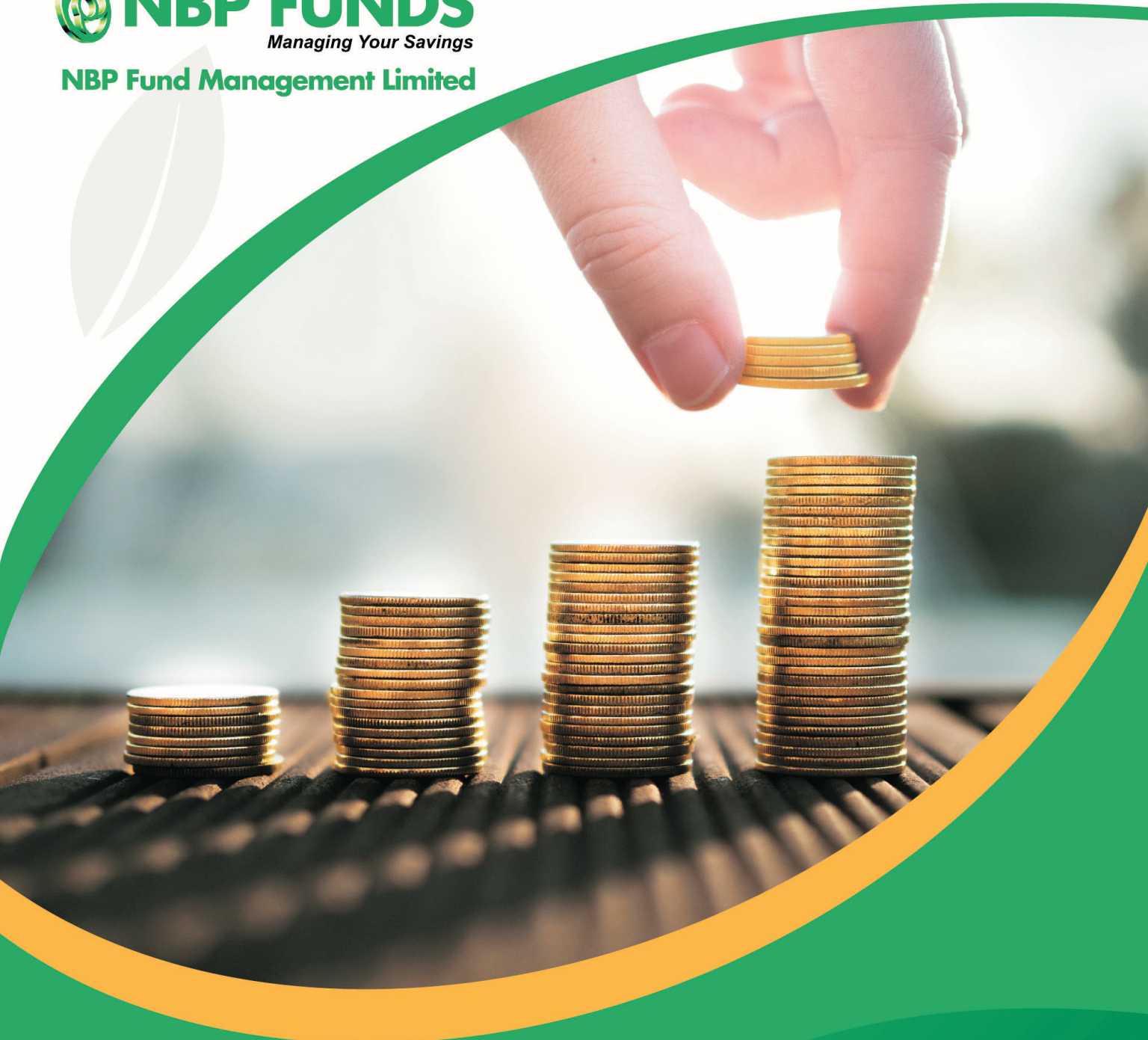




Managing Your Savings

NBP Fund Management Limited



NBP
GOVERNMENT SECURITIES
LIQUID 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."

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FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

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

Bankers to the Fund

Allied Bank Limited	Habib Metropolitan Bank Limited
Askari Bank Limited	JS Bank Limited
Bank Alfalah Limited	MCB Bank Limited
Bank Al Habib Limited	Meezan Bank Limited
Bank Islami Pakistan Limited	National Bank of Pakistan
Dubai Islamic Bank Pakistan Limited	Samba Bank Limited
Faysal Bank Limited	United Bank Limited
Habib Bank Limited	

Auditors

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

Legal Advisor

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

Head Office:

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

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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

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



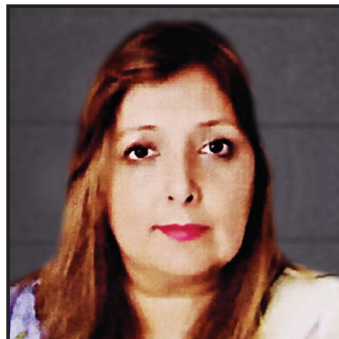
Mr. Faisal Ahmed
Director



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 17th Annual Report of **NBP Government Securities Liquid Fund (NGSLF)** for the year ended June 30, 2025.

Fund's Performance

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.

