-Electric Limited Short term sukuk - XXVIII (Face value per certificate Rs.1,000,000)	AA, PACRA	Semi-annually	February 6, 2025	6 months KIBOR plus base rate of 0.20%	-	150	-	150	150,000	150,000	-	3.19%	1.71%
Pakistan Telecommunication Limited- Short term sukuk - VII (Face value per certificate Rs. 1,000,000)	AA, PACRA	Semi-annually	March 18, 2025	3 months KIBOR plus base rate of 0.10%	-	450	-	450	450,000	450,000	-	9.57%	5.14%
K-Electric Limited Short term sukuk - XXIX (Face value per certificate Rs. 1,000,000)	AA, PACRA	Semi-annually	March 24, 2025	3 months KIBOR plus base rate of 0.10%	-	200	-	200	200,000	200,000	-	4.25%	2.29%

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

1,000,000 1,000,000 - 21.27% 11.43%

Total as at June 30, 2024 (audited)

655,000 655,000 - 28.24% 13.26%

5.4 Certificates of musharakah

Name of investee company	Rating	Maturity date	Profit rate	As at July 1, 2024	Purchased during the period	Sold / matured during the period	Carrying value as at December 31, 2024	Market value as at December 31, 2024	Unrealised appreciation / (diminution)	Market value as	
										total investments of the Fund	net assets of the Fund
				Number of certificates			Rupees in '000			%	

First Habib Modaraba	A1+, PACRA	October 18, 2024	21.98%	50,000	-	50,000	-	-	-	-	-
First Habib Modaraba	A1+, PACRA	September 20, 2024	20.40%	204,295	-	204,295	-	-	-	-	-
First Habib Modaraba	A1+, PACRA	September 20, 2024	20.40%	300,000	-	300,000	-	-	-	-	-
First Habib Modaraba	A1+, PACRA	November 6, 2024	19.60%	-	500,000	500,000	-	-	-	-	-
First Habib Modaraba	A1+, PACRA	December 20, 2024	17.45%	-	315,426	315,426	-	-	-	-	-
First Habib Modaraba	A1+, PACRA	December 20, 2024	17.45%	-	214,800	214,800	-	-	-	-	-
Meezan Bank Limited	A-1+, VIS	October 16, 2024	14.95%	-	1,000,000	1,000,000	-	-	-	-	-
Allied Bank Limited	A1+, PACRA	October 17, 2024	14.85%	-	1,000,000	1,000,000	-	-	-	-	-
Allied Bank Limited	A1+, PACRA	October 18, 2024	14.85%	-	1,000,000	1,000,000	-	-	-	-	-
Allied Bank Limited	A1+, PACRA	October 21, 2024	14.85%	-	1,000,000	1,000,000	-	-	-	-	-
Meezan Bank Limited	A-1+, VIS	October 24, 2024	14.90%	-	1,000,000	1,000,000	-	-	-	-	-
Allied Bank Limited	A1+, PACRA	December 17, 2024	12.60%	-	500,000	500,000	-	-	-	-	-
First Habib Modaraba	A1+, PACRA	March 20, 2025	12.25%	-	329,149	-	329,149	329,149	-	7.00%	3.76%
First Habib Modaraba	A1+, PACRA	March 20, 2025	12.25%	-	224,145	-	224,145	224,145	-	4.77%	2.56%
First Habib Modaraba	A1+, PACRA	March 25, 2025	12.25%	-	600,000	-	600,000	600,000	-	12.76%	6.86%
First Habib Modaraba	A1+, PACRA	January 20, 2025	15.95%	-	55,540	-	55,540	55,540	-	1.18%	0.63%

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

1,208,834 1,208,834 - 25.71% 13.82%

Total as at June 30, 2024 (audited)

554,295 554,295 - 23.90% 11.22%

5.5 Bai muajjal placement

Name of investee company	Rating	Maturity date	Profit rate	As at July 1, 2024	Amount placed		As at December 31, 2024	As at December 31, 2024			Market value as a percentage of	
					Purchased during the period	Matured during the period		Carrying value	Market value	Unrealised appreciation / (diminution)	total investments of the Fund	net assets of the Fund
								(Rupees in '000)			(%)	
COMMERCIAL BANKS												
Askari Bank Limited	A1+, PACRA	February 12, 2025	13.25%	-	664,036	-	664,036	664,036	664,036	-	14.13%	7.59%
United Bank Limited - Islamic Banking	A-1+, VIS	January 31, 2025	13.30%	-	666,353	-	666,353	666,353	666,353	-	14.17%	7.62%
United Bank Limited - Islamic Banking	A-1+, VIS	January 31, 2025	13.30%	-	305,572	-	305,572	305,572	305,572	-	6.50%	3.49%
DEVELOPMENT FINANCE INSTITUTION												
Pak Brunei Investment Company	A-1+, VIS	February 14, 2025	13.15%	-	556,165	-	556,165	556,165	556,165	-	11.83%	6.36%
Total as at December 31, 2024 (un-audited)								2,192,126	2,192,126	-	46.63%	25.06%
Total as at June 30, 2024 (audited)								-	-	-	-	-

