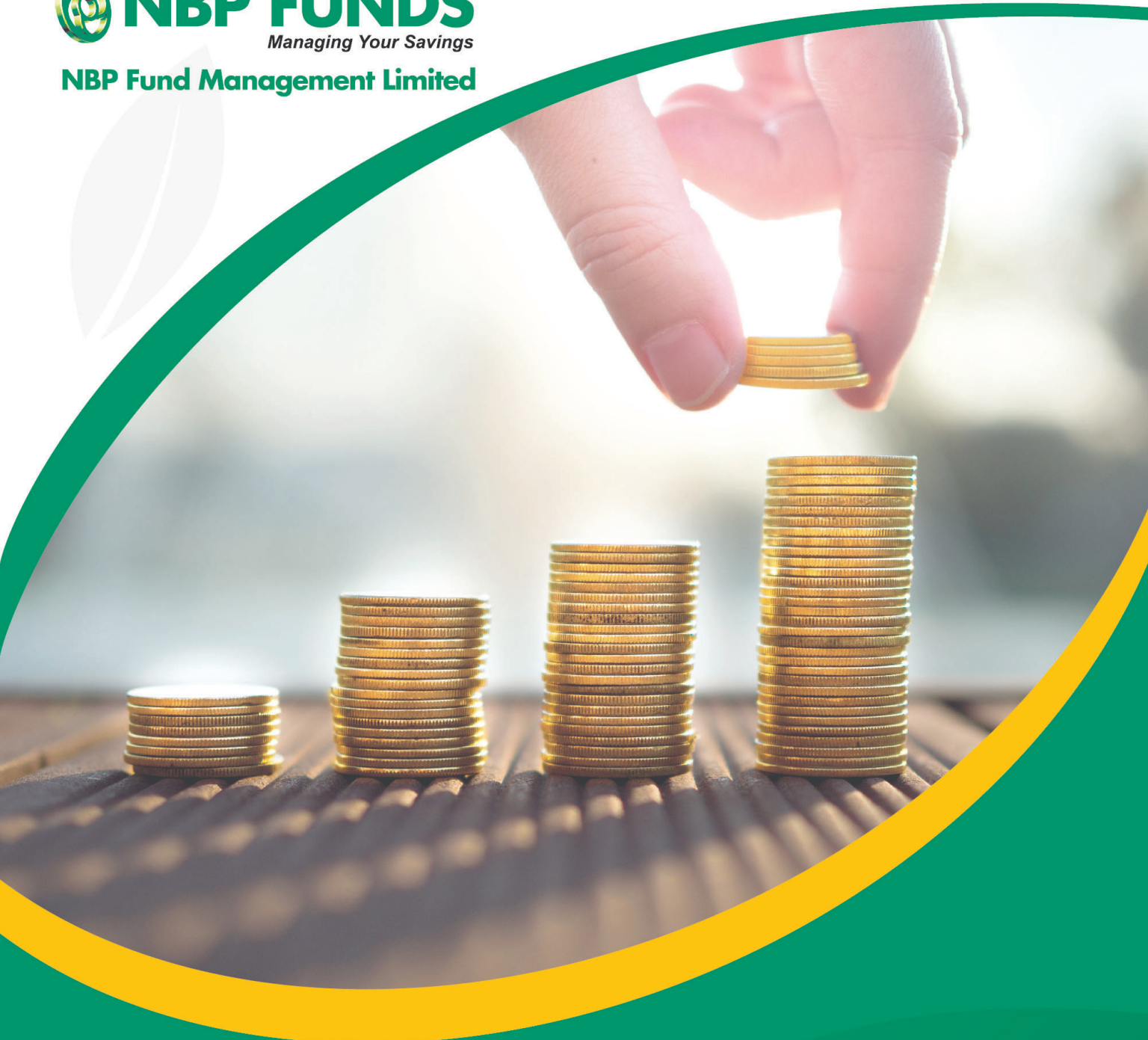




Managing Your Savings

NBP Fund Management Limited



NBP FINANCIAL SECTOR INCOME FUND

ANNUAL REPORT
JUNE 30, 2025

AM1
Rated by PACRA

MISSION STATEMENT

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

Contents

FUND'S INFORMATION	03
DIRECTORS' REPORT	07
TRUSTEE REPORT TO THE UNIT HOLDERS	13
FUND MANAGER REPORT	14
INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS	17
STATEMENT OF ASSETS AND LIABILITIES	20
INCOME STATEMENT	21
STATEMENT OF COMPREHENSIVE INCOME	22
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	23
CASH FLOW STATEMENT	24
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS	25
PERFORMANCE TABLE	60

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
Mr. Umar Ahsan Khan	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
Mr. Umar Ahsan Khan	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 Shahra-e-Faisal, Karachi.

Bankers to the Fund

MCB Bank Limited	Zarai Taraqiyate Bank Limited
JS Bank Limited	MCB Islamic Bank Limited
Meezan Bank Limited	Faysal Bank Limited
Habib Bank Limited	The Bank of Punjab
United Bank Limited	Albaraka Bank of Pakistan
Bank Alfalah Limited	Bank Islami Pakistan Limited
Bank Al Habib Limited	U Microfinance Bank Limited
Askari Bank Limited	Telenor Microfinance Bank
Habib Metropolitan Bank Limited	Khushhali Microfinance Bank Limited
Allied Bank Limited	HBL Microfinance Bank Limited
National Bank of Pakistan	Mobilink Microfinance Bank Limited
Soneri Bank Limited	Dubai Islamic Bank Limited

Auditors

Yousuf Adil
Chartered Accountants
Cavish Court,
A-35, Block 7 & 8,
KCHSU, Sharae Faisal
Karachi-75350 Pakistan.

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

Board of Directors



Dr. Amjad Waheed, CFA
Chief Executive Officer



Shaikh Muhammad Abdul Wahid Sethi
Chairman



Mr. Khalid Mansoor
Director



Mr. Saad Amanullah Khan
Director



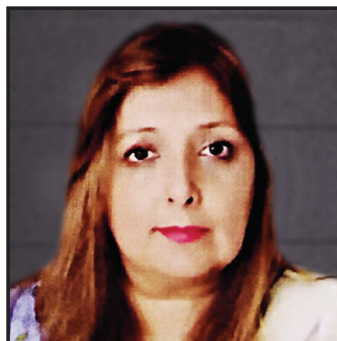
Mr. Faisal Ahmed
Director



Mr. Ali Saigol
Director



Mr. Umar Ahsan Khan
Director



Ms. Mehnaz Salar
Director



Mr. Imran Zaffar
Director

Senior Management



Dr. Amjad Waheed, CFA
Chief Executive Officer



Mr. Muhammad Murtaza Ali
Chief Operating Officer &
Company Secretary



Mr. Asim Wahab Khan, CFA
Chief Investment Officer



Mr. Ozair Ali Khan
Chief Technology Officer



Mr. Zaheer Iqbal, ACA FPFA
Chief Financial Officer



Mr. Raza Jafri
Head of Portfolio &
Investment Advisory



Mr. Salman Ahmed, CFA
Head of Fixed Income



Mr. Muhammad Umer Khan
Head of Human Resources &
Administration



Syed Sharoz Mazhar, CFA
Head of Business &
Sales Strategy



Mr. Hassan Raza, CFA
Head of Equity



Mr. Waheed Abidi
Head of Internal Audit



Mr. Mustafa Farooq
Head of Compliance,
Risk & Legal



Mr. Muhammad Waseem
Head of Research

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the 14th Annual Report of **NBP Financial Sector Income Fund (NFSIF)** for the year ended June 30, 2025.

Fund's Performance

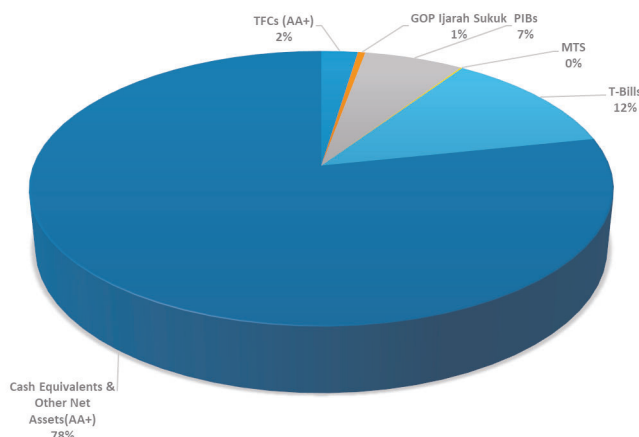
The State Bank of Pakistan (SBP) conducted twenty-seven (27) T-Bill auctions, targeting approximately Rs. 15,335 billion against maturities totaling around Rs. 18,636 billion. Accepted bids amounted to a cumulative realization of roughly Rs. 16,000 billion, across 1-month to 12-months tenures. Besides, twelve (12) PIB-Fixed auctions, with bids accepted to a cumulative realization of roughly Rs. 3,479 billion. The yield trend showed a steady decline throughout the fiscal year, with short-term T-Bill cut-off rates falling from over 20% early in the year to around 11% by the latest auctions, and PIB rates also easing across tenures. The liquidity management strategy reflected market demand, maturity pressures, and policy alignment - acceptance patterns favored shorter tenures with selective PIB participation, particularly in 2 to 10-year tenures, while longer maturities (15 to 30 years) saw minimal or rejected interest.

Real GDP grew by 2.7% in FY25, falling short of the government's target of 3.6%. Inflation averaged 4.5%, significantly below the budgeted target of 12%, driven by declining food and fuel prices, prudent monetary policy, and favorable base effect. Despite notable gains, the MPC maintained a cautious stance, flagging downside risks from tariff adjustments, global economic uncertainty, fiscal slippages, and challenges in revenue mobilization. The SBP emphasized the critical role of structural reforms, continued fiscal discipline, and coherent policy execution to reinforce stability and sustain the recovery into FY26.

The Fund is unique as it invests a minimum 70% of its assets in financial sector (mainly banks) debt securities, instruments or deposits. Minimum entity/instrument rating of debt securities is 'AA-'. This minimizes credit risk and at the same time enhances the liquidity of the Fund. Duration of the Fund cannot be more than one year. This minimizes interest rate or pricing risk. The Fund invests 25% of its assets in less than 90 days T-Bills or saving accounts with banks, which further enhances the liquidity profile of the Fund. The Fund has been assigned 'A+' (f) fund stability rating by PACRA.

The trading activity in corporate bonds remained thin, with few fresh issuances of TFCs and Sukuks, mostly in the Textile, Chemical, and Power & Distribution sectors. During FY25, Pakistan's Monetary Policy Committee (MPC) reduced the Policy Rate significantly from 20.5% to 11%, responding to a sustained decline in inflation, and considerable improvement on the external front. This easing cycle was underpinned by stable global commodity prices, moderation in food and energy inflation, softening market yields, and strong remittance inflows. The country's FX reserves increased from \$9.39 billion in July 2024 to \$14.31 billion by the end of FY25. This surge was driven by multilateral inflows and disciplined macroeconomic management particularly on the external front.

The size of NBP Financial Sector Income Fund has increased from Rs. 59,665 million to Rs. 75,068 million during the period (an increase of 26%). During the period, the unit price of the Fund has increased from Rs. 9.2895 (Ex-Div) on June 30, 2024 to Rs. 10.6788 on June 30, 2025, thus showing a return of 15.0% as compared to the benchmark return of 13.8% for the same period. The performance of the Fund is net of management fee and other expenses. The Fund has earned a total income of Rs. 9,826.63 million during the year. After deducting total expenses of Rs. 1,002.34 million, the net income is Rs. 8,824.29 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NFSIF.



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 14.70% of the opening ex-NAV (15.67% of the par value) during the year ended June 30, 2025.

Taxation

As the above cash dividend is more than 90% of the income earned during the year, as reduced by accumulated losses and capital gains, whether realized or unrealized, the Fund is not subject to tax under Clause 99 of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

Auditors

The present auditors, Messrs Yousuf Adil & Co., Chartered Accountants, retire and, being eligible, offer themselves for re-appointment for the year ending June 30, 2026.

Directors' Statement in Compliance with best practices contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019

1. The financial statements, prepared by the management company, present fairly the state of affairs of the Fund, the result of its operations, cash flows and statement of movement in unit holders' funds.
2. Proper books of account of the Fund have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts upon the Fund's ability to continue as a going concern.
7. There has been no material departure from the best practices of Corporate Governance.
8. A performance table/ key financial data is given in this annual report.
9. Outstanding statutory payments on account of taxes, duties, levies and charges, if any, have been fully disclosed in the financial statements.
10. The Board of Directors of the Management Company held eight meetings during the year. The attendance of all directors is disclosed in the note 29 to these financial statements.
11. The detailed pattern of unit holding is disclosed in the note 28 to these financial statements.
12. All trades in the units of the Fund, carried out by directors, CEO, CFO, Company Secretary and their spouses and minor children are disclosed in note 20 to these financial statements.
13. The Management Company encourages representation of independent non-executive directors on its Board. The Company, being an un-listed company, does not have any minority interest. As at June 30, 2025, the Board included:

Category	Names
Independent Directors	1. Mr. Khalid Mansoor 2. Mr. Saad Amanullah Khan 3. Mr. Umar Ahsan Khan
Executive Director	Dr. Amjad Waheed - Chief Executive Officer
Non-Executive Directors	1. Shaikh Muhammad Abdul Wahid Sethi (Chairman) 2. Mr. Faisal Ahmed 3. Ms. Mehnaz Salar 4. Mr. Ali Saigol 5. Mr. Imran Zaffar

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: August 21, 2025
Place: Karachi.

ڈائریکٹرز رپورٹ

این بی پی فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز NBP فنانشل سیکٹور انکم فنڈ (NFSIF) کی چودھویں سالانہ رپورٹ برائے تختہ سال 30 جون 2025ء پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

فنڈ کی کارکردگی

اسٹیٹ بینک آف پاکستان (SBP) نے مالی سال کے دوران 27 ٹی بلز کی نیلامیاں منعقد کیں، جن کا ہدف تقریباً 15,335 ارب روپے تھا، جبکہ اسی دوران تقریباً 18,636 ارب روپے کی بیچوریٹیز سامنے آئیں۔ منظور شدہ نیلامیوں کے ذریعے تقریباً 16,000 ارب روپے اکٹھے کیے گئے، جن کی مدت ایک ماہ سے بارہ ماہ تک رہی۔ سال بھر شرح منافع میں بتدریج کمی دیکھنے کو ملی، اور مختصر مدتی ٹی بلز کے کٹ آف ریٹس سال کے آغاز میں 20% سے زائد سے کم ہو کر آخری نیلامی تک تقریباً 11% تک آگئے۔ لیکویڈیٹی مینجمنٹ کی اس حکمت عملی نے مارکیٹ کی طلب، بیچوریٹیز پریشز اور پالیسی کے تقاضوں کو مدنظر رکھا۔ جس کے تحت زیادہ تر سرمایہ کاری مختصر مدت کے لیے قبول کی گئی۔

مالی سال 2025 میں حقیقی جی ڈی پی میں 2.7% اضافہ ہوا، جو حکومت کے مقررہ ہدف 3.6% سے کم رہا۔ مہنگائی اوسطاً 4.5% رہی، جو بجٹ کے ہدف 12% سے نمایاں طور پر کم تھی۔ اس کمی کی بنیادی وجوہات خوراک اور ایندھن کی قیمتوں میں کمی جتنا طو موٹیری پالیسی اور گزشتہ سال کے موافق اثرات (Base Effect) تھے۔ اگرچہ نمایاں بہتری ریکارڈ ہوئی، مگر ایم پی سی نے محتاط رویہ برقرار رکھا اور اس بات پر زور دیا کہ ٹیرف ایڈجسٹمنٹس، عالمی معاشی غیر یقینی صورتحال، مالیاتی کمزوریاں اور محصولات بڑھانے میں درپیش چیلنجز ممکنہ خطرات کا باعث بن سکتے ہیں۔ اسٹیٹ بینک نے اس بات پر زور دیا کہ مالی سال 2026 میں استحکام اور بحالی کے تسلسل کے لیے ساختی اصلاحات، مالیاتی نظم و ضبط اور مربوط پالیسی عملدرآمد کلیدی اہمیت رکھتے ہیں۔