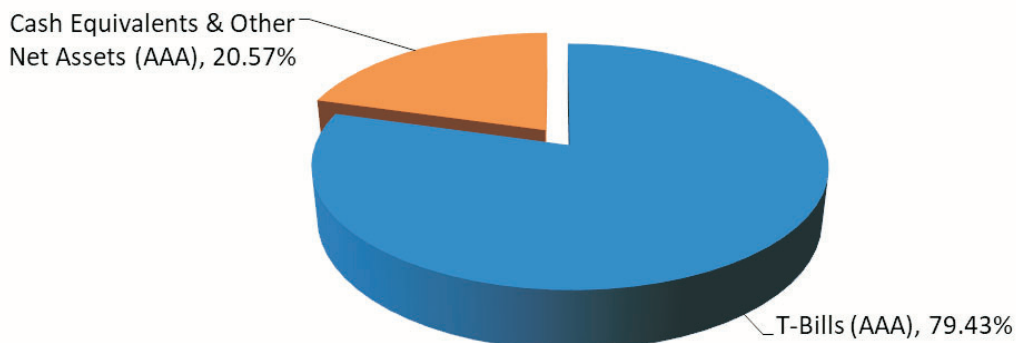
Real GDP grew by 2.7% in FY25, falling short of the government's target of 3.6%. Inflation averaged 4.5%, significantly below the budgeted target of 12%, driven by declining food and fuel prices, prudent monetary policy, and favorable base effect. Despite notable gains, the MPC maintained a cautious 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. 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. The liquidity management strategy reflected market demand, maturity pressures, and policy alignment - acceptance patterns favored shorter tenures.

NGSLF's stability rating is 'AAA (f)' awarded by PACRA. The rating reflects exceptionally strong credit and liquidity profile of the Fund. T-Bills are the major asset class of the Fund. Exposure of the Fund to credit, liquidity and interest rate risk is exceptionally low due to 70% minimum investment in Government securities (T-Bills) with average maturity of the overall portfolio at 45 days. The Fund invests in AA and above rated Banks/DFIs with maximum maturity of six months.

The size of NBP Government Securities Liquid Fund has increased from Rs. 8,850 million to Rs. 12,169 million during the period (an increase of 38%). During the period, the unit price of the Fund has increased from Rs. 8.9742 (Ex-Div) on June 30, 2024 to Rs. 10.3093 on June 30, 2025, thus showing a return of 14.9% as compared to the benchmark return of 13.9% for the same period. The performance of the Fund is net of management fee and all other expenses.

The Fund has earned a total income of Rs. 2,010.61 million during the year. After deducting total expenses of Rs. 186.92 million, the net income is Rs. 1,823.69 million. The asset allocation of NGSLF as on June 30, 2025 is as follows:



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 14.63% of the opening ex-NAV (15.05% 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 A.F. Ferguson & Co., Chartered Accountants, retired 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 26 to these financial statements.
11. The detailed pattern of unit holding is disclosed in the note 23 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 17 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

NBP فنڈ منجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز NBP گورنمنٹ سیکورٹیز لیکویڈ فنڈ (NGSLF) کی ستارہویں سالانہ رپورٹ برائے ختمہ سال 30 جون 2025ء پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

فنڈ کی کارکردگی

مالی سال 2025 کے دوران، پاکستان کی موٹیویٹی 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 رد عمل کے طور پر کیا گیا۔ اس نرمی 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 کثیر الجہتی رقوم کی آمد اور خصوصاً بیرونی شعبے میں مؤثر میکرو اکنامک نظم و ضبط کے باعث ممکن ہوا۔

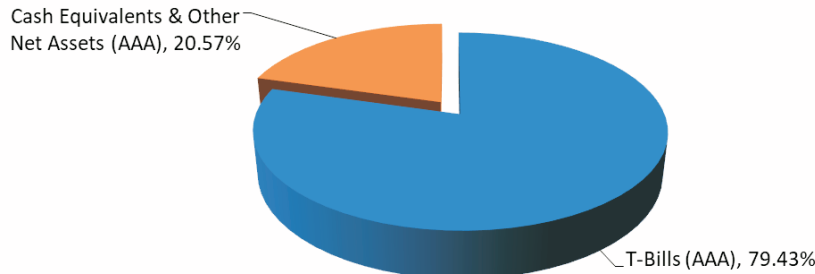
مالی سال 2025 میں حقیقی جی ڈی پی میں 2.7% اضافہ ہوا، جو حکومت کے مقررہ ہدف 3.6% سے کم رہا۔ مہنگائی اوسطاً 4.5% رہی، جو بجٹ کے ہدف 12% سے نمایاں طور پر کم تھی۔ اس کمی کی بنیادی وجوہات خوراک اور ایندھن کی قیمتوں میں کمی، جتنا موٹیویٹی پالیسی اور گزشتہ سال کے موافق اثرات (Base Effect) تھے۔ اگرچہ نمایاں بہتری ریکارڈ ہوئی، مگر ایم پی سی نے محتاط رویہ برقرار رکھا اور اس بات پر زور دیا کہ ٹریف 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 سہولت کے تسلسل کے لیے ساختی اصلاحات، مالیاتی نظم و ضبط اور مربوط پالیسی عملدرآمد کلیدی اہمیت رکھتے ہیں۔

اسٹیٹ بینک آف پاکستان (ایس بی پی) نے سٹائیس (27) ٹی بل نیلامیاں منعقد کیں، جس میں اندازاً کل 18,636 بلین روپے میچورٹیز کے مقابل تقریباً 15,335 بلین روپے کا ہدف مقرر کیا گیا۔ منظور شدہ بلیوں میں 1 ماہ سے 12 ماہ کی مدت کی مجموعی وصولی کی رقم تقریباً 16,000 بلین روپے تھی۔ اس کے علاوہ، بارہ (12) پی آئی بی مقررہ نیلامیاں، بلیوں کے ساتھ تقریباً 3,479 بلین روپے کی مجموعی وصولی کے لیے قبول کی گئیں۔ شرح منافع کے رجحان نے پورے مالی سال میں مسلسل کمی کا مظاہرہ کیا، قلیل مدتی ٹی بل کٹ آف شرح سال کے اوائل میں 20% سے کم ہو کر حالیہ نیلامیوں کے ذریعے تقریباً 11% تک گر گئی، اور PIB شرحیں بھی تمام مدتوں میں کم ہو گئیں۔ لیکویڈٹی منجمنٹ کی حکمت عملی مارکیٹ کی طلب، چنگلی کے دباؤ، اور پالیسی کی صف بندی کی عکاسی کرتی ہے۔ قبولیت کے نمونوں نے منتخب PIB شرکت کے ساتھ مختصر مدت، خاص طور پر 2 سے 10 سالہ مدتوں میں حمایت کی، جب کہ طویل میچورٹیز (15 سے 30 سال) میں کم سے کم یا صفر دلچسپی دیکھی گئی۔