(Un-audited)
December 31,
2024

(Audited)
June 30,
2024

5.6 Net unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss

Note ----- (Rupees in '000) -----

Market value of investments	5.1, 5.2, 5.3	4,700,960	960,483
Less: carrying value of investments	5.4 & 5.5	(4,700,960)	(957,887)
		<u>-</u>	<u>2,596</u>

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

Remuneration payable to the Management Company	6.1	3,325	2,095
Sindh sales tax payable on remuneration of the Management Company	6.2	499	272
Reimbursement of selling and marketing expenses payable	6.4	777	2,379
Sindh sales tax on selling and marketing expense payable	6.4	116	-
Federal excise duty on remuneration of the Management Company and sales load	6.5	10,991	10,991
Sales and transfer load payable		1,160	1,531
Sindh sales tax on sales load payable		175	199
ADC charges payable including Sindh sales tax		155	169
		<u>17,198</u>	<u>17,636</u>

6.1 As per regulation 61 of the NBFC Regulations, 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 following rates:

2024			2023
Rate applicable from July 1, 2024 to August 7, 2024	Rate applicable from August 8, 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
2.80% on net income, subject to floor and capping of 0.50% and 1.25% per annum of the average annual net assets.	4.00% on net income, subject to floor and capping of 0.50% and 1.25% per annum of the average annual net assets.	3.20% on net income, subject to floor and capping of 0.50% and 1.25% per annum of the average annual net assets.	6.00% on net income, subject to floor and capping of 0.50% and 1.25% per annum of the average annual net assets.

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. 3.622 million (December 31, 2023: Rs.1.125 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).

Accordingly, the Management Company, based on its own discretion, has charged such expenses at the following rates during the half year ended December 31, 2024, subject to total expense charged being lower than actual expense incurred.

2024	2023
Rate applicable from July 1, 2024 to December 31, 2024	Rate applicable from July 1, 2023 to December 31, 2023
Nil	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:

2024		2023	
Rate applicable from July 1, 2024 to November 24, 2024	Rate applicable from November 25, 2024 to December 31, 2024	Rate applicable from August 1, 2023 to November 7, 2023	Rate applicable from November 8, 2023 to December 31, 2023
Nil	0.1% of average annual net assets	0.80% 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 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 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 June 30, 2016 amounting to Rs 10.991 million (June 30, 2024: Rs 10.991 million) is being retained in these condensed interim financial statements of the Fund as the matter is pending before the HSC. Had the provision for FED not been made, the net asset value per unit of the Fund as at December 31, 2024 would have been higher by Re 0.0141 (June 30, 2024: Re 0.0230) 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 selling and marketing amounting to Rs. 0.116 million.

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
7 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE - RELATED PARTY	Note	----- (Rupees in '000) -----	
Trustee fee payable	7.1	499	284
Sindh sales tax payable on Trustee fee	7.2	75	36
		574	320

- 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% (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** The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 15% (December 31, 2023: 13%) on the remuneration of Trustee through the Sindh Sales Tax on Services Act, 2011. Accordingly, an amount of Rs. 0.444 million (December 31, 2023: Rs. 0.072 million) was charged during the period.

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
8 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	----- (Rupees in '000) -----	
Annual fee payable	8.1	499	283

- 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). Accordingly, the Fund has charged SECP fee at the rate of 0.075% per annum (December 31, 2023: 0.075%) of the daily net assets during the period. Further, the Fund is required to pay 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	673	676
Bank charges payable	220	89
Settlement charges payable	15	54
Withholding tax payable	320	42,389
Capital gain tax payable	4,005	8,512
Legal and professional charges payable	140	150
Shariah advisor fee payable	944	562
Printing charges payable	98	73
Brokerage payable	158	55
Other payables	343	346
	6,916	52,906

10 CONTINGENCIES AND COMMITMENTS

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

11 NET ASSET VALUE PER UNIT

The net asset value (NAV) per unit, as disclosed in these condensed interim statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the period / year end.

12 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.