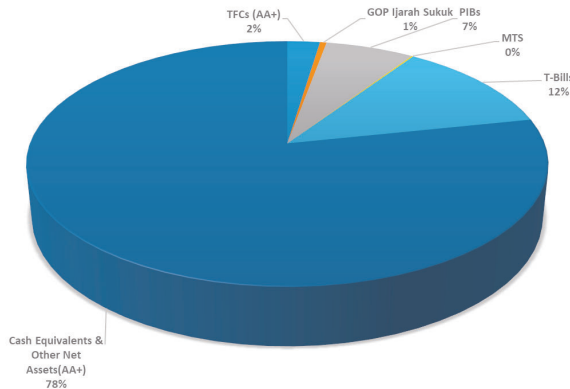
یہ فنڈ منفرد ہے کیونکہ یہ اپنے اثاثوں کا کم از کم 70% مالیاتی شعبے (بنیادی طور پر بینکوں) کے قرضوں کی سیکورٹیز، آلات یا ڈائریٹس میں لگاتا ہے۔ قرض کی ضمانتوں کی کم از کم ہستی/آلہ کی درجہ بندی 'AA' ہے۔ یہ کریڈٹ رسک کو کم کرتا ہے اور ساتھ ہی لیکویڈیٹی کو بڑھاتا ہے۔ فنڈ کی مدت ایک سال سے زیادہ نہیں ہو سکتی۔ یہ شرح سود یا قیمتوں کے خطرے کو کم کرتا ہے۔ فنڈ اپنے اثاثوں کا 25% 90 دنوں سے بھی کم وقت میں T-Bills یا بینکوں کے ہاں بچت کھاتوں میں لگاتا ہے، جس سے فنڈ کی لیکویڈیٹی پروفاصل میں مزید اضافہ ہوتا ہے۔ فنڈ کو PACRA کی طرف سے 'A+(f)' کی مستحکم ریٹنگ تفویض کی گئی ہے۔

مالی سال 2025 کے دوران، پاکستان کی موٹیری پالیسی کمیٹی (MPC) نے پالیسی ریٹ میں نمایاں کمی کرتے ہوئے اسے 20.5% سے کم کر کے 11% کر دیا۔ یہ اقدام مہنگائی میں مسلسل کمی اور بیرونی شعبے میں خاطر خواہ بہتری کے ردعمل کے طور پر کیا گیا۔ اس زمری کے سلسلے کو عالمی کموڈٹی قیمتوں میں استحکام، خوراک اور توانائی کی مہنگائی میں کمی، مارکیٹ شرح منافع کے نرم ہونے اور ترسیلات زر میں مضبوط اضافے نے سہارا دیا۔ ملک کے زرمبادلہ کے ذخائر جولائی 2024 میں 9.39 ارب ڈالر سے بڑھ کر مالی سال کے اختتام تک 14.31 ارب ڈالر ہو گئے۔ یہ اضافہ کثیرالچھتی قوم کی آمد اور خصوصاً بیرونی شعبے میں مؤثر میکرو اکنامک نظم و ضبط کے باعث ممکن ہوا۔

NBP فنانشل سیکٹور انکم فنڈ کا سائز 59,665 ملین روپے سیدھلر موجودہ مدت کے دوران 75,068 ملین روپے ہو گیا (26% کا اضافہ)۔ مدت کے دوران فنڈ کے پونٹ کی قیمت 30 جون 2024 کو (Ex-Div) 9.2895 روپے سے بڑھ کر 10.6788 روپے ہو چکی ہے، لہذا فنڈ نے اسی مدت کے دوران 13.8% نتیجہ مارک منافع کے مقابلے میں 15.0% منافع دیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ کو سال کے دوران 9,826.63 ملین روپے کی کل آمدنی ہوئی۔ 1,002.34 ملین روپے کے مجموعی اخراجات منہا کرنے کے بعد، خالص آمدنی 8,824.29 ملین روپے ہے۔

درج ذیل چارٹ NFSIF کی ہر ایک ذیلی ایسٹ کلاسوں کی ایسٹ ایلوکیشن اور مجموعی اوسط کریڈٹ ریٹنگ کی نمائندگی کرتا ہے:



آمدنی کی تقسیم

بینچسٹ کمپنی کے بورڈ آف ڈائریکٹرز نے سال 30 جون 2025 کے اختتام کے بعد اویپنگ ex-NAV کا % 14.70 (بنیادی قدر کا % 15.67) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

تعمیرات

چونکہ مذکورہ بالا نقد منافع منقسمہ سال کے دوران حاصل ہونے والی آمدنی میں سے سرمایہ کاری پر حاصل ہونے والے محصول شدہ اور غیر محصول شدہ کیپٹل گین منہا کرنے کے بعد 90 فیصد سے زائد ہے، اس لئے فنڈ پر ایک ٹیکس آرڈیننس 2001 کے دوسرے شیڈول کے حصہ اول کی شرح 99 کے تحت ٹیکس لگائے گا جو نہیں ہوتا ہے۔

آڈیٹرز

موجودہ آڈیٹرز، میسرز یوسف عادل اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، رینائر ہوگئے ہیں اور اہل ہونے کی بناء پر 30 جون 2026 کو ختم ہونے والے سال کے لئے اپنے آپ کو دوبارہ تقرری کے لئے پیش کرتے ہیں۔

لسٹڈ کمپنیز (کوڈ آف کارپوریشن گورننس) ریگولیشنز 2019 میں شامل بہترین عوامل کی بیرونی ڈائریکٹرز اسٹیٹمنٹ

1. بینچسٹ کمپنی کی طرف سے تیار کردہ، مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کیش فلوا اور یونٹ ہولڈرز فنڈز میں تبدیلی کی مصفاہ عکاسی کرتے ہیں۔
2. فنڈ کے اکاؤنٹس کے کھاتے درست انداز میں رکھے ہوئے ہیں۔
3. مالی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کی مسلسل بیرونی کی گئی ہے۔ شہریاتی تخمینے مناسب اور معقول نظریات پر مبنی ہیں۔
4. ان مالیاتی گوشواروں کی تیاری میں مالیاتی رپورٹنگ کے بین الاقوامی، معیاروں، جہاں تک وہ پاکستان میں قابل اطلاق ہیں، کی بیرونی کی گئی ہے۔
5. انٹرنل کنٹرول کا نظام مستحکم اور موثر طریقے سے نافذ ہے اور اس کی مسلسل نگرانی کی جاتی ہے۔
6. فنڈ کی رواں دواں رہنے کی صلاحیت کے بارے میں کوئی شکوک و شبہات نہیں ہیں۔
7. کارپوریٹ گورننس کی اعلیٰ ترین روایات سے کوئی پہلو تہی نہیں کی گئی۔
8. پرفارمنس ٹیبل / اہم مالیاتی ڈیٹا اس سالانہ رپورٹ میں شامل ہیں۔
9. ٹیکسوں، ڈیویڈنڈ، محصولات اور چارجز کی مد میں واجب الادا سرکاری ادائیگیاں مالیاتی گوشواروں میں پوری طرح ظاہر کر دی گئی ہیں۔
10. اس مدت کے دوران بینچسٹ کمپنی کے بورڈ آف ڈائریکٹرز کے آٹھ اجلاس منعقد ہوئے۔ تمام ڈائریکٹرز کی حاضری ان مالیاتی گوشواروں کے نوٹ 29 میں ظاہر کی گئی ہے۔
11. یونٹ ہولڈنگ کا تفصیلی پینن مالیاتی گوشواروں کے نوٹ 28 میں ظاہر کیا گیا ہے۔
12. ڈائریکٹرز ہی ای او، ای ایف او، کمپنی سیکرٹری اور ان کی شریک حیات اور کم عمر بچوں کی طرف سے کی جانے والی فنڈ کے یونٹس کی تمام خرید و فروخت ان مالیاتی گوشواروں کے نوٹ 20 میں ظاہر کی گئی ہے۔
13. کمپنی اپنے بورڈ آف ڈائریکٹرز میں غیر جانبدارانہ ایگزیکٹو ڈائریکٹرز کی نمائندگی کی حوصلہ افزائی کرتی ہے۔ کمپنی ایک غیر فہرست شدہ کمپنی ہونے کے ناطہ کوئی منارٹی انٹریسٹ نہیں رکھتی۔ 30 جون 2025 کو بورڈ آف ڈائریکٹرز درج ذیل ارکان پر مشتمل ہیں:

نام	کیٹگری
1. جناب خالد منصور 2. جناب سعد امان اللہ خان 3. جناب عمر احسن خان	غیر جانبدار ڈائریکٹرز
ڈاکٹر امجد وحید (چیف ایگزیکٹو آفیسر)	ایگزیکٹو ڈائریکٹر
1. شیخ محمد عبدالواحد سیٹھی (چیئرمین) 2. جناب فیصل احمد 3. محترمہ مہناز سالار 4. جناب علی سیگل 5. جناب عمران ظفر	نان ایگزیکٹو ڈائریکٹرز



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ انویسٹمنٹ کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے ٹپس 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: 21 اگست 2025ء

مقام: کراچی

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Financial Sector Income 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 year ended June 30, 2025 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, September 29, 2025

FUND MANAGER REPORT

NBP Financial Sector Income Fund

NBP Financial Sector Income Fund (NFSIF) is an Open-End Income Scheme.

Investment Objective of the Fund

The objective of NBP Financial Sector Income Fund is to provide income enhancement and preservation of capital by investing in prime quality Financial Sector TFCs/Sukuks, Bank deposits and short-term money market instruments.

Benchmark

75% six (6) months KIBOR + 25% six (6) months average of the highest rates on savings accounts of three (3) AA rated scheduled Banks as selected by MUFAP.*effective from Jan 01, 2025; Previously 6-Month KIBOR

Fund Performance Review

This is the 14th Annual report since the launch of the Fund on October 28, 2011. The Fund size increased by 26% and stands at Rs. 75.1 billion as of June 30, 2025. During FY25 the Fund posted a return of 15.0% versus the benchmark return of 13.8%. The Fund's return since inception is 11.2% p.a. During the same period, the benchmark return has been 10.7% p.a. This translates into outperformance of 0.5% p.a. This outperformance is net of management fee and all other expenses.

The Fund is unique as it invests a minimum of 70% of its assets in the financial sector (mainly banks) debt securities, instruments, or deposits. The minimum entity/instrument rating of debt securities is AA. This minimizes credit risk and at the same time enhances the liquidity of the Fund. The fund is rated 'A+(f)' by PACRA. The duration of the Fund cannot be more than one year. This minimizes interest rate or pricing risk. The Fund invests 25% of its assets in less than 90 days T-Bills or saving accounts with banks, which further enhances the liquidity profile of the Fund.

The trading activity in corporate bonds remained thin, with few fresh issuances of TFCs and Sukuks, mostly in the Textile, Chemical, and Power & Distribution sectors. During FY25, Pakistan's Monetary Policy Committee (MPC) reduced the Policy Rate significantly from 20.5% to 11%, responding to a sustained decline in inflation, and considerable improvement on the external front. This easing cycle was underpinned by stable global commodity prices, moderation in food and energy inflation, softening market yields, and strong remittance inflows. The country's FX reserves increased from \$9.39 billion in July 2024 to \$14.31 billion by the end of FY25. This surge was driven by multilateral inflows and disciplined macroeconomic management particularly on the external front.

Real GDP grew by 2.7% in FY25, falling short of the government's target of 3.6%. Inflation averaged 4.5%, significantly below the budgeted target of 12%, driven by declining food and fuel prices, prudent monetary policy, and favorable base effect. Despite notable gains, the MPC maintained a cautious stance, flagging downside risks from tariff adjustments, global economic uncertainty, fiscal slippages, and challenges in revenue mobilization. The SBP emphasized the critical role of structural reforms, continued fiscal discipline, and coherent policy execution to reinforce stability and sustain the recovery into FY26.

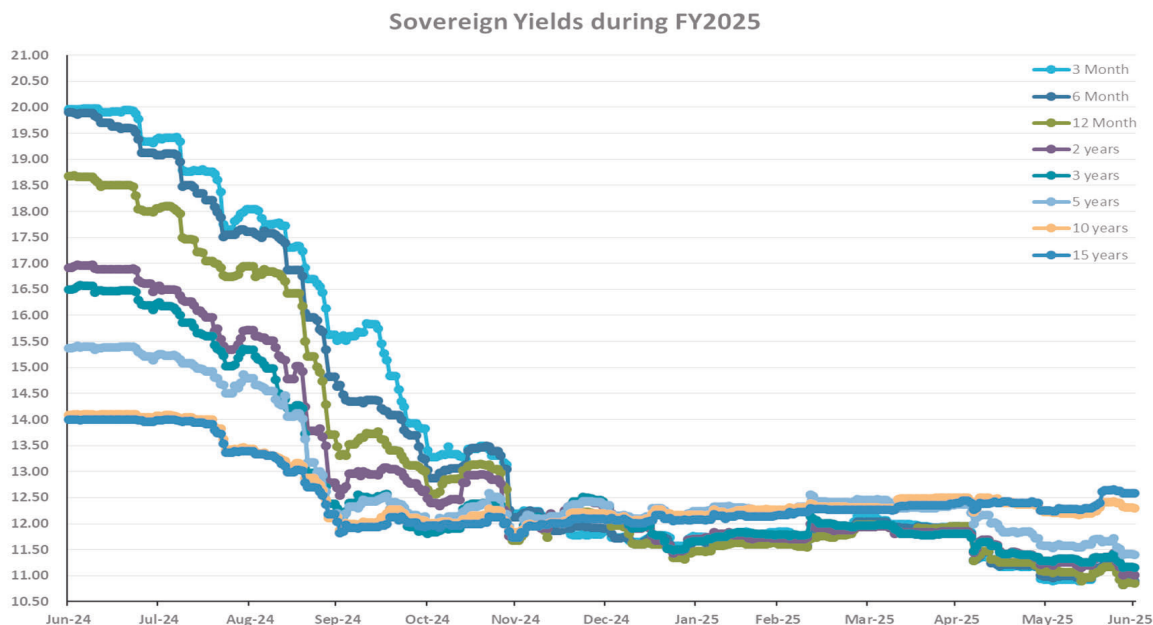
The State Bank of Pakistan (SBP) conducted twenty-seven (27) T-Bill auctions, targeting approximately Rs. 15,335 billion against maturities totaling around Rs. 18,636 billion. Accepted bids amounted to a cumulative realization of roughly Rs. 16,000 billion, across 1-month to 12-months tenures. Besides, twelve (12) PIB-Fixed auctions, with bids accepted to a cumulative realization of roughly Rs. 3,479 billion. The yield trend showed a steady decline throughout the fiscal year, with short-term T-Bill cut-off rates falling from over 20% early in the year to around 11% by the latest

auctions, and PIB rates also easing across tenures. The liquidity management strategy reflected market demand, maturity pressures, and policy alignment - acceptance patterns favored shorter tenures with selective PIB participation, particularly in 2 to 10-year tenures, while longer maturities (15 to 30 years) saw minimal or rejected interest.

Asset Allocation of Fund (% of NAV)

Particulars	30-Jun-25	30-Jun-24
TFCs / Sukuk	2.37%	3.87%
Money Market Placements	0.00%	3.41%
PIBs	6.46%	2.55%
GOP Ijara Sukuk	0.47%	2.70%
MTS	0.09%	0.73%
T-Bills	12.30%	9.20%
Cash, Bank Placements & Other Assets	78.31%	77.54%
Total	100.00%	100.00%

Sovereign Yields during the year are shown in the below graph:



Distribution for the Financial Year 2025

Interim Period / Quarter	Dividend as % of Par Value (Rs.10)	Cumulative Div. Price/Unit	Ex- Div. Price
June-2025	15.666%	12.2432	10.6766

Unit Holding Pattern of NBP Financial Sector Income Fund as on June 30, 2025

Size of Unit Holding (Units)	# of Unit Holders
0-0.99	1371
1-1000	4848
1001-5000	641
5001-10000	287
10001-50000	842
50001-100000	618
100001-500000	1412
500001-1000000	456
1000001-5000000	512
5000001-10000000	58
10000001-100000000	52
100000001-1000000000	6
1000000001-10000000000	1
Total	11,104

During the period under question:

There has been no significant change in the state of affairs of the Fund. NBP Financial Sector Income Fund does not have any soft commission arrangement with any broker in the industry.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

To the unit holders of NBP Financial Sector Income Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of NBP Financial Sector Income Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2025 and the income statement, the statement of comprehensive income, statement of movement in unit holders' fund and statement of cash flow for the year then ended, and notes to the financial statements, including a material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2025 and of its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund and NBP Fund Management Limited (the Management Company) in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	<p>Valuation and existence of investment</p> <p>Investments, held at fair value through profit or loss and amortised cost, are disclosed in note 6 to the financial statements and represent a significant item on the statement of assets and liabilities of the Fund.</p> <p>The Fund's primary activity is, inter alia, to invest in Government Securities (Market Treasury Bills, Pakistan Investment Bonds, GoP Ijarah Sukuks and Listed GoP Ijara), term finance certificates, letter of placement, term deposits receipt and certificate of investment, which are the main driver of the Fund's performance.</p> <p>Considering the above factors, the valuation and existence are significant areas during our audit due to which we have considered this as a key audit matter.</p>	<p>In this respect, we performed the following procedures:</p> <ul style="list-style-type: none"> Reviewed the processes and key controls relating to existence and valuation and evaluated the design and implementation of such controls; Independently verified existence of investments from the Central Depository Company (CDC) account Statement, Investment Portfolio Services (IPS) account statement and other relevant documents; Tested valuation of investments by verifying the average rates quoted on a widely used electronic quotation system (PKRV, PKFRV and PKISRV) rates, prices quoted at Mutual Fund Association of Pakistan (MUFAP) and prices quoted at Pakistan Stock Exchange (PSX); and Differences, if any, identified during our testing that were over our acceptable threshold were investigated further.