NGSLF کو PACRA کی طرف سے دی گئی سٹیٹیلٹی ریٹنگ "AAA(f)" ہے۔ یہ ریٹنگ فنڈ کے غیر معمولی مستحکم کریڈٹ اور لیکویڈٹی پروفائل کی عکاسی کرتی ہے۔ T-Bills اس فنڈ کی بڑی اہمیت کا کلاس ہے۔ مجموعی پورٹ فولیو کی 45 دن کی اوسط میچورٹیز کے ساتھ گورنمنٹ سیکورٹیز (T-Bills) میں کم از کم 70% سرمایہ کاری کے ساتھ فنڈ کے کریڈٹ، لیکویڈٹی اور انٹرنسٹ ریٹ کے خطرات کی زد میں آنے کے امکانات نہ ہونے کے برابر ہیں۔ فنڈ کو زیادہ سے زیادہ چھ ماہ کی میچورٹیز کے ساتھ AA یا زائد ریٹنگ والے ڈفیس/ڈفیسوں میں انویسٹ کرنے کی اجازت ہے۔

موجودہ مدت کے دوران، NBP گورنمنٹ سیکورٹیز لیکویڈ فنڈ کا سائز 8,850 بلین روپے سے بڑھ کر 12,169 بلین روپے ہو گیا (یعنی 38% کا اضافہ ہوا)۔ اس مدت کے دوران، فنڈ کے پورٹ فولیو کی قیمت 30 جون 2024 کو 8.9742 (Ex-Div) روپے سے بڑھ کر 30 جون 2025 کو 10.3093 روپے ہو گئی، لہذا اسی مدت کے دوران فنڈ نے اپنے بیچ مارک 13.9% کے مقابلے میں 14.9% کا منافع درج کیا۔ فنڈ کی یہ کارکردگی منجمنٹ فیس اور دیگر تمام اخراجات کے بعد حاصل ہے۔

فنڈ نے سال کے دوران 2,010.61 بلین روپے کی مجموعی آمدنی کمائی۔ 186.92 بلین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 1,823.69 بلین روپے ہے۔ 30 جون 2025 کے مطابق NGSLF کی ایسٹ ایلوکیشن درج ذیل ہے



آمدنی کی تقسیم

مینیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 30 جون 2025 سال کے اختتام پر اوپننگ ex-NAV کا 14.63% (بنیادی قیمت کا 15.05%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

ٹیکسیشن

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 آکر ٹیکس آرڈیننس 2001 کے دوسرے شیڈول کے حصہ اول کی شق 99 کے تحت ٹیکس لاگو نہیں ہوتا ہے۔

آڈیٹرز

موجودہ آڈیٹر، مہسزے ایف فرگن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے اور اہل ہونے کی بنا پر، 30 جون 2026 کو ختم ہونے والے سال کے لیے دوبارہ تقرری کے لیے خود کو پیش کرتے ہیں۔

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

- 1 مینیجمنٹ کمپنی کی طرف سے تیار کردہ، مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کیش فلوا اور پونٹ ہولڈرز فنڈز میں تبدیلی کی منصفانہ 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 پیروی 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 پیروی 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 دواں 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 ٹیمیل / اہم مالیاتی ڈیٹا اس سالانہ رپورٹ میں شامل ہیں۔
- 9 ٹیکسوں، ڈیوٹیوں، 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 مینیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے آٹھ اجلاس منعقد ہوئے۔ تمام ڈائریکٹرز کی حاضری ان مالیاتی گوشواروں کے نوٹ 26 میں ظاہر کی گئی ہے۔
- 11 پونٹ ہولڈنگ کا تفصیلی پیئرین مالیاتی گوشواروں کے نوٹ 23 میں ظاہر کیا گیا ہے۔
- 12 ڈائریکٹرز، سی ای او، سی 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 17 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 (چیئر مین) 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 مخلص رویہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور ٹرسٹی کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز
NBP فنڈ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 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 Government Securities Liquid 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 Government Securities Liquid Fund

NBP Government Securities Liquid (NGSLF) Fund is an Open-End Money Market Scheme.

Investment Objective of the Fund

The objective of NBP Government Securities Liquid Fund is to generate optimal return with minimum risk, to provide easy liquidity and reasonable income to its unit holders by investing primarily in short-term Government Securities.

Benchmark

90% three (3) months PKRV rates + 10% three (3) months average of the highest rates on savings account of three (3) AA rated scheduled Banks as selected by MUFAP.*effective from Jan 01, 2025; Previously 70% 3-Month PKRV & 30% average 3-Month deposit rates of three AA rated banks as selected by MUFAP

Fund Performance Review

This is the 17th Annual report since the launch of the Fund on May 15, 2009. The Fund size increased by 38% during FY25 and stands at Rs. 12.2 billion as of June 30, 2025. The Fund's return since inception is 10.6% p.a. versus the benchmark return of 10.2% p.a. The Fund's return for FY25 is 14.9% against the benchmark return of 13.9%. The return of the Fund is net of management fee and all other expenses.