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
13 CASH AND CASH EQUIVALENTS	Note	----- (Rupees in '000) -----	
Bank balances	4	3,952,854	480,746
Islamic term deposit receipts	5.2	300,000	-
Certificates of musharakah	5.4	1,208,834	183,650
		5,461,688	664,396

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 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund for the current period is 0.94% (December 31, 2023: 2.66%) which includes 0.18% (December 31, 2023: 0.24%) representing government levies such as sales tax and annual fee to the SECP. The prescribed limit for the ratio is 2.50% (December 31, 2023: 2.50%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

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 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 / year 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	24,147	8,652
Sindh sales tax on remuneration of the Management Company	3,622	1,125
Reimbursement of allocated expenses	-	1,102
Reimbursement of selling and marketing expenses	777	5,855
Sindh sales tax on selling and marketing expenses	116	-
Sales load and Sindh sales tax on sales load	1,134	242
ADC charges paid including Sindh sales tax during the period	462	319
Units issued to unitholders on behalf of the Management Company	4,202	-

	----- (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:		
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration of the Trustee	2,959	551
Sindh sales tax on remuneration of the Trustee	444	72
Settlement charges	4	4
National Bank of Pakistan - Parent of the Management Company		
Profit on bank balances	161	-
Employees of the Management Company		
Units issued / transferred in: 14,680,697 units (December 31, 2023: 1,296,167 units)	160,052	14,358
Dividend re-invested: 745 units (December 31, 2023: Nil)	8	-
Units redeemed / transferred out: 14,551,770 units (December 31, 2023: 793,352 units)	158,004	8,531
Portfolio managed by the Management Company		
Units issued / transferred in: 496,970 units (December 31, 2023: Nil)	5,373	-
NBP Islamic Mahana Amdani Fund - fund managed by NBP fund management company		
Sukuks purchased	663,668	-
K Electric Limited - common directorship		
Sukuks purchased	550,000	-
Profit accrued during the period	69,025	-
Pakistan Stock Exchange Limited - common directorship *		
Listing fee	16	-
Shahid Malik - unit holders with more than 10% holding *		
Units issued / transferred in: 237,588,075 units (December 31, 2023: Nil)	2,600,000	-
Units redeemed / transferred out: 91,877,670 units (December 31, 2023: Nil)	1,000,000	-

* 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	3,325	2,095
Sindh sales tax payable on remuneration of the Management Company	499	272
Reimbursement of selling and marketing expenses payable	777	2,379
Sindh sales tax on selling and marketing expense payable	116	-
Federal excise duty on remuneration of the Management Company	10,991	10,991
Sales and transfer load payable	1,160	1,531
Sindh sales tax on sales load payable	175	199
ADC charges payable including Sindh sales tax	155	169

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	----- (Rupees in '000) -----	
Amounts outstanding as at period / year end are as follows :		
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration payable to the Trustee	499	284
Sindh sales tax payable on remuneration of the Trustee	75	36
Settlement charges payable	4	41
Security deposit	200	200
National Bank of Pakistan - Parent of the Management Company		
Bank balance	696	1,242
Profit receivable on bank balance	135	35
Employees of the Management Company		
Units held: 12,994,116 units (June 30, 2024: 12,864,444 units)	145,422	133,037
Portfolio managed by the Management Company *		
Units held: 99 units (June 30, 2024: 496,871 units)	1	5,138
Pakistan Stock Exchange Limited - common directorship ***		
Prepaid listing fee	16	-
Mr. Khalid Mehmood - Chief Financial Officer of the Management Company **		
Units held: 85 units (June 30, 2024: 85 units)	1	1
Shahid Malik - unit holders with more than 10% holding ***		
Units held: 155,033,893 units (June 30, 2024: Nil)	1,735,046	-
DD Shipbreakers - unit holders with more than 10% holding		
Units held: 88,451,541 units (June 30, 2024: 88,451,541 units)	989,897	914,721

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

** Mr. Khalid Mehmood has resigned as the Chief Financial Officer of NBP Funds Management Limited with effect from January 20, 2025.

*** Comparative period figures have not been shown as the individual was not a related party / connected person as at June 30, 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); and
- 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

Islamic term deposit receipts *	-	300,000	-	300,000
Corporate sukuk certificates **	-	1,000,000	-	1,000,000
Certificates of musharakah *	-	1,208,834	-	1,208,834
Bai muajjal placements **	-	2,192,126	-	2,192,126
	-	<u>4,700,960</u>	-	<u>4,700,960</u>

----- Audited -----			
----- As at June 30, 2024 -----			
Level 1	Level 2	Level 3	Total

----- Rupees in 000 -----

At fair value through profit or loss

Islamic term deposit receipts *	-	1,110,000	-	1,110,000
Corporate sukuk certificates **	-	655,000	-	655,000
Certificates of musharakah *	-	554,295	-	554,295
	-	<u>2,319,295</u>	-	<u>2,319,295</u>

* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

** The valuation of corporate sukuk certificates and bai muajjal placements was done based on amortisation to their fair values as per the guidelines given in Circular 33 of 2012 by the SECP as the residual maturities of these investments were less than six months and were placed with counterparties which have high credit rating.

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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