Information other than the financial statements and auditor's report thereon

Management Company is responsible for the other information. The other information comprises the information (Directors' Report, Fund Manager Report & Trustee Report to the Unit Holders) included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management Company and Those Charged with Governance for the financial statements

Management Company is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company are responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management Company.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide to the Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Nadeem Yousuf Adil**.

Yousuf Adil

Chartered Accountants

Place: Karachi

Date: September 04, 2025

UDIN: AR202510091MEkPHjFZi

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2025

ASSETS	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Bank balances	5	54,322,183	44,483,949
Investments	6	20,221,149	12,969,410
Receivable against margin trading system	7	67,278	433,357
Profit receivable	8	299,353	958,645
Receivables from funds under management by Management Company against conversion of units		6,521,650	1,493,755
Advance, deposit and prepayment	9	7,149	7,152
Total assets		81,438,762	60,346,268
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company	10	114,004	154,810
Payable to Central Depository Company of Pakistan Limited - Trustee	11	4,810	4,077
Payable to Securities and Exchange Commission of Pakistan	12	4,178	3,603
Payable against conversion and redemption of units		4,826,205	213,153
Accrued expenses and other liabilities	13	1,421,930	306,021
Total liabilities		6,371,127	681,664
NET ASSETS		75,067,635	59,664,604
UNITHOLDERS' FUND (AS PER STATEMENT ATTACHED)		75,067,635	59,664,604
CONTINGENCIES AND COMMITMENTS	14		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE	15	7,029,574,848	5,599,238,081
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		10.6788	10.6558

The annexed notes 1 to 32 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
Note	----- (Rupees in '000) -----	
INCOME		
Income on term deposit receipts	155,054	39,175
Income on term finance certificates, sukuks and commercial papers	405,868	700,138
Income on Market Treasury Bills and Pakistan Investment Bonds	2,398,209	715,000
Income on letter of placement	2,015,921	764,239
Income on certificate of investment	33,920	28,155
Income on margin trading system	190,033	79,016
Profit on bank deposits	4,424,549	6,308,408
Gain / (loss) on sale of investments - net	149,388	(26,703)
Net unrealised appreciation / (diminution) on re-measurement of investments classified as financial asset at 'fair value through profit or loss' (FVTPL)	6.9 53,686	12,587
	203,074	(14,116)
Total income	9,826,628	8,620,015
EXPENSES		
Remuneration of NBP Fund Management Limited - Management Company	10.1 681,285	414,028
Sindh Sales Tax on remuneration of Management Company	10.3 102,193	53,824
Remuneration of Central Depository Company of Pakistan Limited -Trustee	11.1 48,408	29,059
Sindh Sales Tax on remuneration of Trustee	11.2 7,261	3,778
Reimbursement of selling and marketing expenses	10.4 45,488	60,707
Sindh Sales Tax reimbursement of selling and marketing expenses	6,823	-
Reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	10.5 41,484	57,565
Sindh Sales Tax reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	6,223	-
Annual fee - Securities and Exchange Commission of Pakistan	48,408	29,059
Settlement and bank charges	11,149	3,088
Auditors' remuneration	16 1,213	941
Mutual fund rating fee	723	289
Securities transaction cost	1,489	831
Professional charges	150	150
Annual listing fee	31	27
Printing charges	16	3
Total expenses	1,002,344	653,349
Net income from operating activities	8,824,284	7,966,666
Net income for the year before taxation	8,824,284	7,966,666
Taxation	17 -	-
Net income for the year after taxation	8,824,284	7,966,666
Earnings per unit	18	
Allocation of net income for the year		
Net income for the year	8,824,284	7,966,666
Income already paid on units redeemed	(7,475,980)	(1,236,146)
	1,348,304	6,730,520
Accounting income available for distribution:		
- Relating to capital gains	203,074	-
- Excluding capital gains	1,145,230	6,730,520
	1,348,304	6,730,520

The annexed notes 1 to 32 form an integral part of these financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2025

	2025 ----- (Rupees in '000) -----	2024 -----
Net income for the year after taxation	8,824,284	7,966,666
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>8,824,284</u>	<u>7,966,666</u>

The annexed notes 1 to 32 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND FOR THE YEAR ENDED JUNE 30, 2025

	2025			2024		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	----- (Rupees in '000) -----					
Net assets at beginning of the year	59,151,460	513,145	59,664,605	25,333,110	383,694	25,716,804
Issuance of 13,044,671,522 units (2024: 9,983,714,120 units)						
- Capital value (at ex - net assets value per unit)	139,001,411	-	139,001,411	106,097,928	-	106,097,928
- Element of income	6,459,879	-	6,459,879	1,432,419	-	1,432,419
Total proceeds on issuance of units	145,461,290	-	145,461,290	107,530,347	-	107,530,347
Redemption of 11,614,334,755 units (2024: 6,804,404,842 units)						
- Capital value (at ex - net assets value per unit)	(123,760,028)	-	(123,760,028)	(72,311,091)	-	(72,311,091)
- Element of income	(5,390,652)	(7,475,980)	(12,866,632)	(298,755)	(1,236,146)	(1,534,901)
Total payments on redemption of units	(129,150,680)	(7,475,980)	(136,626,660)	(72,609,846)	(1,236,146)	(73,845,992)
Distribution for the year						
(Cash Distribution @ Re. 0.3658 per unit declared on August 29, 2023)	-	-	-	(80,705)	(832,288)	(912,993)
Total distribution	-	-	-	(80,705)	(832,288)	(912,993)
Distribution for the year						
(Cash Distribution @ Re. 0.3541 per unit declared on October 24, 2023)	-	-	-	(93,631)	(824,969)	(918,600)
Total distribution	-	-	-	(93,631)	(824,969)	(918,600)
Distribution for the year						
(Cash Distribution @ Re. 0.4012 per unit declared on December 27, 2023)	-	-	-	(129,609)	(784,133)	(913,742)
Total distribution	-	-	-	(129,609)	(784,133)	(913,742)
Distribution for the year						
(Cash Distribution @ Re. 0.3751 per unit declared on February 27, 2024)	-	-	-	(605,705)	(1,014,929)	(1,620,634)
Total distribution	-	-	-	(605,705)	(1,014,929)	(1,620,634)
Distribution for the year						
(Cash Distribution @ Re. 1.5621 per unit declared on June 24, 2025)	(1,015,074)	(1,208,265)	(2,223,339)	(56,637)	(1,491,674)	(1,548,311)
April 24, 2024 Re. 0.3408 per unit						
Total distribution	(1,015,074)	(1,208,265)	(2,223,339)	(56,637)	(1,491,674)	(1,548,311)
Distribution for the year						
(Cash Distribution @ Re. 0.0045 per unit declared on June 30, 2024)	(10,542)	(22,003)	(32,545)	(135,864)	(1,653,076)	(1,788,940)
June 26, 2024 Re. 0.3748 per unit						
Total distribution	(10,542)	(22,003)	(32,545)	(135,864)	(1,653,076)	(1,788,940)
Total comprehensive income for the year	-	8,824,284	8,824,284	-	7,966,666	7,966,666
Net assets at end of the year	74,436,454	631,181	75,067,635	59,151,460	513,145	59,664,605
Undistributed income brought forward						
- Realised income		500,558			427,672	
- Unrealised (loss) / gain		12,587			(43,978)	
		513,145			383,694	
Accounting income available for distribution:						
- Relating to capital gains	203,074				-	
- Excluding capital gains	1,145,230				6,730,520	
	1,348,304				6,730,520	
Distribution during the year	(1,230,268)				(6,601,069)	
Undistributed income carried forward	631,181				513,145	
Undistributed income carried forward						
- Realised		577,495			500,558	
- Unrealised gain / (loss)		53,686			12,587	
		631,181			513,145	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the year			<u>10.6558</u>			<u>10.6271</u>
Net assets value per unit at end of the year			<u>10.6788</u>			<u>10.6558</u>

The annexed notes 1 to 32 form an integral part of these financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024 -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		8,824,284	7,966,666
Adjustments:			
Net unrealised (appreciation) / diminution on re-measurement of investments at 'fair value through profit or loss'		(53,686)	(12,587)
		8,770,598	7,954,079
(Increase) / decrease in assets			
Investments - net		(6,729,448)	(7,295,897)
Receivable against Margin Trading System		366,079	(433,357)
Profit receivable		659,292	(433,161)
Advance, deposit and prepayment		3	(209)
		(5,704,074)	(8,162,624)
Increase / (Decrease) in liabilities			
Payable to NBP Fund Management Limited - Management Company		(40,806)	85,207
Payable to Central Depository Company of Pakistan Limited - Trustee		733	2,371
Payable to Securities and Exchange Commission of Pakistan		575	(6,227)
Accrued expenses and other liabilities		1,115,909	196,611
		1,076,411	277,962
Net cash generated from operating activities		4,142,935	69,417
CASH FLOWS FROM FINANCING ACTIVITIES			
Amounts received against issuance of units		139,407,780	104,964,219
Payment against redemption of units		(132,013,608)	(73,778,562)
Cash dividend paid		(1,230,268)	(6,601,069)
Net cash generated from / (used in) financing activities		6,163,904	24,584,588
Net increase / (decrease) in cash and cash equivalents		10,306,839	24,654,005
Cash and cash equivalents at beginning of the year		47,015,344	22,361,339
Cash and cash equivalents at end of the year	21	57,322,183	47,015,344

The annexed notes 1 to 32 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NBP Financial Sector Income Fund (the Fund) was established under a Trust Deed entered into July 28, 2011 between NBP Fund Management Limited as the Management Company and the 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 July 11, 2011 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2 During the year ended June 30, 2021 the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely " Sindh Trust Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on October 14, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act."
- 1.3 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of Mutual Funds Association of Pakistan (MUFAP).
- 1.4 The Fund is an open-ended mutual fund classified as an "income scheme" by the Management Company as per the criteria for categorization of open end collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP) and other allied matters and is listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.5 The core objective of the Fund is to provide income enhancement and preservation of capital by investing in prime quality Financial Sector term finance certificates (TFCs) / sukuks, bank deposits and short-term money market instruments.
- 1.6 The Pakistan Credit Rating Agency Limited (PACRA) has reaffirmed an asset manager rating of AM1 as on May 05, 2025 (2024: AM1 as 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, PACRA has maintained the stability rating of the Fund to A+(f) on April 17, 2025 (2024: A+(f) on March 28, 2024).
- 1.7 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.
- 1.8 The Fund also provides accidental death (free), life insurance / life takaful and health coverage to unitholders of the Fund as stated in the Offering Document.

The cost of premium is borne by the investor (where applicable). Such premium cost is deducted from the unit holder's investment on a monthly basis in case of life insurance and annual basis in case of health insurance and deposited with the Insurance Company / Takaful Operator by the Management Company as per the terms and conditions of the Insurance / Takaful coverage defined in the Insurance / Takaful policy document signed between the Insurance Company / Takaful Operator and Management Company.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS standards) 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 the requirements of Part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulations) 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 requirements of the Trust Deed differ from the IFRS Standards, 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 requirements of the Trust Deed have been followed.

2.1.2 The SECP vide SRO 800 (I)/2021 dated June 22, 2021 modified the effective date for applicability of International Financial Reporting Standard 9 (IFRS 9) - Financial Instruments in place of International Accounting Standard 39 (Financial Instruments: Recognition and Measurement) for Non-Banking Finance Companies and Modarabas, as "Reporting period / year ending on or after June 30, 2022 (earlier application permitted)". As permitted, the Fund had already applied IFRS-9 during the year ended June 30, 2019 with the exception of below mentioned impairment requirements as referred in note 2.1.3 of these financial statements.

2.1.3 The SECP vide letter ref SCD / AMCW / RS / MUFAP / 2017-148 dated November 21, 2017 has deferred the applicability of impairment requirements of International Financial Reporting Standard 9 (IFRS 9) "Financial Instruments" in relation to debt securities for mutual funds. Accordingly, the impairment requirements of IFRS 9 have not been considered for debt securities and requirements of SECP Circular 33 of 2012 have continued to be followed.

2.2 Accounting convention

These financial statements are prepared under the historical cost convention except for investments which are carried at fair value.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupees, which is the Fund's functional and presentation currency.

2.4 Use of judgments and estimates

In preparing these financial statements, management has made judgement, estimates and assumptions that affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively.

Information about judgements made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements and assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the subsequent year is included in the following notes:

- Valuation of investment (4.2.5);
- Provisions (Note 4.4); and
- Classification and impairment of financial assets (Note 4.2.2.1 and 4.2.3).

3 ADOPTION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO THE PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025.

The following amendments are effective for the year ended June 30, 2025. These amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Funds's financial statements other than certain additional disclosures.

- Amendments to IFRS 16 'Leases' -Clarification on how seller-lessee subsequently measures sale and leaseback transactions.
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Convenants.
- Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements.

3.2 New accounting standards / amendments and IFRS interpretations that are not yet effective

The following standard and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments and standards are either not relevant to the Funds' operations or are not expected to have significant impact on the Funds' financial statements other than certain additional disclosures.

Effective from accounting periods beginning on or after:

- | | |
|--|-----------------------------------|
| - Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability | January 01, 2025 |
| - IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17) | January 01, 2026 |
| - IFRS 7 - Financial Instruments: Disclosures | |
| - Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Classification and measurement of financial instruments | July 01, 2025
January 01, 2026 |
| - Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7) | January 01, 2026 |
| - Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Contracts Referencing Nature-dependent Electricity | January 01, 2026 |

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 18 – Presentation and Disclosures in Financial Statements
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures

4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

During the year, the Fund adopted Disclosure of Accounting Policies (Amendment to IAS 01) effective for annual reporting periods beginning on or after January 1, 2023. The amendment required the disclosure of 'material', rather than 'significant' accounting policies. The amendments did not result in any changes to the accounting policies themselves.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

4.2 Financial instruments

The Fund applied IFRS 9 (refer note 2.1.2) except for impairment requirements for which the Fund has continued to follow the requirements of SECP (refer note 2.1.3).

4.2.1 Initial recognition and measurement

The Fund recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial assets or liabilities, as appropriate, on initial recognition. Transaction costs pertaining to financial assets or financial liabilities at fair value through profit or loss are recognised in the income statement.

4.2.2 Classification and subsequent measurement

4.2.2.1 Financial assets

There are three principal classification categories for financial assets:

- Amortised cost (AC);
- At fair value through other comprehensive income (FVTOCI); and
- At fair value through profit or loss (FVTPL).

Financial asset at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL;

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset classified at amortised cost is subsequently carried at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Profit / markup income, foreign exchange gains and losses and impairment are recognised in income statement.

Financial asset at FVTOCI

A financial asset is classified at FVTOCI only if it meets both of the following conditions and is not designated as FVTPL;

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in Other Comprehensive Income (OCI), and only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

Financial assets at FVTOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI, except for the recognition of impairment losses. In case of debt instrument, when the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to income statement. In case of equity instrument, when the financial asset is derecognised, there is no subsequent reclassification of fair value gains and losses to income statement.

Financial asset at FVTPL

All other financial assets are classified as FVTPL (for example: equity held for trading and debt securities not classified either as AC or FVTOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset, that otherwise meets the requirements to be measured at amortised cost or at FVTOCI, as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets designated at fair value through profit or loss are subsequently carried at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement.

Business model assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and

- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

The Fund has determined that it has two business models.

- Held-to-collect business model: This includes cash and cash equivalents and receivables, if any. These financial assets are held to collect contractual cash flow.
- Other business model: This includes equity securities. These financial assets are held for trading and managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition unless the Fund were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

4.2.2.2 Financial liabilities

The Fund classifies its financial liabilities in the following categories:

- Amortised Cost (AC), or
- At fair value through profit or loss (FVTPL).