NGSLF's stability rating is 'AAA (f)' awarded by PACRA. The rating reflects the exceptionally strong credit and liquidity profile of the Fund. T-Bills are the major asset class of the Fund. Exposure of the Fund to credit, liquidity, and interest rate risks are exceptionally low due to a minimum 70% investment in Government securities (T-Bill) with a maximum maturity of the overall portfolio at 90 days. The Fund is allowed to invest in AA & above rated Banks/DFIs with a maximum maturity of six months.

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.

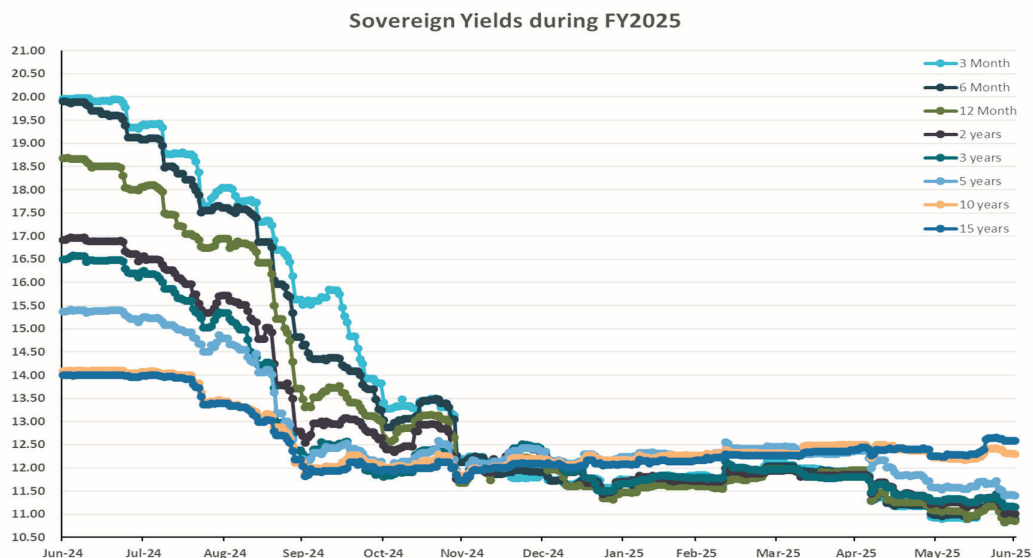
Real GDP grew by 2.7% in FY25, falling short of the government's target of 3.6%. Inflation averaged 4.5%, significantly below the budgeted target of 12%, driven by declining food and fuel prices, prudent monetary policy, and favorable base effect. Despite notable gains, the MPC maintained a cautious 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. 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. The liquidity management strategy reflected market demand, maturity pressures, and policy alignment - acceptance patterns favored shorter tenures.

Asset Allocation of Fund (% of NAV)

Particulars	30-Jun-25	30-Jun-24
T-Bills	79.43%	70.07%
PIBs	-	6.76%
Cash, Bank Placements & Other Assets	20.57%	23.17%
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	15.048%	11.7918	10.2870

Unit Holding Pattern of NBP Money Market Fund as on June 30, 2025

Size of Unit Holding (Units)	# of Unit Holders
0-1	474
1-1000	887
1001-5000	188
5001-10000	55
10001-50000	81
50001-100000	44
100001-500000	67
500001-1000000	22
1000001-5000000	43
5000001-10000000	10
10000001-100000000	14
100000001-1000000000	2
Total	1887

During the period under question

There has been no other significant change in the state of affairs of the Fund. NBP Government Securities Liquid Fund does not have any soft commission arrangement with any broker in the industry.

INDEPENDENT AUDITORS' REPORT

To the Unit holders of NBP Government Securities Liquid Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NBP Government Securities Liquid Fund (the Fund / Collective Investment Scheme), 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 cash flow statement for the year then ended, and notes to the financial statements, including 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 the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the 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 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 Matters

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 period. These matters were 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 these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	<p>Net Asset Value (NAV) (Refer notes 4 and 5 to the financial statements)</p> <p>Bank balances and investments constitute the most significant component of the net asset value. The bank balances of the fund as at June 30, 2025 aggregated to Rs. 6,566.456 million and investments amounted to Rs. 9,666.033 million.</p> <p>The existence of bank balances and the existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2025 was considered a high risk area and therefore we considered this as a key audit matter.</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"> Obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2025 and traced them to the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and Obtained bank reconciliation statements and tested reconciling items on a sample basis.

Other Information

Management is responsible for the other information. The other information comprises the information 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 and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management 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 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 management 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 is 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with 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

Based on our audit, we further report that in our opinion:

- a) the financial statements have been properly prepared in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008;
- b) proper books and records have been kept by the Collective Investment Scheme and the financial statements prepared are in agreement with the books and records of the Collective Investment Scheme; and
- c) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.

A.F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 04, 2025

UDIN: AR202510061iOStzqEYj

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2025

	Note	2025 ----- Rupees in '000 -----	2024 ----- Rupees in '000 -----
Assets			
Bank balances	4	6,566,456	2,104,792
Investments	5	9,666,033	6,799,536
Profit receivable	6	15,998	39,077
Prepayment and other receivable	7	10,175	10,153
Receivable against conversion of units		1,930,224	13,611
Total assets		18,188,886	8,967,169
Liabilities			
Payable to NBP Fund Management Limited - Management Company	8	71,055	64,074
Payable to Central Depository Company of Pakistan Limited - Trustee	9	972	427
Payable to the Securities and Exchange Commission of Pakistan	10	1,153	515
Payable against redemption of units		5,640,349	23,371
Accrued expenses and other liabilities	11	305,942	28,338
Total liabilities		6,019,471	116,725
Net Assets		12,169,415	8,850,444
Unit Holders' Fund (As Per Statement Attached)		12,169,415	8,850,444
Contingencies And Commitments	12		
		----- Number of units -----	
Number Of Units In Issue	13	1,180,432,508	860,355,843
		----- Rupees -----	
Net Asset Value Per Unit		10.3093	10.2870

The annexed notes from 1 to 29 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

	Note	2025	2024
----- Rupees in '000 -----			
Income			
Profit on bank balances		101,660	93,864
Income on government securities		1,865,234	745,704
Income on letters of placement		22,996	91,110
Income from certificate of investments		-	9,385
Net realised gain / (loss) on sale of investments		20,083	(792)
Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	5.4	639	4,661
Total income		<u>2,010,612</u>	<u>943,932</u>
Expenses			
Remuneration of NBP Fund Management Limited - Management Company	8.1	115,202	23,552
Sindh sales tax on remuneration of the Management Company	8.2	17,280	3,062
Reimbursement of allocated expenses	8.3	6,937	5,386
Sindh sales tax on allocated expenses	8.2	1,041	-
Reimbursement of selling and marketing expenses	8.4	21,998	19,051
Sindh sales tax on selling and marketing expenses	8.2	3,300	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	7,383	2,410
Sindh sales tax on remuneration of Trustee	9.2	1,107	313
Fee to the Securities and Exchange Commission of Pakistan	10.1	10,068	3,286
Auditors' remuneration	14	1,251	929
Securities transaction costs		322	223
Legal and professional charges		175	150
Rating fee		373	336
Printing charges		75	40
Listing fee		31	31
Settlement and bank charges		383	293
Total expenses		<u>186,926</u>	<u>59,062</u>
Net income for the year before taxation		<u>1,823,686</u>	<u>884,870</u>
Taxation	16	-	-
Net income for the year after taxation		<u><u>1,823,686</u></u>	<u><u>884,870</u></u>
Allocation of net income for the year:			
Net income for the year after taxation		1,823,686	884,870
Income already paid on units redeemed		(1,531,765)	(32,803)
		<u>291,921</u>	<u>852,067</u>
Accounting income available for distribution:			
- Relating to capital gains		20,722	3,869
- Excluding capital gains		271,199	848,198
		<u>291,921</u>	<u>852,067</u>

The annexed notes from 1 to 29 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	2024
	----- Rupees in '000 -----	
Net income for the year after taxation	1,823,686	884,870
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>1,823,686</u>	<u>884,870</u>

The annexed notes from 1 to 29 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 the beginning of the year	8,720,123	130,321	8,850,444	1,849,356	111,186	1,960,542
Issuance of 8,344,643,648 units (2024: 1,212,948,869 units)						
- Capital value (at net asset value per unit at the beginning of the year)	85,841,349	-	85,841,349	12,450,071	-	2,764,068
- Element of income	10,175,663	-	10,175,663	59,505	-	9,745,508
Total proceeds on issuance of units	96,017,012	-	96,017,012	12,509,576	-	12,509,576
Redemption of 8,024,566,983 units (2024: 543,599,595 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(82,548,721)	-	(82,548,721)	(5,579,669)	-	(5,579,669)
- Element of loss	(9,880,054)	(1,531,765)	(11,411,819)	(9,200)	(32,803)	(42,003)
Total payments on redemption of units	(92,428,775)	(1,531,765)	(93,960,540)	(5,588,869)	(32,803)	(5,621,672)
Total comprehensive income for the year	-	1,823,686	1,823,686	-	884,870	884,870
Cash distributions during the year ended June 30, 2024						
- @ Rs. 0.1476 per unit declared on July 26, 2023	-	-	-	(233)	(24,387)	(24,620)
- @ Rs. 0.2027 per unit declared on August 29, 2023	-	-	-	(3,631)	(37,288)	(40,919)
- @ Rs. 0.1657 per unit declared on September 26, 2023	-	-	-	(3,263)	(26,257)	(29,520)
- @ Rs. 0.1704 per unit declared on October 24, 2023	-	-	-	(5,659)	(35,647)	(41,306)
- @ Rs. 0.2018 per unit declared on November 28, 2023	-	-	-	(9,400)	(79,616)	(89,016)
- @ Rs. 0.1631 per unit declared on December 27, 2023	-	-	-	(5,745)	(52,698)	(58,443)
- @ Rs. 0.1623 per unit declared on January 23, 2024	-	-	-	(4,754)	(63,673)	(68,427)
- @ Rs. 0.1857 per unit declared on February 27, 2024	-	-	-	(2,052)	(76,226)	(78,278)
- @ Rs. 0.1528 per unit declared on March 26, 2024	-	-	-	(3,609)	(74,303)	(77,912)
- @ Rs. 0.167 per unit declared on April 24, 2024	-	-	-	(4,151)	(107,084)	(111,235)
- @ Rs. 0.1996 per unit declared on May 29, 2024	-	-	-	(2,880)	(124,332)	(127,212)
- @ Rs. 0.1685 per unit declared on June 27, 2024	-	-	-	(4,563)	(131,421)	(135,984)
Total distribution during the year ended June 30, 2024	-	-	-	(49,940)	(832,932)	(882,872)
Distribution for the year ended June 30, 2025						
- @ Rs. 1.5048 per unit declared on June 26, 2025	(286,507)	(274,680)	(561,187)	-	-	-
Total distribution during the year ended June 30, 2025	(286,507)	(274,680)	(561,187)	-	-	-
Net assets at the end of the year	12,021,853	147,562	12,169,415	8,720,123	130,321	8,850,444
Undistributed income brought forward						
- Realised income		125,660			112,980	
- Unrealised gain / (loss)		4,661			(1,794)	
		130,321			111,186	
Accounting income available for distribution						
- Relating to capital gains		20,722			3,869	
- Excluding capital gains		271,199			848,198	
		291,921			852,067	
Distribution during the year		(274,680)			(832,932)	
Undistributed income carried forward		147,562			130,321	
Undistributed income carried forward						
- Realised income		146,923			125,660	
- Unrealised gain		639			4,661	
		147,562			130,321	
			Rupees			Rupees
Net asset value per unit at the beginning of the year			<u>10.2870</u>			<u>10.2643</u>
Net asset value per unit at the end of the year			<u>10.3093</u>			<u>10.2870</u>