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Fund has opted to measure them at FVTPL, and also subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in income statement. Any gain or loss on derecognition is also recognised in income statement.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires as follows:

- The amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in income statement.
- Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to income statement

4.2.3 Impairment of financial assets

The Fund at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds the recoverable amount.

The SECP through its letter SCD / AMCW / RS / MUFAP / 2017-148 dated November 21, 2017 has deferred the applicability of impairment requirements of IFRS 9 in relation to debt securities for mutual funds and has instructed to continue to follow the requirements of Circular No. 33 of 2012 dated October 24, 2012.

4.2.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. On derecognition of a financial asset, the difference between the carrying amount of the asset and the consideration received is recognised in income statement.

The Fund derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognised in income statement.

The Fund derecognises a derivative only when it meets the derecognition criteria for both financial assets and financial liabilities. Where the payment or receipt of variation margin represents settlement of a derivative, the derivative, or the settled portion, is derecognised.

4.2.5 Fair value measurement principles and provision

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 in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.

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.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments is determined as follows:

Basis of valuation of government securities

The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKRV, PKISRV and PKFRV rates) which are based on the remaining tenor of the securities.

The government securities listed on a stock exchange (for example Listed GoP Ijara) are valued on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date.

4.2.6 Regular way contracts

All purchases and sales of securities that require delivery within the timeframe established by regulation or market convention are recognised at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

4.2.7 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at FVTPL and foreign exchange gains and losses.

4.3 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement, each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the statement of assets and liabilities.

4.4 Provisions

Provisions are recognised when the Fund has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.5 Collaterals

Cash collaterals provided by the Fund are identified in the statement of assets and liabilities as margin and are not included as a component of cash and cash equivalents. For collaterals other than cash, if the party to whom the collaterals are provided has a right by contract or custom to sell or re-pledge the collaterals, the Fund classifies such collaterals in the statement of assets and liabilities separately from other assets and identifies the assets as pledged collaterals. Where the party to whom the collaterals are provided does not have the right to sell or re-pledge, a disclosure of the collaterals provided is made in the notes to the financial statements.

4.6 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 ninety percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders (excluding distribution made by issuance of bonus units).

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

The Fund has not recognised any amount in respect of deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least ninety percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, to its unit holders.

4.7 Distributions to unit holders

Dividend distributions and appropriations are recorded in the period in which these are approved by the Board of Directors of the Management Company. Based on MUFAP's guidelines (duly consented upon by the SECP), distribution for the year is deemed to comprise of the portion of amount of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year/period is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year / period.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital, if any, based on the period of investment made during the year / period. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

4.8 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors / Management Company during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sales load, if applicable, is payable to the investment facilitators and the Management Company / distributors.

Units redeemed are recorded at the redemption price, applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.9 Element of Income

Element of income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net Assets Value (NAV) at the beginning of the relevant accounting period.

Element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the period under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the period. The income already paid (Element of Income) on redemption of units during the period are taken separately in statement of movement in unit holders' fund.

4.10 Net assets value per unit

The Net Assets Value (NAV) per unit, as disclosed on the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.11 Revenue Recognition

- Realised gains / (losses) arising on sale of investments are included in the income statement on the date at which transactions takes place.
- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the income statement in the period in which they arise.
- Income on bank balances, term deposit receipt, certificate of investment and placements is recognised on time proportionate basis.
- Mark-up / return on investments in government securities and term finance certificates is recognized using effective interest method.

4.12 Expenses

All expenses including Management fee, Trustee fee and SECP fee are recognized in the income statement on accrual basis.

5	BANK BALANCES	Note	2025	2024
			----- (Rupees in '000) -----	
	In current accounts		17,480	876
	In savings accounts	5.1	54,304,703	44,483,073
			<u>54,322,183</u>	<u>44,483,949</u>

5.1 These accounts carry profit at the rates ranging from 0.1% to 11.55% (30 June 2024: 16.50% to 22.50%) per annum.

6	INVESTMENTS	Note	2025	2024
			----- (Rupees in '000) -----	
	Financial assets 'at fair value through profit or loss'			
	Term finance certificates (TFCs) and sukuks - listed	6.1	407,530	542,436
	Term finance certificates (TFCs) and sukuks - unlisted	6.2	1,374,071	1,766,388
	Government securities - GoP Ijarah Sukuk Certificates	6.3	353,780	1,613,483
	Government securities - Pakistan Investment Bonds	6.4	4,850,801	1,519,633
	Government securities - Market Treasury Bills	6.5	9,234,967	5,489,421
			<u>16,221,149</u>	<u>10,931,361</u>
	Financial assets 'at amortised cost'			
	Letter of placement	6.6	-	2,038,049
	Term deposit receipts	6.7	3,000,000	-
	Certificate of Investment	6.8	1,000,000	-
			<u>4,000,000</u>	<u>2,038,049</u>
			<u>20,221,149</u>	<u>12,969,410</u>

6.1 Term finance certificates (TFCs) and sukuks - listed

Name of the investee company	As at July 01, 2024	Purchases during the year	Sales / matured during the year	As at June 30, 2025	Carrying Value June 30, 2025	Market value as at June 30, 2025	Unrealised Gain / Loss	Market value as a percentage of	
								Net assets	Total investments
	----- (Number of certificates) -----			----- (Rupees in '000) -----			----- (%) -----		
JS Bank Limited - TFC	-	-	-	-	-	-	-	-	-
Hub Power Company Limited - Sukuk-5	-	-	-	-	-	-	-	-	-
K- Electric - Sukuk-5	132,576	-	-	132,576	305,836	302,635	(3,201)	0.40	1.50
K- Electric - Sukuk-6	-	-	-	-	-	-	-	-	-
Soneri bank	1,050	-	-	1,050	104,003	104,895	892	0.14	0.52
Hub Power Company Limited - PP Sukuk	-	-	-	-	-	-	-	-	-
Total	133,626	-	-	133,626	409,839	407,530	(2,309)	0.54	2.02
Total as at June 30, 2025					409,839	407,530	(2,309)	0.54	2.02
Total as at June 30, 2024					544,002	542,436	(1,566)		

6.1.1 Significant terms and conditions of listed term finance certificates and sukuks at the year end are as follows:

6.2 Term finance certificates (TFCs) and sukuks - unlisted

Name of securities	Number of certificates	Repayment frequency	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Maturity date	Rating
Listed term finance certificates and sukuks							
K- Electric - Sukuk-5	132,576	Quarterly	298,296,000	3 - Months KIBOR plus 1.70%	August 03, 2020	August 03, 2027	AA+
Soneri bank	1,050	Semi Annually	104,895,000	6 - Months KIBOR plus 1.70%	December 26, 2022	December 26, 2032	A+

Name of the investee company	As at July 01, 2024	Purchases during the year	Sales / matured during the year	As at June 30, 2025	Carrying Value June 30, 2025	Market value as at June 30, 2025	Unrealised Gain / Loss	Market value as a percentage of	
								Net assets	Total investments
	----- (Number of certificates) -----			----- (Rupees in '000) -----			----- (%) -----		
Askari Commercial Bank Limited	283	-	-	283	281,585	285,588	4,003	0.38	1.41
Bank of Punjab	500	-	-	500	50,356	50,641	286	0.07	0.25
Hub Power Holding Limited - Sukuk-1	5,475	-	5,475	-	-	-	-	0.00	0.00
Meezan Sukuk	172	-	-	172	170,770	172,319	1,549	0.23	0.85
Samba Bank Limited	8,464	223	-	8,687	867,221	865,523	(1,697)	1.15	4.28
Total	14,894	223	5,475	9,642	1,369,931	1,374,071	4,140	1.83	6.79
Total as at June 30, 2025					1,369,931	1,374,071	4,140		
Total as at June 30, 2024					1,776,223	1,766,388	(9,835)		

6.2.1 Significant terms and conditions of unlisted term finance certificates and sukuks at the year end are as follows:

Name of securities	Repayment frequency	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Maturity date	Rating
Unlisted term finance certificates and sukuks						
Askari Commercial Bank Limited	Quarterly	283,000,000	3 - Months KIBOR plus 1.20%	March 17, 2020	March 17, 2030	AA
Bank of Punjab	Semi Annually	49,860,000	6 - Months KIBOR plus 1.25%	April 23, 2018	April 23, 2028	AA

Name of securities	Repayment frequency	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Maturity date	Rating
Meezan Sukuk	Semi Annually	172,000,000	6 - Months KIBOR plus 0.35%	December 16, 2021	December 16, 2031	AAA
Samba Bank Limited	Semi Annually	867,310,080	6 - Months KIBOR plus 1.35%	March 01, 2021	March 01, 2031	AA-

6.3 Government securities - GoP Ijarah Sukuk Certificates

Name of security	As at July 01, 2024	Purchases during the year	Sales / matured during the year	As at June 30, 2025	Carrying Value June 30, 2025	Market value June 30, 2025	Unrealised Gain / Loss	Market value as a percentage of	
								Net assets	Total investments
	----- (Number of certificates) -----			----- (Rupees in '000) -----			----- (%) -----		
GIS-VRR-23	-	170,000	100,000	70,000	356,965	353,780	(3,185)	0.47	1.75
GIS-VRR-39	1,920	-	1,920	-	-	-	-	0.00	0.00
GIS-VRR-40	265,000	-	265,000	-	-	-	-	0.00	0.00
GIS-VRR-41	15,000	-	15,000	-	-	-	-	0.00	0.00
GIS-VRR-42	20,000	-	20,000	-	-	-	-	0.00	0.00
GIS-FRR-32	15,000	-	15,000	-	-	-	-	0.00	0.00
GoP Ijarah Sukuk - Listed	5,237	-	5,237	-	-	-	-	0.00	0.00
Total	322,157	170,000	422,157	70,000	356,965	353,780	(3,185)	0.47	1.75
Total as at June 30, 2025					356,965	353,780	(3,185)	0.47	1.75
Total as at June 30, 2024					1,601,755	1,613,483	11,728		

6.3.1 Significant terms and conditions of GoP Ijarah Sukuk Certificates at the year end are as follows:

Name of securities	Number of certificates	Repayment frequency / principal redemption	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Maturity date	Rating
GIS-VRR-23 06-OCT-21 06-OCT-26	70,000	Semi Annually	350,000,000	Weighted average 6 months T-Bills	October 06, 2021	October 06, 2026	AAA

6.4 Government securities - Pakistan Investment Bonds

Issue date	Tenor	Face value				Carrying Value June 30, 2025	Market value as at June 30, 2025	Unrealised Gain / Loss	Market value as a percentage of	
		As at July 01, 2024	Purchases during the year	Sales / matured during the year	As at June 30, 2025				Net assets	Total investments
		----- (Rupees in '000) -----				----- (%) -----				
September 21, 2023	5 Years	69,000	-	-	69,000	67,040	68,048	1,008	0.09	0.34
October 19, 2023	3 Years	300,000	1,060,000	297,000	1,063,000	1,051,832	1,058,854	7,022	1.41	5.24
April 18, 2024	5 Years	1,200,000	-	-	1,200,000	1,167,510	1,181,160	13,650	1.57	5.84
June 27, 2024	5 Years	-	500,000	-	500,000	486,181	490,600	4,419	0.65	2.43
September 20, 2024	2 Years	-	1,000,000	-	1,000,000	872,317	881,387	9,070	1.17	4.36
October 03, 2024	5 Years	-	500,000	-	500,000	487,076	489,950	2,874	0.65	2.42
January 16, 2025	2 Years	-	500,000	-	500,000	422,130	425,909	3,779	0.57	2.11
January 16, 2025	3 Years	-	250,000	-	250,000	250,575	254,893	4,318	0.34	1.26
Total		1,569,000	3,810,000	297,000	5,082,000	4,804,661	4,850,801	46,140	6.45	24.00
Total as at June 30, 2025						4,804,661	4,850,801	46,140	6.45	24.00
Total as at June 30, 2024						1,519,635	1,519,633	(2)		

6.5 Government securities - Market Treasury Bills

Issue date	Tenor	Face value				Carrying Value June 30, 2025	Market value as at June 30, 2025	Unrealised Gain / Loss	Market value as a percentage of	
		As at July 01, 2024	Purchases during the year	Sales / matured during the year	As at June 30, 2025				Net assets	Total investments
								----- (%) -----		
May 02, 2024	12 Month	500,000	995,700	1,495,700	-	-	-	-	-	-
May 02, 2024	3 Month	500,000	-	500,000	-	-	-	-	-	-
December 12, 2024	12 Month	-	1,052,000	1,046,900	5,100	4,855	4,862	7	0.01	0.02
May 02, 2025	6 Month	-	500,000	464,000	36,000	34,652	34,736	84	0.05	0.17
November 02, 2023	12 Month	-	2,000,000	2,000,000	-	-	-	-	-	-
November 28, 2024	12 Month	-	500,000	413,000	87,000	83,146	83,284	138	0.11	0.41
October 03, 2024	6 Month	-	1,000,000	1,000,000	-	-	-	-	-	-
April 04, 2024	12 Month	375,000	375,000	750,000	-	-	-	-	-	-
August 22, 2024	12 Month	-	250,000	150,900	99,100	97,101	97,584	483	0.13	0.48
September 05, 2024	6 Month	-	1,000,000	1,000,000	-	-	-	-	-	-
September 05, 2024	12 Month	-	1,500,000	1,335,000	165,000	160,888	161,810	922	0.22	0.80
January 09, 2025	12 Month	-	1,202,000	772,000	430,000	406,572	406,817	245	0.54	2.01
August 08, 2024	12 Month	-	895,400	447,700	447,700	442,727	442,683	(44)	0.59	2.19
January 09, 2025	6 Month	-	700,000	700,000	-	-	-	-	-	-
January 11, 2024	6 Month	125,000	-	125,000	-	-	-	-	-	-
July 11, 2024	3 Month	-	250,000	250,000	-	-	-	-	-	-
July 11, 2024	6 Month	-	3,250,000	3,250,000	-	-	-	-	-	-
October 03, 2024	12 Month	-	1,400,000	900,000	500,000	485,488	486,357	869	0.65	2.41
December 12, 2024	3 Month	-	500,000	500,000	-	-	-	-	-	-
May 15, 2025	12 Month	-	500,000	-	500,000	456,500	456,797	297	0.61	2.26
December 12, 2024	6 Month	-	500,000	500,000	-	-	-	-	-	-
June 12, 2025	3 Month	-	500,000	500,000	-	-	-	-	-	-
June 12, 2025	6 Month	-	1,500,000	500,000	1,000,000	952,813	953,542	729	1.27	4.72
June 12, 2025	12 Month	-	1,500,000	500,000	1,000,000	905,433	906,829	1,396	1.21	4.48
June 13, 2024	3 Month	-	1,000,000	1,000,000	-	-	-	-	-	-
December 14, 2023	12 Month	500,000	-	500,000	-	-	-	-	-	-
April 17, 2025	12 Month	-	2,000,000	1,000,000	1,000,000	919,214	920,485	1,271	1.23	4.55
May 16, 2024	12 Month	500,000	-	500,000	-	-	-	-	-	-
April 17, 2025	3 Month	-	500,000	500,000	-	-	-	-	-	-
April 17, 2025	1 Month	-	500,000	500,000	-	-	-	-	-	-
January 23, 2025	12 Month	-	1,500,000	500,000	1,000,000	941,537	942,312	775	1.26	4.66
October 17, 2024	12 Month	-	500,000	500,000	-	-	-	-	-	-
April 18, 2024	12 Month	2,843,000	-	2,843,000	-	-	-	-	-	-
October 19, 2023	12 Month	2,000	2,000,000	2,002,000	-	-	-	-	-	-
February 20, 2025	12 Month	-	1,000,000	1,000,000	-	-	-	-	-	-
August 22, 2024	6 Month	-	250,000	250,000	-	-	-	-	-	-
May 02, 2025	12 Month	-	2,000,000	500,000	1,500,000	1,373,874	1,375,535	1,661	1.83	6.80
March 06, 2025	6 Month	-	4,000,000	2,000,000	2,000,000	1,961,267	1,961,334	67	2.61	9.70
January 23, 2025	6 Month	-	500,000	500,000	-	-	-	-	-	-