The annexed notes from 1 to 29 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	2024
		----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		1,823,686	884,870
Adjustments for:			
Profit on bank balances		(101,660)	(93,864)
Income on government securities		(1,865,234)	(745,704)
Income on letters of placement		(22,996)	(91,110)
Income from certificate of investments		-	(9,385)
Net realised (gain) / loss on sale of investments		(20,083)	792
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(639)	(4,661)
		<u>(2,010,612)</u>	<u>(943,932)</u>
		(186,926)	(59,062)
Increase in assets			
Investments		(2,402,551)	(5,761,811)
Prepayment and other receivable		(22)	(15)
		<u>(2,402,573)</u>	<u>(5,761,826)</u>
Increase in liabilities			
Payable to NBP Fund Management Limited - Management Company		6,981	13,461
Payable to Central Depository Company of Pakistan Limited - Trustee		545	342
Payable to the Securities and Exchange Commission of Pakistan		638	255
Accrued expenses and other liabilities		277,604	24,823
		285,768	38,881
Profit received on bank balances, government securities, letters of placement and certificate of investment		2,012,969	903,439
Net cash used in operating activities		<u>(290,762)</u>	<u>(4,878,568)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units - net of refund of capital		93,813,892	12,523,196
Net payments against redemption of units		(88,343,562)	(5,602,117)
Dividend paid		(274,680)	(832,932)
Net cash generated from financing activities		5,195,650	6,088,147
Net increase in cash and cash equivalents during the year		<u>4,904,888</u>	<u>1,209,579</u>
Cash and cash equivalents at the beginning of the year		3,138,648	1,929,069
Cash and cash equivalents at the end of the year	18	<u><u>8,043,536</u></u>	<u><u>3,138,648</u></u>

The annexed notes from 1 to 29 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 Government Securities Liquid Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as the Management Company 'the Management Company' and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on April 10, 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund was registered under the Sindh Trusts Act, 2020 on October 14, 2021.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (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.
- 1.3 The Fund is an open-ended mutual fund categorised as money market scheme and is listed on Pakistan Stock Exchange Limited. Units of the Fund are offered for public subscription on a continuous basis. The units of the Fund are transferable and can be redeemed by surrendering them to the Fund.
- 1.4 The investment objective of the Fund is to generate optimal return with minimum risk, to provide easy liquidity and reasonable income to its unit holders by investing primarily in short-term government securities.
- 1.5 Pakistan Credit Rating Agency Limited (PACRA) has reaffirmed the asset manager rating of the Management Company of AM1 on May 5, 2025 (2024: AM1 on June 21, 2024). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of the systems and processes. Furthermore, PACRA has maintained the stability rating of the Fund to AAA(f) on April 17, 2025 (2024: AAA(f) on March 28, 2024).
- 1.6 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Accounting 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 part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IFRS Accounting 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 the requirements of the Trust Deed have been followed.

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2024. However, these are not considered to be relevant or do not have any material effect on the Fund's financial statements and are, therefore, not been disclosed in these financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2025. However, these are not considered to be relevant or will not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements.
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 3.1 and 5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets has been disclosed in note 21.

2.6 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 Pakistani Rupee, which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Financial assets

3.1.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

3.1.2 Classification and subsequent measurement

3.1.2.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost
- at fair value through other comprehensive income (FVOCI)
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

3.1.2.2 Cash and cash equivalents

These comprise bank balances in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

3.1.3 Impairment (other than debt securities)

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVOCI. The Fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when these fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

3.1.4 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on the management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has been placed on the Management Company's website as required under the SECP's circular.

3.1.5 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset.

3.1.6 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 the risks and rewards of ownership or the Fund neither transfers nor retains substantially all the risks and rewards of ownership and the Fund has not retained control. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

3.2 Financial liabilities

3.2.1 Classification and subsequent measurement

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value and subsequently measured at amortised cost.

3.2.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

3.3 Offsetting of financial assets and financial 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 only when permitted by the accounting and reporting standards as applicable in Pakistan.

3.4 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.

3.5 Net asset value per unit

The Net Asset Value (NAV) per unit, as disclosed in 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.

3.6 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and

provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption application during business hours of that day. The redemption price represents the NAV as on the close of the business day, less any duties, taxes, charges on redemption and any provision for transaction cost, if applicable.

3.7 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion 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 year in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.8 Element of income / (losses) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income / (loss) is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.9 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.
- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are recorded in the period in which these arise.
- Profit on bank balances, investments in government securities, letters of placement and certificates of investments is recognised on an accrual basis using effective yield method

3.10 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company, Trustee fee and annual fee of the SECP are recognised in the Income Statement on an accrual basis.

3.11 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

4	BANK BALANCES	Note	2025	2024
			----- Rupees in '000 -----	
	Balances with banks in:			
	Savings accounts	4.1	6,566,379	2,104,766
	Current accounts	4.2	77	26
			<u>6,566,456</u>	<u>2,104,792</u>

4.1 These include balances of Rs. 8.516 million (2024: Rs. 0.807 million) maintained with the National Bank of Pakistan (a related party) that carry profit at the rate of 6% (2024: 20.5%) per annum. Other savings accounts of the Fund carry profit at the rates ranging from 0.1% to 11% (2024: 11.01% to 22.25%) per annum.

4.2 These include a balance of Rs. 0.026 million (2024: Rs. 0.026 million) maintained with the National Bank of Pakistan (a related party).

5	INVESTMENTS	Note	2025	2024
			----- Rupees in '000 -----	
	At fair value through profit or loss			
	Government securities - Market Treasury Bills	5.1	9,666,033	6,201,156
	Government securities - Pakistan Investment Bonds	5.2	-	598,380
	Letters of placement	5.3	-	-
			<u>9,666,033</u>	<u>6,799,536</u>

5.1 Government securities - Market Treasury Bills

Issue date	Maturity date	Tenor in months	Yield	Face value				Carrying Value as at June 30, 2025	Market value as at June 30, 2025	Unrealised appreciation / (diminution)	Market value as a percentage of	
				As at July 1, 2024	Purchased during the year	Sold / matured during the year	As at June 30, 2025				total investments of the Fund	net assets of the Fund
----- Rupees in '000 -----											----- (%) -----	
April 17, 2025	May 15, 2025	1	12.29%	-	500,000	500,000	-	-	-	-	-	-
May 15, 2025	June 12, 2025	1	11.18%	-	500,000	500,000	-	-	-	-	-	-
May 29, 2025	June 26, 2025	1	11.25%	-	500,000	500,000	-	-	-	-	-	-
June 12, 2025	July 10, 2025	1	11.07%	-	500,000	500,000	-	-	-	-	-	-
May 30, 2024	August 22, 2024	3	20.25%	500,000	400,000	900,000	-	-	-	-	-	-
June 13, 2024	September 5, 2024	3	19.60%	-	129,500	129,500	-	-	-	-	-	-
June 27, 2024	September 19, 2024	3	19.81%	572,000	-	572,000	-	-	-	-	-	-
July 11, 2024	October 3, 2024	3	19.84%	-	250,000	250,000	-	-	-	-	-	-
July 25, 2024	October 17, 2024	3	19.49%	-	250,000	250,000	-	-	-	-	-	-
August 22, 2024	November 14, 2024	3	17.47%	-	250,000	250,000	-	-	-	-	-	-
October 17, 2024	January 9, 2025	3	15.06%	-	750,000	750,000	-	-	-	-	-	-
October 31, 2024	January 23, 2025	3	13.87%	-	500,000	500,000	-	-	-	-	-	-
November 14, 2024	February 6, 2025	3	13.46%	-	500,000	500,000	-	-	-	-	-	-
November 28, 2024	February 20, 2025	3	12.94%	-	500,000	500,000	-	-	-	-	-	-
December 12, 2024	March 6, 2025	3	12.00%	-	900,000	900,000	-	-	-	-	-	-
December 26, 2024	March 20, 2025	3	11.98%	-	2,500,000	2,500,000	-	-	-	-	-	-
January 9, 2025	April 3, 2025	3	11.71%	-	250,000	250,000	-	-	-	-	-	-
January 23, 2025	April 17, 2025	3	11.59%	-	500,000	500,000	-	-	-	-	-	-
February 6, 2025	May 2, 2025	3	11.79%	-	250,000	250,000	-	-	-	-	-	-
February 20, 2025	May 15, 2025	3	11.25%	-	1,000,000	1,000,000	-	-	-	-	-	-
April 17, 2025	July 10, 2025	3	11.20%	-	5,977,500	5,977,500	-	-	-	-	-	-
May 2, 2025	July 24, 2025	3	11.11%	-	6,000,000	6,000,000	-	-	-	-	-	-
May 15, 2025	August 7, 2025	3	11.21%	-	500,000	-	500,000	494,461	494,397	(64)	5.11	4.06
May 29, 2025	August 21, 2025	3	11.13%	-	500,000	-	500,000	492,416	492,350	(66)	5.09	4.05
June 12, 2025	September 4, 2025	3	10.95%	-	500,000	-	500,000	490,491	490,333	(158)	5.07	4.03