NBP FINANCIAL SECTOR INCOME FUND

Issue date	Tenor	Face value				Carrying Value June 30, 2025	Market value as at June 30, 2025	Unrealised Gain / Loss	Market value as a percentage of		
		As at July 01, 2024	Purchases during the year	Sales / matured during the year	As at June 30, 2025				Net assets	Total investments	
								----- (Rupees in '000) -----		----- (%) -----	
January 25, 2024	12 Month	375,000	-	375,000	-	-	-	-	-	-	
July 25, 2024	3 Month	-	250,000	250,000	-	-	-	-	-	-	
November 28, 2024	6 Month	-	500,000	500,000	-	-	-	-	-	-	
May 30, 2024	12 Month	500,000	2,334,250	2,834,250	-	-	-	-	-	-	
October 31, 2024	12 Month	-	4,000,000	4,000,000	-	-	-	-	-	-	
Total		6,220,000	44,704,350	41,154,450	9,769,900	9,226,067	9,234,967	8,900	12.30	45.67	
Total as at June 30, 2025						9,226,067	9,234,967	8,900	12.30	45.67	
Total as at June 30, 2024						5,477,159	5,489,421	12,262			

6.5.1 Investment in government securities - Market Treasury Bills include Market Treasury Bills with market value of Rs. 486.357 Million (2024: Rs. 638.63 Million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

6.7 Term deposit receipts

Name of investee company	Profit Rate per Annum	Maturity Date	Face value				Carrying value as at June 30, 2024	Carrying value as a percentage of			
			As at July 01, 2023	Purchases during the year	Sales / matured during the year	As at June 30, 2024		Net assets	Total investments		
								----- (Rupees in 000) -----		----- (%) -----	
Mobilink Microfinance Bank Limited	12.25%	April 22, 2025	-	3,000,000	3,000,000	-	-	-	-		
Mobilink Microfinance Bank Limited	12.25%	July 28, 2025	-	3,000,000	-	3,000,000	3,000,000	4.00	14.84		
Total			-	6,000,000	3,000,000	3,000,000	3,000,000	4.00	14.84		
Total as at June 30, 2025						3,000,000	3,000,000	4.00	4.00		
Total as at June 30, 2024						-	-				

6.8 Certificate of Investment

Name of Issuer	Profit Rate per Annum	Maturity Date	Face value				Carrying value as at June 30, 2024	Carrying value as a percentage of			
			As at July 01, 2023	Purchases during the year	Sales / matured during the year	As at June 30, 2024		Net assets	Total investments		
								----- (Rupees in 000) -----		----- (%) -----	
Pakistan Mortgage Refinance Company Limited	11.68%	September 12, 2025	-	1,000,000	-	1,000,000	1,000,000	1.33	4.95		
Total			-	1,000,000	-	1,000,000	1,000,000	1.33	1.33		
Total as at June 30, 2025						1,000,000	1,000,000	1.33	1.33		
Total as at June 30, 2024						-	-				

6.9 Net unrealized diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	Note	2025	2024
		---- (Rupees in '000) ----	
Marjet value of investments	6.1, 6.2, 6.3, 6.4 & 6.5	16,221,149	10,931,361
Less: carrying value of investments	6.1, 6.2, 6.3, 6.4 & 6.5	(16,167,463)	(10,918,774)
		53,686	12,587

6.6 Letter of placement

Issue date	Counter Party	Face value				Carrying value as at June 30, 2025	Carrying value as a percentage of	
		As at July 01, 2024	Purchases during the year	Sales / matured during the year	As at June 30, 2025		Net assets	Total investments
----- (Rupees in '000) -----						----- (%) -----		
May 31, 2024	Pak-Libya Holding Company (Pvt.) Limited	1,528,537	-	1,528,537	-	-	-	
May 31, 2024	Pak-Libya Holding Company (Pvt.) Limited	509,512	-	509,512	-	-	-	
July 11, 2024	Pak Brunei Investement Company Limited	-	4,000,000	4,000,000	-	-	-	
July 12, 2024	Pak-Libya Holding Company (Pvt.) Limited	-	2,000,000	2,000,000	-	-	-	
July 12, 2024	Zarai Taraqjati Bank Limited	-	5,000,000	5,000,000	-	-	-	
July 12, 2024	Pak-Oman Investment Company Limited	-	3,000,000	3,000,000	-	-	-	
July 15, 2024	Pak-Oman Investment Company Limited	-	2,000,000	2,000,000	-	-	-	
July 15, 2024	Pak-Libya Holding Company (Pvt.) Limited	-	509,512	509,512	-	-	-	
July 15, 2024	Pak-Libya Holding Company (Pvt.) Limited	-	1,528,537	1,528,537	-	-	-	
July 18, 2024	Zarai Taraqjati Bank Limited	-	1,000,000	1,000,000	-	-	-	
July 19, 2024	Pak Brunei Investement Company Limited	-	6,000,000	6,000,000	-	-	-	
July 22, 2024	Zarai Taraqjati Bank Limited	-	2,000,000	2,000,000	-	-	-	
July 23, 2024	Zarai Taraqjati Bank Limited	-	2,000,000	2,000,000	-	-	-	
July 24, 2024	Zarai Taraqjati Bank Limited	-	2,000,000	2,000,000	-	-	-	
July 26, 2024	Zarai Taraqjati Bank Limited	-	2,700,000	2,700,000	-	-	-	
August 02, 2024	JS Bank Limited	-	6,000,000	6,000,000	-	-	-	
August 07, 2024	PAIR Investment Company Limited	-	650,000	650,000	-	-	-	
August 08, 2024	Pak-Oman Investment Company Limited	-	2,000,000	2,000,000	-	-	-	
August 09, 2024	JS Bank Limited	-	6,000,000	6,000,000	-	-	-	
August 09, 2024	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
August 09, 2024	Zarai Taraqjati Bank Limited	-	3,000,000	3,000,000	-	-	-	
August 12, 2024	Pak-Libya Holding Company (Pvt.) Limited	-	2,035,586	2,035,586	-	-	-	
August 12, 2024	Zarai Taraqjati Bank Limited	-	3,000,000	3,000,000	-	-	-	
August 13, 2024	Zarai Taraqjati Bank Limited	-	2,000,000	2,000,000	-	-	-	
August 15, 2024	Pak-Libya Holding Company (Pvt.) Limited	-	518,578	518,578	-	-	-	
August 15, 2024	Pak-Libya Holding Company (Pvt.) Limited	-	1,555,734	1,555,734	-	-	-	
August 15, 2024	Zarai Taraqjati Bank Limited	-	5,000,000	5,000,000	-	-	-	
August 16, 2024	JS Bank Limited	-	6,000,000	6,000,000	-	-	-	
August 19, 2024	Zarai Taraqjati Bank Limited	-	5,000,000	5,000,000	-	-	-	
August 21, 2024	PAIR Investment Company Limited	-	650,000	650,000	-	-	-	
August 22, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
August 22, 2024	Zarai Taraqjati Bank Limited	-	3,000,000	3,000,000	-	-	-	
August 23, 2024	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
August 23, 2024	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	
August 23, 2024	Zarai Taraqjati Bank Limited	-	3,000,000	3,000,000	-	-	-	
August 30, 2024	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
August 30, 2024	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
September 02, 2024	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	
September 03, 2024	Pak Brunei Investement Company Limited	-	3,000,000	3,000,000	-	-	-	

NBP FINANCIAL SECTOR INCOME FUND



NBP FUNDS
Managing Your Savings

NBP Fund Management Limited

Issue date	Counter Party	Face value				Carrying value as at June 30, 2025	Carrying value as a percentage of	
		As at July 01, 2024	Purchases during the year	Sales / matured during the year	As at June 30, 2025		Net assets	Total investments
----- (Rupees in '000) -----						----- (%) -----		
September 06, 2024	PAIR Investment Company Limited	-	650,000	650,000	-	-	-	
September 06, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
September 06, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
September 06, 2024	Zarai Taraqati Bank Limited	-	5,000,000	5,000,000	-	-	-	
September 11, 2024	Zarai Taraqati Bank Limited	-	1,000,000	1,000,000	-	-	-	
September 12, 2024	Pak Brunei Investement Company Limited	-	1,000,000	1,000,000	-	-	-	
September 13, 2024	Pak-Libya Holding Company (Pvt.) Limited	-	2,035,586	2,035,586	-	-	-	
September 16, 2024	PAIR Investment Company Limited	-	2,000,000	2,000,000	-	-	-	
September 16, 2024	Pak-Libya Holding Company (Pvt.) Limited	-	1,555,734	1,555,734	-	-	-	
September 16, 2024	Pak-Libya Holding Company (Pvt.) Limited	-	518,578	518,578	-	-	-	
September 20, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
September 20, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
September 20, 2024	Zarai Taraqati Bank Limited	-	2,000,000	2,000,000	-	-	-	
September 30, 2024	PAIR Investment Company Limited	-	2,000,000	2,000,000	-	-	-	
October 02, 2024	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	
October 02, 2024	JS Bank Limited	-	1,000,000	1,000,000	-	-	-	
October 03, 2024	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	
October 04, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
October 04, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
October 04, 2024	Zarai Taraqati Bank Limited	-	3,000,000	3,000,000	-	-	-	
October 04, 2024	Pak Brunei Investement Company Limited	-	1,000,000	1,000,000	-	-	-	
October 07, 2024	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
October 08, 2024	Zarai Taraqati Bank Limited	-	3,000,000	3,000,000	-	-	-	
October 09, 2024	Pak Brunei Investement Company Limited	-	2,900,000	2,900,000	-	-	-	
October 09, 2024	Pak Brunei Investement Company Limited	-	2,000,000	2,000,000	-	-	-	
October 10, 2024	Pak Brunei Investement Company Limited	-	4,000,000	4,000,000	-	-	-	
October 11, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
October 11, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
October 11, 2024	JS Bank Limited	-	4,000,000	4,000,000	-	-	-	
October 14, 2024	PAIR Investment Company Limited	-	2,000,000	2,000,000	-	-	-	
October 15, 2024	Pak Brunei Investement Company Limited	-	4,000,000	4,000,000	-	-	-	
October 17, 2024	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
October 17, 2024	Pak Brunei Investement Company Limited	-	4,000,000	4,000,000	-	-	-	
October 18, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
October 18, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
October 21, 2024	Pak Brunei Investement Company Limited	-	4,000,000	4,000,000	-	-	-	
October 21, 2024	Pak Brunei Investement Company Limited	-	2,000,000	2,000,000	-	-	-	
October 22, 2024	Pak Brunei Investement Company Limited	-	2,000,000	2,000,000	-	-	-	
October 23, 2024	Pak Brunei Investement Company Limited	-	2,000,000	2,000,000	-	-	-	
October 24, 2024	PAIR Investment Company Limited	-	350,000	350,000	-	-	-	
October 24, 2024	PAIR Investment Company Limited	-	500,000	500,000	-	-	-	
October 24, 2024	Pak Kuwait Investement Company Limited	-	1,000,000	1,000,000	-	-	-	
October 24, 2024	Zarai Taraqati Bank Limited	-	1,000,000	1,000,000	-	-	-	
October 25, 2024	PAIR Investment Company Limited	-	1,700,000	1,700,000	-	-	-	
October 25, 2024	JS Bank Limited	-	4,300,000	4,300,000	-	-	-	
October 25, 2024	JS Bank Limited	-	4,300,000	4,300,000	-	-	-	
October 28, 2024	PAIR Investment Company Limited	-	2,000,000	2,000,000	-	-	-	
October 29, 2024	Zarai Taraqati Bank Limited	-	4,300,000	4,300,000	-	-	-	
October 30, 2024	JS Bank Limited	-	4,300,000	4,300,000	-	-	-	

NBP FINANCIAL SECTOR INCOME FUND

Issue date	Counter Party	Face value				Carrying value as at June 30, 2025	Carrying value as a percentage of	
		As at July 01, 2024	Purchases during the year	Sales / matured during the year	As at June 30, 2025		Net assets	Total investments
----- (Rupees in '000) -----						----- (%) -----		
October 31, 2024	Pak Brunei Investment Company Limited	-	4,300,000	4,300,000	-	-	-	
November 01, 2024	Zarai Taraqati Bank Limited	-	4,300,000	4,300,000	-	-	-	
November 05, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
November 05, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
November 05, 2024	Pak-Oman Investment Company Limited	-	4,300,000	4,300,000	-	-	-	
November 06, 2024	Pak-Oman Investment Company Limited	-	4,300,000	4,300,000	-	-	-	
November 07, 2024	Zarai Taraqati Bank Limited	-	4,300,000	4,300,000	-	-	-	
November 07, 2024	PAIR Investment Company Limited	-	500,000	500,000	-	-	-	
November 08, 2024	PAIR Investment Company Limited	-	1,700,000	1,700,000	-	-	-	
November 11, 2024	Pak Brunei Investment Company Limited	-	5,500,000	5,500,000	-	-	-	
November 11, 2024	PAIR Investment Company Limited	-	2,000,000	2,000,000	-	-	-	
November 12, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
November 12, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
November 14, 2024	PAIR Investment Company Limited	-	500,000	500,000	-	-	-	
November 15, 2024	Pak-Libya Holding Company (Pvt.) Limited	-	1,601,639	1,601,639	-	-	-	
November 15, 2024	Pak-Libya Holding Company (Pvt.) Limited	-	533,880	533,880	-	-	-	
November 15, 2024	PAIR Investment Company Limited	-	1,700,000	1,700,000	-	-	-	
November 15, 2024	Pak Brunei Investment Company Limited	-	5,500,000	5,500,000	-	-	-	
November 19, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
November 19, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
November 20, 2024	Zarai Taraqati Bank Limited	-	1,000,000	1,000,000	-	-	-	
November 21, 2024	PAIR Investment Company Limited	-	500,000	500,000	-	-	-	
November 21, 2024	Zarai Taraqati Bank Limited	-	2,000,000	2,000,000	-	-	-	
November 22, 2024	PAIR Investment Company Limited	-	800,000	800,000	-	-	-	
November 22, 2024	PAIR Investment Company Limited	-	1,700,000	1,700,000	-	-	-	
November 22, 2024	Pak Brunei Investment Company Limited	-	4,000,000	4,000,000	-	-	-	
November 22, 2024	Pak Brunei Investment Company Limited	-	3,000,000	3,000,000	-	-	-	
November 25, 2024	PAIR Investment Company Limited	-	2,000,000	2,000,000	-	-	-	
November 29, 2024	Pak-Libya Holding Company (Pvt.) Limited	-	1,500,000	1,500,000	-	-	-	
November 29, 2024	PAIR Investment Company Limited	-	700,000	700,000	-	-	-	
November 29, 2024	Zarai Taraqati Bank Limited	-	1,000,000	1,000,000	-	-	-	
December 02, 2024	PAIR Investment Company Limited	-	2,000,000	2,000,000	-	-	-	
December 06, 2024	PAIR Investment Company Limited	-	800,000	800,000	-	-	-	
December 06, 2024	JS Bank Limited	-	1,000,000	1,000,000	-	-	-	
December 06, 2024	JS Bank Limited	-	1,000,000	1,000,000	-	-	-	
December 06, 2024	JS Bank Limited	-	1,000,000	1,000,000	-	-	-	
December 06, 2024	JS Bank Limited	-	1,000,000	1,000,000	-	-	-	
December 06, 2024	JS Bank Limited	-	1,000,000	1,000,000	-	-	-	
December 09, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
December 09, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
December 13, 2024	Zarai Taraqati Bank Limited	-	4,000,000	4,000,000	-	-	-	
December 13, 2024	Pak Brunei Investment Company Limited	-	2,000,000	2,000,000	-	-	-	
December 17, 2024	Zarai Taraqati Bank Limited	-	6,000,000	6,000,000	-	-	-	
December 17, 2024	PAIR Investment Company Limited	-	1,400,000	1,400,000	-	-	-	
December 18, 2024	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
December 19, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
December 19, 2024	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
December 20, 2024	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	
December 20, 2024	Pak Brunei Investment Company Limited	-	3,000,000	3,000,000	-	-	-	

NBP FINANCIAL SECTOR INCOME FUND

Issue date	Counter Party	Face value				Carrying value as at June 30, 2025	Carrying value as a percentage of	
		As at July 01, 2024	Purchases during the year	Sales / matured during the year	As at June 30, 2025		Net assets	Total investments
----- (Rupees in '000) -----						----- (%) -----		
December 23, 2024	Zarai Taraqati Bank Limited	-	6,000,000	6,000,000	-	-	-	
December 24, 2024	PAIR Investment Company Limited	-	1,400,000	1,400,000	-	-	-	
January 03, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
January 03, 2025	Pak Brunei Investment Company Limited	-	3,000,000	3,000,000	-	-	-	
January 03, 2025	Pak Brunei Investment Company Limited	-	3,000,000	3,000,000	-	-	-	
January 06, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
January 07, 2025	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	
January 10, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
January 10, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
January 13, 2025	PAIR Investment Company Limited	-	1,400,000	1,400,000	-	-	-	
January 13, 2025	Zarai Taraqati Bank Limited	-	1,000,000	1,000,000	-	-	-	
January 17, 2025	JS Bank Limited	-	6,000,000	6,000,000	-	-	-	
January 20, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
January 20, 2025	JS Bank Limited	-	6,000,000	6,000,000	-	-	-	
January 21, 2025	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	
January 21, 2025	Zarai Taraqati Bank Limited	-	6,000,000	6,000,000	-	-	-	
January 24, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
January 24, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
January 28, 2025	PAIR Investment Company Limited	-	1,400,000	1,400,000	-	-	-	
January 28, 2025	Zarai Taraqati Bank Limited	-	1,000,000	1,000,000	-	-	-	
January 29, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
January 29, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
January 30, 2025	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	
January 30, 2025	Pak-Libya Holding Company (Pvt.) Limited	-	1,000,000	1,000,000	-	-	-	
January 30, 2025	Pak-Libya Holding Co	-	1,000,000	1,000,000	-	-	-	
January 31, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
January 31, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
February 03, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	
February 03, 2025	Zarai Taraqati Bank Limited	-	3,000,000	3,000,000	-	-	-	
February 07, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
February 07, 2025	JS Bank Limited	-	4,000,000	4,000,000	-	-	-	
February 11, 2025	PAIR Investment Company Limited	-	1,400,000	1,400,000	-	-	-	
February 12, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
February 13, 2025	Zarai Taraqati Bank Limited	-	1,500,000	1,500,000	-	-	-	
February 14, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
February 14, 2025	Pak Brunei Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
February 14, 2025	Pak Brunei Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
February 14, 2025	PAIR Investment Company Limited	-	300,000	300,000	-	-	-	
February 14, 2025	JS Bank Limited	-	4,200,000	4,200,000	-	-	-	
February 18, 2025	Zarai Taraqati Bank Limited	-	1,000,000	1,000,000	-	-	-	
February 21, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
February 21, 2025	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	
February 21, 2025	PAIR Investment Company Limited	-	300,000	300,000	-	-	-	
February 25, 2025	PAIR Investment Company Limited	-	1,400,000	1,400,000	-	-	-	
March 04, 2025	PAIR Investment Company Limited	-	1,400,000	1,400,000	-	-	-	
March 07, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
March 07, 2025	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	
March 07, 2025	PAIR Investment Company Limited	-	300,000	300,000	-	-	-	
March 11, 2025	PAIR Investment Company Limited	-	1,400,000	1,400,000	-	-	-	

NBP FINANCIAL SECTOR INCOME FUND

Issue date	Counter Party	Face value				Carrying value as at June 30, 2025	Carrying value as a percentage of	
		As at July 01, 2024	Purchases during the year	Sales / matured during the year	As at June 30, 2025		Net assets	Total investments
----- (Rupees in '000) -----						----- (%) -----		
March 11, 2024	Pak-Oman Investment Company Limited	-	1,500,000	1,500,000	-	-	-	
March 12, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
March 13, 2025	Pak Kuwait Investement Company Limited	-	4,000,000	4,000,000	-	-	-	
March 13, 2025	Pak Kuwait Investement Company Limited	-	1,500,000	1,500,000	-	-	-	
March 14, 2025	Pak Brunei Investement Company Limited	-	2,523,014	2,523,014	-	-	-	
March 14, 2025	Pak Brunei Investement Company Limited	-	2,523,014	2,523,014	-	-	-	
March 14, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
March 14, 2025	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	
March 14, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
March 14, 2025	PAIR Investment Company Limited	-	300,000	300,000	-	-	-	
March 27, 2025	Pak-Libya Holding Company (Pvt.) Limited	-	1,000,000	1,000,000	-	-	-	
March 27, 2025	Pak-Libya Holding Company (Pvt.) Limited	-	1,000,000	1,000,000	-	-	-	
March 27, 2025	Pak-Libya Holding Company (Pvt.) Limited	-	1,000,000	1,000,000	-	-	-	
March 28, 2025	JS Bank Limited	-	1,800,000	1,800,000	-	-	-	
March 28, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	
April 03, 2025	Zarai Taraqjati Bank Limited	-	5,000,000	5,000,000	-	-	-	
April 03, 2025	Zarai Taraqjati Bank Limited	-	2,000,000	2,000,000	-	-	-	
April 04, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
April 04, 2025	Zarai Taraqjati Bank Limited	-	2,000,000	2,000,000	-	-	-	
April 04, 2025	Zarai Taraqjati Bank Limited	-	5,000,000	5,000,000	-	-	-	
April 07, 2025	PAIR Investment Company Limited	-	600,000	600,000	-	-	-	
April 07, 2025	United Bank Limited	-	7,500,000	7,500,000	-	-	-	
April 08, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
April 08, 2025	United Bank Limited	-	7,500,000	7,500,000	-	-	-	
April 09, 2025	United Bank Limited	-	7,500,000	7,500,000	-	-	-	
April 10, 2025	Zarai Taraqjati Bank Limited	-	7,500,000	7,500,000	-	-	-	
April 11, 2025	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	
April 11, 2025	JS Bank Limited	-	6,500,000	6,500,000	-	-	-	
April 11, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
April 11, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
April 17, 2025	Pak Kuwait Investement Company Limited	-	3,000,000	3,000,000	-	-	-	
April 18, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
April 21, 2025	PAIR Investment Company Limited	-	600,000	600,000	-	-	-	
April 22, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
May 06, 2025	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	
May 06, 2025	PAIR Investment Company Limited	-	600,000	600,000	-	-	-	
May 08, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
May 08, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	
May 09, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
May 12, 2025	PAIR Investment Company Limited	-	2,500,000	2,500,000	-	-	-	
May 21, 2025	Zarai Taraqjati Bank Limited	-	2,500,000	2,500,000	-	-	-	
May 22, 2025	Zarai Taraqjati Bank Limited	-	2,500,000	2,500,000	-	-	-	
June 03, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	
June 04, 2025	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	
June 04, 2025	JS Bank Limited	-	2,000,000	2,000,000	-	-	-	
June 10, 2025	Zarai Taraqjati Bank Limited	-	5,000,000	5,000,000	-	-	-	
June 11, 2025	Pakistan Kuwait Inv Co (Pvt) Limited (PKIC-IFD)	-	5,000,000	5,000,000	-	-	-	
June 12, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	
June 13, 2025	Pak Kuwait Investement Company Limited	-	3,140,000	3,140,000	-	-	-	

Issue date	Counter Party	Face value				Carrying value as at June 30, 2025	Carrying value as a percentage of	
		As at July 01, 2024	Purchases during the year	Sales / matured during the year	As at June 30, 2025		Net assets	Total investments
----- (Rupees in '000) -----						----- (%) -----		
June 17, 2025	JS Bank Limited	-	7,000,000	7,000,000	-	-	-	
June 17, 2025	Zarai Taraqati Bank Limited	-	2,300,000	2,300,000	-	-	-	
Total		2,038,049	578,779,394	580,817,443	-	-	-	
Total as at June 30, 2025					-	-	-	
Total as at June 30, 2024					2,038,049	2,038,049		

7 RECEIVABLE AGAINST MARGIN TRADING SYSTEM

These are matured at the option of financee subject to maximum period of 60 days.

8 PROFIT RECEIVABLE	Note	2025	2024
		----- (Rupees in '000) -----	----- (Rupees in '000) -----
Profit receivable on:			
Savings accounts		119,143	716,165
Term finance certificates and sukus		58,994	126,647
Pakistan Investment Bonds		83,854	69,025
Margin Trading System		1,428	8,208
Letter of placement		-	38,600
Certificate of Investment		33,920	-
Term deposit receipts		2,014	-
		299,353	958,645

9 ADVANCE, DEPOSIT AND PREPAYMENT

Advance tax	9.1	3,803	3,803
Security deposits with:			
- Central Depository Company of Pakistan Limited		2,850	2,850
- Prepaid mutual fund rating fee		496	499
		7,149	7,152

9.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 151 and 150. However, withholding taxes on dividends and profit on bank balances paid to the Fund have been deducted by various withholding agents based on the interpretation issued by the FBR vide letter C. No. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015, which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholder. The tax withheld on dividends and profit on bank balances as at June 30, 2024, amounts to Rs 3.803 million (2023: Rs 3.803 million).

For this purpose, Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the funds being managed by the Management Company) had filed a petition in the Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan (SCP) by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the SCP granted the petitioners leave to appeal from the initial judgment of SHC. Pending resolution of the matter, the amount of withholding taxes deducted on profit on bank balances and dividend amount have been shown as advance tax as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will likely be refunded.

10	PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2025 ----- (Rupees in '000) ----	2024
	Management remuneration	10.1	55,674	53,122
	Sindh Sales Tax on management remuneration	10.3	8,351	6,906
	Sales load and transfer load		6,698	31,573
	Sindh Sales Tax on sales and transfer load		974	4,105
	Reimbursement of selling and marketing expenses	10.4	10,161	36,894
	Sindh Sales Tax on reimbursement of selling and marketing expenses		1,524	-
	Reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	10.5	26,166	20,589
	Sindhi Sales Tax on reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services		3,925	-
	Other payable to management company		531	1,621
			<u>114,004</u>	<u>154,810</u>

- 10.1** 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 remuneration as follows:

Rate applicable from July 1, 2024 to January 12, 2025	Rate applicable from January 13, 2025 to June 30, 2025	Rate applicable from July 1, 2023 to June 30, 2024
0.55% of average annual net assets	1.21% of average annual net assets	1.07% of average annual net assets

The remuneration is payable to the Management Company monthly in arrears.

- 10.2** During the year ended June 30, 2025 the SECP vide S.R.O. 600(I)/2025 dated April 10, 2025 revised the management fee cap to 1.50% to be calculated on a per annum basis of the average daily net assets, applicable to a "Income Fund". This revision is effective from July 01, 2025.
- 10.3** The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Management Company and sales load through Sindh Sales Tax on Services Act, 2011, effective from July 01, 2011. During the year, Sindh Sales Tax at the rate of 15% (June 30, 2024: 13%) was charged on management remuneration and sales load.
- 10.4** The SECP has allowed the asset management companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 1, 2017 till December 31, 2019) subject to maximum cap of 0.4% per annum of the average annual net assets of the Fund or actual expenses whichever is lower.

During the year ended June 30, 2020, the SECP through its circular 11 dated July 5, 2019 had revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% had been removed and an asset management company was required to set a maximum limit for charging of such expenses to the Fund and the same has to be approved by the Board of Directors of the Management Company as part of an annual plan. Furthermore, the time limit of three years has also been removed in the revised conditions.

Accordingly, the Management Company has currently charged selling and marketing expenses on daily net asset at following rates:

2025		2024	
Rate applicable from July 1, 2024 to January 12, 2025	Rate applicable from January 13, 2025 to June 30, 2025	Rate applicable from July 1, 2023 to July 20, 2023	Rate applicable from July 21, 2023 to June 30, 2024
0.33%	Nil	0.33%	0.15%

- 10.5** In accordance with Regulation 60 of the NBFC Regulations, the 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 accounting and operational charges under the following rates:

2025		2024
Rate applicable from July 1, 2024 to January 12, 2025	Rate applicable from January 13, 2025 to June 30, 2025	Rate applicable from July 1, 2023 to June 30, 2024
0.20%	Nil	0.15%

		2025	2024
	Note	---- (Rupees in '000) ----	
11	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE		
	Trustee remuneration	11.1	4,183
	Sindh Sales Tax on Trustee remuneration	11.2	627
			<u>4,810</u>
			<u>3,609</u>
			<u>468</u>

- 11.1** Effective from 1 July 2019 the Trustee has charged remuneration at the rate of 0.075% (June 30, 2024: 0.075%) per annum of net assets of the Fund. The remuneration is paid to the Trustee monthly in arrears.

- 11.2** The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011, effective from July 01, 2011. During the year, Sindh Sales Tax at the rate of 15% (June 30, 2024: 13%) was charged on trustee remuneration.

		2025	2024
	Note	---- (Rupees in '000) ----	
12	PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		
	Fee payable	12.1	4,178
			<u>3,603</u>

- 12.1** Under the provisions of the NBFC Regulations, a collective investment scheme categorized as an "Income scheme" is required to pay as annual fee to the SECP, an amount equal to 0.075% (2024: 0.075%) of the average annual net assets of the Fund.

The fee is payable to the Securities and Exchange Commission of Pakistan monthly in arrears.

13 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2025 ---- (Rupees in '000) ----	2024
Federal Excise Duty on remuneration to Management Company	13.1	14,948	14,948
Federal Excise Duty on sales and transfer load		467	467
Auditors' remuneration payable		799	655
Printing charges payable		15	30
Bank, settlement and CDC charges payable		600	79
Withholding tax payable		218,618	223,115
Capital gain tax payable		1,126,127	31,665
Professional charges payable		113	54
Brokerage payable		219	92
Others payable		60,024	34,916
		<u>1,421,930</u>	<u>306,021</u>

13.1 As per the requirement of Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence a petition was collectively filed by the Mutual Fund Association of Pakistan with the Honorable Sindh High Court (SHC) on September 04, 2013.

Sindh Revenue Board and Federal Board of Revenue have filed appeals before Honourable Supreme Court against the Sindh High Court's decision dated June 02, 2016, which is pending for the decision. However, after the exclusion of the mutual funds from federal statute on FED from July 01, 2016, the Fund has discontinued recognising the provision in this regard.

Since the appeal is pending in the Supreme Court of Pakistan, the Management Company as a matter of abundant caution has retained provision for FED on management fee aggregating to Rs. 16.444 million out of which Rs. 1.495 million have been paid to the Management Company (June 30, 2024: Rs. 1.495 million). Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Re. 0.0021 (June 30, 2024: Re. 0.0026) per unit.

14 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2025 (June 30, 2024: Nil), except as disclosed elsewhere in these financial statements.

15 NUMBER OF UNITS IN ISSUE	2025 ----- (Units) -----	2024
Total units in issue at beginning of the year	5,599,238,081	2,419,928,803
Add: Units issued during the year	13,044,671,522	9,983,714,120
Less: Units redeemed	(11,614,334,755)	(6,804,404,842)
Total units in issue at end of the year	<u>7,029,574,848</u>	<u>5,599,238,081</u>

16 AUDITORS' REMUNERATION	2025 ---- (Rupees in '000) ----	2024
Annual audit fee	617	561
Half yearly review	254	231
Other certifications	105	-
Out of pocket expenses and others including government levy	237	149
	<u>1,213</u>	<u>941</u>

17 TAXATION

17.1 The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as a cash dividend. Provided that for the purpose of determining the distribution of at least 90% of accounting income, the income distributed through bonus shares, units as the case may be shall not be taken into account. 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 has distributed the required minimum percentage of income earned by the fund for the year ended June 30, 2025 to the unit holders in the manner as explained above. Accordingly, no provision has been made in the financial statements for the year ended June 30, 2025.

18 EARNINGS PER UNIT

Earnings Per Unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

19 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2025, is 1.55% (2024: 1.68%) which includes 0.26% (2024: 0.22%) representing government levies on the Fund such as sales taxes, annual fees to SECP, etc. The TER excluding government levies is 1.29% (2024: 1.46%) which is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

20 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / Related parties

20.1 Connected persons include NBP Fund Management Limited being the Management Company (NBP Funds), Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP) and Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, any entity in which the Management Company, its CISs or their connected persons have a material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

20.2 Transactions with connected persons / related parties are essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments. The transactions with connected persons / related parties are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

20.3 Remuneration to the Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

20.4 Reimbursement of allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

20.5 The details of significant transactions and balances with connected persons at year end except those disclosed elsewhere in these financial statements are as follows:

20.6	Details of transactions with related parties / connected persons during the year are as follows:	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
NBP Fund Management Limited - Management Company			
	Units issued: 275 units (2024: 2,042 units)	1	9
	Units redeemed: 6,397,123 units (2024: 13,328,989 units)	74,183	146,576
	Dividend re-invested: 640,954 units (2024: 2,683,962 units)	6,837	28,539
	Remuneration of Management Company	681,285	414,028
	Sindh Sales Tax on remuneration of Management Company	102,193	53,824
	Reimbursement of selling and marketing expenses	45,488	60,707
	Sindh Sales Tax reimbursement of selling and marketing expenses	6,823	-
	Reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	41,484	57,565
	Sindh Sales Tax reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	6,223	-
	Sales load and transfer load including SST	47,035	33,040
	ADC charges including SST	4,054	2,887
Central Depository Company Of Pakistan Limited - Trustee			
	Remuneration of Trustee	48,408	29,059
	Sindh Sales Tax on Trustee remuneration	7,261	3,778
	CDC Charges	1,512	414
National Bank of Pakistan - Parent of the Management Company			
	Profit on bank deposits	727	8,705
National Fullerton Asset Management Limited - Employees Provident Fund			
	Units issued: 1 units (2024: Nil units)	-	-
	Dividend re-invested: 11 units (2024: Nil units)	-	-
Baltoro Partners Private Limited - Sponsor			
	Units Issued / Transferred In 3,169,287 units (2024: 1,887,424 units)	34,000	20,075
	Units Redeemed / Transferred Out 3,456,842 units (2024: 1,621,945 units)	38,500	17,450
	Dividend Re-invest Units Issued 1,122 units (2024: 13,355 units)	13	142
Employees of the Management Company			
	Units issued: 75,599,671 units (2024: 78,578,363 units)	857,164	841,922
	Units redeemed: 72,032,151 units (2024: 87,375,723 units)	830,687	950,907
	Dividend re-invested: 72,840 units (2024: 638,093 units)	782	6,785
Mr. Faisal Ahmed - Director			
	Units issued: 3 units (2024: Nil units)	-	-
	Units redeemed: Nil units (2024: Nil units)	-	-
	Dividend re-invested: 41 units (2024: Nil units)	-	-

	2025	2024
	----- (Rupees in '000) -----	
Mr. Imran Zaffar - Director		
Units issued: 25 units (2024: 2,089,083)	-	22,200
Units redeemed: 1,550,374 units (2024: 41,619)	18,058	450
Dividend re-invested: 119,166 units (2024: 211,146)	1,271	2,245
Mr. Umar Ahsan Khan - Director		
Units issued: 17 units (2024: Nil units)	-	-
Units redeemed: Nil units (2024: Nil units)	-	-
Dividend re-invested: 197 units (2024: Nil units)	2	-
Fauji Fertilizer Company Limited - Common Directorship		
Units issued: 689,493,463 units (2024: 46,804 units)	7,735,860	497
Units redeemed: 488,336,975 units (2024: 977,966 units)	5,619,107	10,563
Dividend re-invested: 447,713 units (2024: 82,017 units)	5,146	872
Bank Islami Pakistan Limited - Common Directorship		
Profit on bank deposits	13,022	2,450
Khushhali Microfinance Bank Limited - Common Directorship		
Profit on bank deposits	116	57,941
Telenor Microfinance Bank Limited - Common Directorship		
Profit on bank deposits	60	788
First Credit and Investment Bank Limited - Common Directorship		
Brokerage	28	-
Ansaar Management Company Pvt Ltd - Common Directorship		
Units Issued / Transferred In 315 Units (2024:522 units)	-	*-
Units redeemed: 3,351,976 units (2024: Nil units)	40,000	-
Dividend re-invest 399,540 units (2024: 1,110,974 units)	4,264	11,813
Mr. Haider Amjad - Shareholder of Management Company		
Units Issued / Transferred In 106 units (2024: 271,602 units)	1	2,896
Units Redeemed / Transferred Out 47,221 units (2024: 372,617 units)	509	4,014
Dividend re-invested: 11 units (2024: 2,259 units)	-	24
CDC Trustee NBP Income Plan-I		
Units issued: 441,269,263 units (2024: 388,951,502)	4,853,707	4,133,493
Units redeemed: 473,845,087 units (2024: 287,574,613 units)	5,512,600	3,082,200
Portfolios managed by NBP Funds		
Units issued: 291,285,215 units (2024: 68,857,323)	3,373,068	737,253
Units redeemed: 291,797,578 units (2024: 66,481,432)	3,376,907	718,597
Dividend re-invested: 491,811 units (2024: 726,248)	5,326	7,723
Sale of Government Treasury Bills	7,490,358	2,804,465
Sale of Government Ijarah Sukuks	106,073	134,483
Sale of Pakistan Investment Bonds	299,771	-

2025 2024
----- (Rupees in '000) -----

**Persons holding directly or indirectly 10% or more of
the units in issue / net assets of the Fund**

Ibrahim Holdings Private Limited

Units issued: 2,617,009,765 units (2024: 1,873,423,575 units)	28,149,803	19,908,747
Units redeemed: 2,163,707,035 units (2024: 24,282,287 units)	26,380,939	258,206
Dividend re-invested: 1,114,726 units (2024: 102,093,598 units)	12,476	1,085,589

20.7 Amounts outstanding at year end

NBP Fund Management Limited - Management Company

Units held 6,438,369 (2024: 12,194,262 units)	68,754	129,940
Management remuneration payable	55,674	53,122
Sindh Sales Tax on management remuneration	8,351	6,906
Reimbursement of selling and marketing expenses	10,161	36,894
Sindh Sales Tax on reimbursement of selling and marketing expenses	1,524	-
Reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	26,166	20,589
Sindh Sales Tax on reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	3,925	-
Sales load and transfer load payable	6,698	31,573
Sindh Sales Tax on sales and transfer load	974	4,105
ADC charges including SST	362	1,452
Other payable	169	169

Central Depository Company of Pakistan Limited - Trustee

Trustee remuneration	4,183	3,609
Sindh Sales Tax on Trustee remuneration	627	468
Security deposit	100	100

National Bank of Pakistan - Parent of the Management Company

Bank Balances		
In current account	325	325
In savings account	3,439	5,468
Profit receivable on bank deposit	176	1,413

**National Fullerton Asset Management Limited - Employees Provident
Fund - Retirement benefit fund of Management Company**

12 units held: (2024: Nil units)	-	-
----------------------------------	---	---

Baltoro Partners Pvt Limited - Sponsor

5,527 units held (2024: Nil units)	59	-
------------------------------------	-----------	---

Employees of the Management Company

12,611,575 units held (2024: 8,970,398 units)	134,676	95,587
---	----------------	--------

Mr. Faisal Ahmed - Director

122 units held (2024: Nil units)	-	-
----------------------------------	---	---

	2025	2024
	----- (Rupees in '000) -----	
Mr. Imran Zaffar - Director		
1,199,778 units held (2024: 2,630,961 units)	12,812	28,035
Mr. Umar Ahsan Khan - Director		
213 units held (2024: Nil units)	2	-
Fauji Fertilizer Company Limited - Common Directorship		
201,604,201 units held: (2024: Nil units)	2,152,891	-
Khushhali Microfinance Bank Limited - Common Directorship **		
Bank Balances	-	112
Profit receivable on bank deposit	-	298
Telenor Microfinance Bank Limited - Common Directorship		
Bank Balances	27	26
Profit receivable on bank deposit	1,334	1,276
Bank Islami Pakistan Limited - Common Directorship **		
Bank Balances		
In current account	-	-
In savings account	-	64,748
Profit receivable	-	356
Ansaar Management Company - Common Directorship		
3,998,180 Units Held (2024: 6,950,301 units)	42,696	74,061
Mr. Khalid Mehmood - Ex - Chief Financial Officer (CFO) **		
Nil units held (2024: 2 units)	-	-*
Mr. Haider Amjad - Shareholder of Management Company		
Nil units held (2024: 47,104 units)	-	502
CDC Trustee NBP Income Plan-I		
115,961,726 units held (2024: 148,537,550 units)	1,238,332	1,582,786
Portfolios managed by NBP Funds		
8,778,156 units held (2024: 6,281,594 units)	93,742	66,935
Persons holding directly or indirectly 10% or more of the units in issue / net assets of the Fund		
Ibrahim Holdings Private Limited		
2,405,652,343 units held (2024: 1,951,234,887 units)	25,689,480	20,791,969

* Nil due to rounding off.

** Current balances with these parties have not been disclosed as they did not remain connected persons and related parties as at the period end.

*** Comparative balances with these parties have not been disclosed as these parties were not related parties in the prior period.

**** This represents the amount reimbursed by the Management Company in the form of dividend to identified unit holders of the fund in relation to the reversal of the excess amount charged against reimbursement of selling and marketing expenses as per the direction of Securities and Exchange Commission of Pakistan (SECP).

21 CASH AND CASH EQUIVALENTS	Note	2025	2024
		------(Rupees in '000)-----	
Bank balances	5	54,322,183	44,483,949
Government securities - Market Treasury Bills	6.5	-	493,346
Letter of placement	6.6	-	2,038,049
Term deposit receipts	6.7	3,000,000	-
		57,322,183	47,015,344

22 FINANCIAL INSTRUMENTS BY CATEGORY	June 30, 2025		
	Amortised Cost	At Fair value through profit or loss	Total
	------(Rupees in '000)-----		
Financial assets			
Bank balances	54,322,183	-	54,322,183
Investments	4,000,000	16,221,149	20,221,149
Profit receivable	299,353	-	299,353
Receivables from funds under management by Management Company against conversion of units	6,521,650	-	6,521,650
Deposit	2,850	-	2,850
	65,146,036	16,221,149	81,367,185
Financial liabilities			
Payable to NBP Fund Management Limited - Management Company	114,004	-	114,004
Payable to Central Depository Company of Pakistan Limited - Trustee	4,810	-	4,810
Payable against redemption / conversion of units	4,826,205	-	4,826,205
Accrued expenses and other liabilities	61,770	-	61,770
	5,006,789	-	5,006,789
Net assets attributable to unit holders	75,067,635	-	75,067,635

June 30, 2024

Amortised Cost	At Fair value through profit or loss	Total
----------------	--------------------------------------	-------

(Rupees in '000)

Financial assets

Bank balances	44,483,949	-	44,483,949
Investments	2,038,049	10,931,361	12,969,410
Profit receivable	958,645	-	958,645
Receivables from funds under management by			
Management Company against conversion of units	1,493,755	-	1,493,755
Deposit	2,850	-	2,850
Receivable against margin trading system	433,357	-	433,357
	<u>49,410,605</u>	<u>10,931,361</u>	<u>60,341,966</u>

Financial liabilities

Payable to NBP Fund Management Limited - Management Company	154,810	-	154,810
Payable to Central Depository Company of Pakistan Limited -Trustee	4,077	-	4,077
Payable against redemption of units	213,153	-	213,153
Accrued expenses and other liabilities	35,826	-	35,826
	<u>407,866</u>	<u>-</u>	<u>407,866</u>
Net assets attributable to unit holders	<u>59,664,604</u>	<u>-</u>	<u>59,664,604</u>

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by Board of Directors and Audit Committee regularly to reflect changes in market conditions and the Fund's activities.

The management of these risks is carried out by the Investment Committee (IC) under policies approved by the Board of Directors of the Management Company. The IC is constituted and approved by the Board of Directors of the Management Company. IC is responsible to devise the investment strategy and manage the investment portfolio of the Fund in accordance with limits prescribed in the Non Banking Finance Companies and Notified Entities Regulations, 2008, Offering document of the Fund in addition to Fund's internal risk management policies.

The Fund primarily invest in a portfolio of money market investments such as government securities, secured privately placed instruments, Term finance certificate and investments in other money market instruments (including the clean placements). Such investments are subject to varying degrees of risk. These risks emanate from various factors that include, but are not limited to market risk, credit risk and liquidity risk.

23.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee

Market risk comprises of three types of risks: yield / interest rate risk, currency risk, and price risk.

23.1.1 (i) Yield / interest rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As at June 30, 2025, the Fund is exposed to such risk on its bank balances, Pakistan Investment Bonds, Market Treasury Bills, Term Finance Certificates, Corporate Sukuks and GOP Ijarah. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

(a) Sensitivity analysis for variable rate instruments

Presently, the Fund's variable rate risk arises from term finance certificates, bank balances in saving accounts, floating rate Pakistan Investment Bonds and variable rate GOP Ijarah. In case of 100 basis points increase / decrease on the last repricing date of these term finance certificates with all other variables held constant, the net assets of the Fund and net income for the year would have been higher / lower by Rs. 614.48 million (2024: Rs 498.26 million).

(b) Sensitivity analysis for fixed rate instruments

The Fund is exposed to fair value interest rate risk for investment in government securities (i.e. Treasury Bills, fixed rate GOP Ijarah and listed GOP Ijarah)

In case of 100 basis points increase in interest rates on June 30, 2025, with all other variable held constant, the net income for the period and the net assets would have been lower by Rs. 9.23 million.

In case of 100 basis points decrease in interest rates on June 30, 2025, with all other variable held constant, the net income for the period and the net assets would have been higher by Rs. 9.23 million.

June 30, 2025					
Effective yield / interest rate (%)	Exposed to yield / interest risk			Not exposed to Yield/ Interest risk	Total
	Upto three months	More than three months and upto one year	More than one year		
(Rupees in '000)					

On-balance sheet financial instruments

Financial Assets

Bank balances	0.1% - 11.55%	54,304,703	-	-	17,480	54,322,183
Investments		4,000,000	9,234,967	6,986,182	-	20,221,149
Profit receivable		-	-	-	299,353	299,353
Receivables from fund under management by						
Management Company against conversion of units		-	-	-	6,521,650	6,521,650
Deposit		-	-	-	2,850	2,850
Receivable against margin trading system		-	-	-	67,278	67,278
		58,304,703	9,234,967	6,986,182	6,908,611	81,434,463

June 30, 2025					
Effective yield / interest rate (%)	Exposed to yield / interest risk			Not exposed to Yield/ Interest risk	Total
	Upto three months	More than three months and upto one year	More than one year		

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

Financial liabilities

Payable to NBP Fund Management Limited - Management Company	-	-	-	114,004	114,004
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	4,810	4,810
Payable against redemption / conversion of units -	-	-	-	4,826,205	4,826,205
Accrued expenses and other liabilities	-	-	-	61,770	61,770
Net Assets attributable to unit holder	75,067,635	-	-	-	75,067,635
	75,067,635	-	-	5,006,789	80,074,424
On-balance sheet gap	(16,762,932)	9,234,967	6,986,182	1,901,822	1,360,039
Off-balance sheet financial instruments	-	-	-	-	-
Off-balance sheet gap	-	-	-	-	-
Total interest rate sensitivity gap	(16,762,932)	9,234,967	6,986,182	1,901,822	1,360,039
Cumulative interest rate sensitivity gap	(16,762,932)	(7,527,965)	(541,783)		

June 30, 2024					
Effective yield / interest rate (%)	Exposed to yield / interest risk			Not exposed to Yield/ Interest risk	Total
	Upto three months	More than three months and upto one year	More than one year		

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

On-balance sheet financial instruments

Financial Assets

Bank balances	16.50 - 22.50	44,483,073	-	-	876	44,483,949
Investments	19.03 - 22.30	2,531,395	250,108	10,187,907	-	12,969,410
Profit receivable		-	-	-	958,645	958,645
Receivables from fund under management by Management Company against conversion of units		-	-	-	1,493,755	1,493,755
Deposit		-	-	-	2,850	2,850
Receivable against margin trading system		-	-	-	433,357	433,357
		47,014,468	250,108	10,187,907	2,889,483	60,341,966

June 30, 2024					
Effective yield / interest rate (%)	Exposed to yield / interest risk			Not exposed to Yield/ Interest risk	Total
	Upto three months	More than three months and upto one year	More than one year		

Financial liabilities

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

Payable to NBP Fund Management Limited - Management Company	-	-	-	154,810	154,810
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	4,077	4,077
Payable against redemption / conversion of units	-	-	-	213,153	213,153
Accrued expenses and other liabilities	-	-	-	35,826	35,826
Net Assets attributable to unit holder	59,664,604	-	-	-	59,664,604
	59,664,604	-	-	407,866	60,072,470
On-balance sheet gap	<u>(12,650,136)</u>	<u>250,108</u>	<u>10,187,907</u>	<u>2,481,617</u>	<u>269,496</u>
Off-balance sheet financial instruments	-	-	-	-	-
Off-balance sheet gap	-	-	-	-	-
Total interest rate sensitivity gap	<u>(12,650,136)</u>	<u>250,108</u>	<u>10,187,907</u>	<u>2,481,617</u>	<u>269,496</u>
Cumulative interest rate sensitivity gap	<u>(12,650,136)</u>	<u>(12,400,028)</u>	<u>(2,212,121)</u>		

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as its operations are geographically restricted to Pakistan and all transactions are carried out in Pakistani Rupees

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market.

The fund does not have any instruments that expose it to price risk as of June 30, 2025 and June 30, 2024.

23.2 Credit risk

Credit risk represents the risk of a loss if counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to its bank balances. Risks attributable to bank balances are managed by maintaining balances in banks with a reasonably high credit rating.

The analysis below summarises the credit quality of the Fund's bank balances. The bank ratings are based on The Pakistan Credit Rating Agency Limited (PACRA) and VIS Credit Rating Company Limited.

Ratings	2025	2024
	----- (Rupees in '000) -----	
AAA	17,811,509	6,130,549
AA+	186,785	50,610
AA	1,789	1,680
AA-	11,352,128	18,234,614
A+	13,823,172	20,065,812
A	11,146,737	512
A-	63	112
BBB+	-	60
	54,322,183	44,483,889

The maximum exposure to credit risk before any credit enhancement as at June 30, 2025 is the carrying amount of the financial assets.

Concentration of the credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities, in the same geographic region or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The Fund's transactions are entered into with credit worthy counterparties thereby mitigating any significant concentration of credit risk

23.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Fund.

Management of liquidity risk

The Fund is exposed to daily cash redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

The Fund has the ability to borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, during the current year, no borrowing was obtained by the Fund.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any significant redemptions during the year.

Maturity analysis for financial liabilities

The table below summaries the maturity profile of the Fund's financial liabilities. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, liabilities that are payable on demand have been included in the maturity grouping of one month:

June 30, 2025						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total

(Rupees in '000)

Financial Liabilities

Payable to NBP Fund Management Limited - Management Company	114,004	-	-	-	-	114,004
Payable to Central Depository Company of Pakistan Limited - Trustee	4,810	-	-	-	-	4,810
Payable against conversion and redemption of units	4,826,205	-	-	-	-	4,826,205
Accrued expenses and other liabilities	60,971	799	-	-	-	61,770
	5,005,990	799	-	-	-	5,006,789
Net assets attributable to unit holders	75,067,635	-	-	-	-	75,067,635

June 30, 2024						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total

(Rupees in '000)

Financial Liabilities

Payable to NBP Fund Management Limited - Management Company	154,810	-	-	-	-	154,810
Payable to Central Depository Company of Pakistan Limited - Trustee	4,077	-	-	-	-	4,077
Payable against conversion and redemption of units	213,153	-	-	-	-	213,153
Accrued expenses and other liabilities	35,171	655	-	-	-	35,826
	407,211	655	-	-	-	407,866
Net assets attributable to unit holders	59,664,604	-	-	-	-	59,664,604

24 UNIT HOLDERS' FUND RISK MANAGEMENT

The units holders' fund is represented by redeemable units. These units are entitled to distributions and to payment of a proportionate share, based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unit holders' fund.

The Fund has no restrictions on the subscription and redemption of units.

As at 30 June 2024, the Fund meets the requirement of sub-regulation 54 (3a) which requires that the minimum size of an Open End Scheme shall be one hundred million rupees at all time during the life of the Fund.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies stated in note 23, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption, such liquidity being augmented by short-term borrowing arrangements (which can be entered if necessary) or disposal of investments where necessary.

25 FAIR VALUE MEASUREMENT

International Financial Reporting Standard 13 (IFRS 13), 'Fair Value Measurement' requires the Fund to classify fair value measurements 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 prices (unadjusted) in active markets 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 June 30, 2025 and June 30, 2024, the Fund held the following financial instruments measured at fair values:

		June 30, 2025						
		Carrying value			Fair value			
		At Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
Financial assets measured at fair value								
Investment								
	Investment in term finance certificates - listed	407,530	-	407,530	-	407,530	-	407,530
	Investment in term finance certificates - unlisted	1,374,071	-	1,374,071	-	1,374,071	-	1,374,071
	Government securities - Pakistan Investment Bonds	4,850,801	-	4,850,801	-	4,850,801	-	4,850,801
	Government securities - Market Treasury Bills	9,234,967	-	9,234,967	-	9,234,967	-	9,234,967
	Government securities - GoP Ijarah Sukuk Certificates	353,780	-	353,780	-	353,780	-	353,780
		<u>16,221,149</u>	<u>-</u>	<u>16,221,149</u>				
Financial assets not measured at fair value								
	Investment							
	Letter of placement	-	-	-				
	Receivable against margin trading system	-	67,278	67,278				
	Bank balances	-	54,322,183	54,322,183				
	Profit receivable	-	299,353	299,353				
	Receivables from fund under management by							
	Management Company against conversion of units	-	6,521,650	6,521,650				
	Deposit	-	2,850	2,850				
		<u>-</u>	<u>61,213,314</u>	<u>61,213,314</u>				
Financial liabilities not measured at fair value								
	Payable to NBP Fund Management Limited - Management Company							
	Payable to Central Depository Company of Pakistan Limited - Trustee	-	4,810	4,810				
	Payable against conversion and redemption of units	-	4,826,205	4,826,205				
	Accrued expenses and other liabilities	-	61,770	61,770				
	Net assets attributable to unit holders	-	75,067,635	75,067,635				
		<u>-</u>	<u>80,074,424</u>	<u>80,074,424</u>				

		June 30, 2024						
		Carrying value		Fair value				
	At Fair value through profit or loss	At amortized cost	Total	Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----								
Financial assets measured at fair value								
Investment								
	Investment in term finance certificates - listed	542,436	-	542,436	-	542,436	-	542,436
	Investment in term finance certificates - unlisted	1,766,388	-	1,766,388	-	1,766,388	-	1,766,388
	Government securities - Pakistan Investment Bonds	1,519,633	-	1,519,633	-	1,519,633	-	1,519,633
	Government securities - Market Treasury Bills	5,489,421	-	5,489,421	-	5,489,421	-	5,489,421
	Government securities - GoP Ijarah Sukuk Certificates	1,613,483	-	1,613,483	24,242	1,589,241	-	1,613,483
		<u>10,931,361</u>	<u>-</u>	<u>10,931,361</u>				
Financial assets not measured at fair value Investment 25.1								
	Letter of placement	-	2,038,049	2,038,049				
	Receivable against margin trading system	-	433,357	433,357				
	Bank balances	-	44,483,949	44,483,949				
	Profit receivable	-	958,645	958,645				
	Receivables from fund under management by Management Company against conversion of units	-	1,493,755	1,493,755				
	Deposit	-	2,850	2,850				
		<u>-</u>	<u>49,410,605</u>	<u>49,410,605</u>				
Financial liabilities not measured at fair value 25.1								
	Payable to NBP Fund Management Limited - Management Company	-	154,810	154,810				
	Payable to Central Depository Company of Pakistan Limited - Trustee	-	4,077	4,077				
	Payable against conversion and redemption of units	-	213,153	213,153				
	Accrued expenses and other liabilities	-	35,826	35,826				
	Net assets attributable to unit holders	25.2	59,664,604	59,664,604				
		<u>-</u>	<u>60,072,470</u>	<u>60,072,470</u>				

25.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

25.2 Financial instruments not measured at FVTPL include Net assets attributable to unitholders. The Fund routinely redeems and issues the units at the amount equal to the proportionate share of net assets of the Fund at the time of redemption, calculated on a basis consistent with that used in these financial statements. Accordingly, the carrying amount of net assets attributable to unitholders approximates their fair value.

26 TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID / PAYABLE

List of top ten brokers / dealers by percentage of commission paid / payable during the year ended June 30, 2025:

S. No.	Particulars	2025 (%)
1.	Invest One Markets Limited	19.10
2.	BMA Capital Management Limited	15.53
3.	Continental Exchange (Pvt.) Limited	13.73
4.	Alfalsh Securities (Pvt) Limited	9.78
5.	C & M Management Pvt. Limited	7.08
6.	Magenta Capital (Pvt.) Ltd.	5.65
7.	AKD Securities Limited	5.42
8.	Summit Capital Pvt Limited	4.50
9.	J.S. Global Capital Ltd.	4.07
10.	Alfalsh Securities Pvt Ltd	3.89

List of brokers / dealers by percentage of commission paid / payable during the year ended June 30, 2024:

S. No.	Particulars	2024 (%)
1.	Alfalah Securities Pvt Ltd	13.32
2.	Continental Exchange Private Limited	12.56
3.	C & M Management Pvt. Limited	12.03
4.	BMA Capital Management Limited	11.28
5.	Invest One Markets Limited	11.04
6.	Magenta Capital (Pvt.) Ltd.	7.95
7.	Paramount Capital (Pvt) Ltd	6.30
8.	AKD Securities Limited	5.71
9.	J.S. Global Capital Ltd.	3.47
10.	Continental Exchange (Pvt.) Limited	3.21

27 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

Details of members of the investment committee of the Fund are as follows:

S. No.	Name	Designation	Qualifications	Experience In years
1	Dr. Amjad Waheed	Chief Executive Officer	Doctorate in Business Administration, MBA and CFA	37
2	Mr. Salman Ahmed	Head of Fixed Income	CFA	20
3	Mr. Asim Wahab Khan	Chief Investment Officer	CFA	19
4	Mr. Usama Bin Razi	Senior Manager Fixed Income	BE, MBA	21
5	Mr. Hassan Raza	Head of Research	ACCA, BSC and CFA	14

27.1 Mr. Salman Ahmed is the Fund Manager of the Fund. Other Funds being managed by the Fund manager are as follows:

- NBP Government Securities Liquid Fund
- NBP Money Market Fund
- NBP Government Securities Savings Fund
- NBP Mahana Amdani Fund
- NBP Financial Sector Income Fund
- NBP Income Opportunity Fund
- NBP Savings Fund
- NBP Mustahkam Fund - NBP Fixed Term Munafa Plan - IV
- NBP Mustahkam Fund - NBP Fixed Term Munafa Plan - V
- NBP Mustahkam Fund - NBP Fixed Term Munafa Plan - VI
- NBP Mustahkam Fund - NBP Fixed Term Munafa Plan - VII
- NBP Mustahkam Fund - NBP Fixed Term Munafa Plan - VIII
- NBP Mustahkam Fund – NBP Fixed Term Munafa Plan - IX
- NBP Mustahkam Fund – NBP Fixed Term Munafa Plan - X
- NBP Mustahkam Fund - li – NBP Fixed Term Munafa Plan - XI
- NBP Mustahkam Fund - li – NBP Fixed Term Munafa Plan - XII
- NBP Mustahkam Fund - li – NBP Fixed Term Munafa Plan - XIV
- NBP Income Fund Of Fund - NBP Cash Plan - I
- NBP Income Fund Of Fund - NBP Cash Plan - II
- NBP Income Fund Of Fund - NBP Income Plan - I

- NBP Government Securities Plan-II
- NBP Government Securities Plan-IV
- NBP Government Securities Plan -VI
- NBP Islamic Daily Dividend Fund
- NBP Riba Free Savings Fund
- NBP Islamic Mahana Amdani Fund
- NBP Islamic Savings Fund
- NBP Islamic Income Fund
- NBP Islamic Money Market Fund
- NBP Islamic Mustahkam Fund- NBP Islamic Fixed Term Munafa Plan - III
- NBP Islamic Mustahkam Fund - NBP Islamic Fixed Term Munafa Plan - V

28 PATTERN OF UNIT HOLDING

Category

As at June 30, 2025			
	Number of unit holders	Investment amount	Percentage investment
		(Rupees in '000)	---- (%) ---
Individuals	10,655	29,009,207	38.64
Insurance Companies	3	29,659	0.04
NBFCs	2	1,238,332.00	1.65
Retirement Funds	133	1,546,292	2.06
Public Limited Companies	15	4,887,988	6.51
Associated Companies and Directors	8	81,570	0.11
Others	288	38,274,587	50.99
	11,104	75,067,635	100.00

Category

As at June 30, 2024			
	Number of unit holders	Investment amount	Percentage investment
		(Rupees in '000)	---- (%) ---
Individuals	6,505	18,831,726	31.56
Bank and DFIs	1	*-	*-
Retirement Funds	66	1,257,019	2.11
Public Limited Companies	8	3,575,992	5.99
NBFC	1	1,582,786	2.65
Associated Companies and Directors	3	157,975	0.26
Others	180	34,259,106	57.42
	6,764	59,664,604	100

* Nil due to rounding off

29 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The 98th, 99th, 100th, 101st, 102nd, 103rd, 104th, and 105th Board Meetings were held on July 26, 2024, August 23, 2024, September 25, 2024, October 24, 2024, October 30, 2024, November 06, 2024, February 26, 2025, and April 30, 2025, respectively. Information in respect of attendance by directors in the meetings is given below:

Name of directors	Number of meetings			Meetings not attended
	Held / applicable	Attended	Leave granted	
Shaikh Muhammad Abdul Wahid Sethi	8	8	-	-
*Tauqeer Mazhar	1	1	-	-
**Faisal Ahmed	2	2	-	-
Mehnaz Salar	8	8	-	-
Ali Saigol	8	7	1	100th Meeting
Imran Zaffar	8	7	1	98th Meeting
Khalid Mansoor	8	8	-	-
Saad Amanullah Khan	8	8	-	-
***Ruhail Muhammad	6	6	-	-
****Umar Ahsan Khan	0	0	-	-
Amjad Waheed	8	8	-	-

* Mr. Tauqeer Mazhar resigned from the Board on August 21, 2024.

** Mr. Faisal Ahmed was appointed on the Board on August 23, 2024, and his approval was granted by SECP on November 21, 2024.

*** Ruhail Muhammad resigned from the Board on December 16, 2024.

**** Mr. Umar Ahsan Khan was appointed on the Board on March 03, 2025, and his approval was granted by SECP on May 16, 2025.

30 GENERAL

Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.

31 CORRESPONDING FIGURES

Certain corresponding figures have been reclassified wherever necessary to confirm to the presentation adopted in the current year.

32 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on August 21, 2025.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

PERFORMANCE TABLE

Particulars	For the year ended June 30, 2025	For the year ended June 30, 2024	For the year ended June 30, 2023	For the year ended June 30, 2022	For the year ended June 30, 2021	For the year ended June 30, 2020
Net assets (Rs. '000')	75,067,635	59,664,604	25,716,803	39,200,106	40,637,598	9,238,345
Net Income (Rs. '000')	8,824,284	7,966,666	8,050,367	4,332,335	2,063,757	1,056,160
Net Asset Value per units (Rs.)	10.6788	10.6558	10.6271	10.5510	10.5414	10.5282
Offer price per unit	10.8016	10.7762	10.7472	10.6702	10.6605	10.6472
Redemption price per unit	10.6788	10.6558	10.6271	10.5510	10.5414	10.5282
Ex - Highest offer price per unit (Rs.)	10.7993	11.1529	10.7472	10.6702	10.6605	10.6472
Ex - Lowest offer price per unit (Rs.)	9.4011	10.7524	9.0845	9.6419	9.8950	9.2795
Ex - Highest redemption price per unit (Rs.)	10.6766	11.0283	10.6271	10.5510	10.5414	10.5282
Ex - Lowest redemption price per unit (Rs.)	9.2942	10.6323	8.9829	9.5341	9.7844	9.2795
Fiscal Year Opening Ex Nav	9.2895	8.6609	8.9792	9.5310	9.7821	9.2764
Total return of the fund (Annualized)	14.96%	23.00%	18.35%	10.70%	7.76%	13.46%
Capital growth	0.25%	1.17%	2.02%	0.54%	0.34%	0.13%
Income distribution as a % of ex nav	14.70%	21.83%	16.33%	10.17%	7.42%	13.32%
Income distribution as a % of par value	15.67%	23.20%	17.23%	10.72%	7.81%	14.01%
Distribution dates						
Interim						
30-Jun-25	0.0045					
24-Jun-25	1.5621					
29-Aug-23		0.3658				
24-Oct-23		0.3541				
27-Dec-23		0.4012				
27-Feb-24		0.3751				
24-Apr-24		0.3408				
26-Jun-24		0.3748				
30-Aug-22			0.2597			
27-Oct-22			0.2581			
27-Dec-22			0.2738			
28-Feb-23			0.2930			
27-Apr-23			0.3193			
16-May-23			0.1081			
21-Jun-23			0.2111			
26-Aug-21				0.1369		
26-Oct-21				0.1358		
28-Dec-21				0.1633		
24-Feb-22				0.1743		
27-Apr-22				0.2043		
29-Jun-22				0.2570		
29-Sep-20					0.2302	
23-Dec-20					0.1729	
29-Mar-21					0.1982	
25-Jun-21					0.1798	
26-Jun-20						1.4007
21-Dec-18						
24-Jun-19						
4-Jul-18						
Average annual return (launch date October 28, 2011)						
(Since inception to June 30, 2025)	11.24%					
(Since inception to June 30, 2024)		10.90%				
(Since inception to June 30, 2023)			9.97%			
(Since inception to June 30, 2022)				9.22%		
(Since inception to June 30, 2021)					9.07%	
(Since inception to June 30, 2020)						9.22%
(Since inception to June 30, 2019)						
(Since inception to June 30, 2018)						
Portfolio Composition (Please see Fund Manager Report)						
Weighted average portfolio duration	67 Days	11 Days	11 Days	10 Days	9 Days	13 Days

Head Office

7th Floor, Clifton Diamond Building, Block No.4,
Scheme No.5, Clifton, Karachi.

UAN: 021-111-111-632

Toll Free: 0800-20002

Sms: INVEST to 9995

Fax: 021-35825335

Email: info@nbpfunds.com

Website: www.nbpfunds.com

 /nbpfunds