NBP GOVERNMENT SECURITIES LIQUID FUND

Issue date	Maturity date	Tenor in months	Yield	Face value				Carrying Value as at June 30, 2025	Market value as at June 30, 2025	Unrealised appreciation / (diminution)	Market value as a percentage of	
				As at July 1, 2024	Purchased during the year	Sold / matured during the year	As at June 30, 2025				total investments of the Fund	net assets of the Fund
Rupees in '000											%	
January 11, 2024	July 11, 2024	6	18.71%	251,990	-	251,990	-	-	-	-	-	-
April 4, 2024	October 3, 2024	6	20.07%	-	1,000,000	1,000,000	-	-	-	-	-	-
May 30, 2024	November 28, 2024	6	19.95%	500,000	-	500,000	-	-	-	-	-	-
July 11, 2024	January 9, 2025	6	19.68%	-	250,000	250,000	-	-	-	-	-	-
July 25, 2024	January 23, 2025	6	18.00%	-	500,000	500,000	-	-	-	-	-	-
August 22, 2024	February 20, 2025	6	17.70%	-	600,000	600,000	-	-	-	-	-	-
September 5, 2024	March 6, 2025	6	16.61%	-	1,200,000	1,200,000	-	-	-	-	-	-
October 3, 2024	April 3, 2025	6	14.23%	-	500,000	500,000	-	-	-	-	-	-
October 17, 2024	April 17, 2025	6	13.80%	-	595,000	595,000	-	-	-	-	-	-
October 31, 2024	May 2, 2025	6	11.85%	-	1,853,000	1,853,000	-	-	-	-	-	-
November 14, 2024	May 15, 2025	6	13.42%	-	500,000	500,000	-	-	-	-	-	-
November 28, 2024	May 29, 2025	6	12.60%	-	566,100	566,100	-	-	-	-	-	-
December 12, 2024	June 12, 2025	6	11.79%	-	1,514,300	1,514,300	-	-	-	-	-	-
December 26, 2024	June 26, 2025	6	11.25%	-	5,000,000	5,000,000	-	-	-	-	-	-
January 9, 2025	July 10, 2025	6	11.06%	-	12,412,000	12,412,000	-	-	-	-	-	-
January 23, 2025	July 24, 2025	6	11.40%	-	500,000	-	500,000	496,600	496,489	(111)	5.14	4.08
February 20, 2025	August 21, 2025	6	11.02%	-	15,000,000	10,000,000	5,000,000	4,924,270	4,923,500	(770)	50.94	40.46
March 6, 2025	September 4, 2025	6	11.66%	-	1,000,000	1,000,000	-	-	-	-	-	-
May 2, 2025	October 30, 2025	6	11.01%	-	1,000,000	-	1,000,000	963,679	964,910	1,231	9.98	7.93
May 15, 2025	November 13, 2025	6	11.25%	-	500,000	-	500,000	480,306	480,538	232	4.97	3.95
May 29, 2025	November 27, 2025	6	11.11%	-	500,000	-	500,000	478,508	478,643	135	4.95	3.93
June 12, 2025	December 11, 2025	6	11.18%	-	17,000,000	17,000,000	-	-	-	-	-	-
July 13, 2023	July 11, 2024	12	18.71%	1,000,000	-	1,000,000	-	-	-	-	-	-
October 19, 2023	October 17, 2024	12	17.50%	1,350,000	1,450,000	2,800,000	-	-	-	-	-	-
November 2, 2023	October 31, 2024	12	17.70%	1,200,000	921,585	2,121,585	-	-	-	-	-	-
October 5, 2023	October 3, 2024	12	20.00%	-	24,990	24,990	-	-	-	-	-	-
November 16, 2023	November 14, 2024	12	18.25%	-	22,000	22,000	-	-	-	-	-	-
November 30, 2023	November 28, 2024	12	19.69%	1,150,000	119,000	1,269,000	-	-	-	-	-	-
December 14, 2023	December 12, 2024	12	18.00%	-	559,100	559,100	-	-	-	-	-	-
December 28, 2023	December 26, 2024	12	15.56%	-	4,013,900	4,013,900	-	-	-	-	-	-
January 11, 2024	January 9, 2025	12	16.40%	-	584,200	584,200	-	-	-	-	-	-
January 25, 2024	January 23, 2025	12	17.20%	-	779,700	779,700	-	-	-	-	-	-
April 18, 2024	April 17, 2025	12	14.19%	-	241,500	241,500	-	-	-	-	-	-
May 16, 2024	May 15, 2025	12	11.70%	-	302,000	302,000	-	-	-	-	-	-
June 13, 2024	June 12, 2025	12	11.18%	-	1,800,000	1,800,000	-	-	-	-	-	-
June 27, 2024	June 26, 2025	12	11.78%	-	125,000	125,000	-	-	-	-	-	-
July 11, 2024	July 10, 2025	12	11.26%	-	1,523,300	1,523,000	300	299	299	-	-	-*
July 25, 2024	July 24, 2025	12	11.80%	-	364,680	-	364,680	362,049	362,119	70	3.75	2.98
August 8, 2024	August 7, 2025	12	11.80%	-	1,100,000	1,100,000	-	-	-	-	-	-
October 31, 2024	October 30, 2025	12	11.13%	-	500,000	-	500,000	482,315	482,455	140	4.99	3.96
December 12, 2024	December 11, 2025	12	11.10%	-	650,000	650,000	-	-	-	-	-	-
Total as at June 30, 2025								9,665,394	9,666,033	639	100	79
Total as at June 30, 2024								6,196,339	6,201,156	4,817	91.20	70.06

* Nil due to rounding off

5.2 Government securities - Pakistan Investment Bonds

Issue date	Maturity date	Tenor in months	Yield	Face value				Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised appreciation / (diminution)	Market value as a percentage of	
				As at July 1, 2024	Purchased during the year	Sold / matured during the year	As at June 30, 2025				total investments of the Fund	net assets of the Fund
Rupees in '000											%	
October 7, 2021	October 7, 2024	36	22.55%	600,000	-	600,000	-	-	-	-	-	-
April 7, 2022	April 7, 2025	36	11.80%	-	1,000,000	1,000,000	-	-	-	-	-	-
Total as at June 30, 2025								-	-	-	-	-
Total as at June 30, 2024								595,536	598,380	(156)	6.76	8.80

5.3 Letters of placement

Name of the investee company	Rating	Maturity date	Profit rate	Amount placed				Carrying value as at June 30, 2025	Market value as at June 30, 2025	Market value as a percentage of	
				As at July 1, 2024	Purchased during the year	Matured during the year	As at June 30, 2025			net assets of the Fund	total market value of investments
								(Rupees in '000)		(%)	
DEVELOPMENT FINANCE INSTITUTION											
PAIR Investment Company Limited	A-1+	February 7, 2025	11.95%	-	400,000	400,000	-	-	-	-	-
PAIR Investment Company Limited	A-1+	January 31, 2025	12.90%	-	400,000	400,000	-	-	-	-	-
Pak Brunei Investment Company Limited	A-1+	July 19, 2024	20.30%	-	900,000	900,000	-	-	-	-	-
Pak Brunei Investment Company Limited	A-1+	July 25, 2024	20.30%	-	900,000	900,000	-	-	-	-	-
Pak Brunei Investment Company Limited	A-1+	August 6, 2024	19.50%	-	250,000	250,000	-	-	-	-	-
Pak Brunei Investment Company Limited	A-1+	September 12, 2024	19.65%	-	1,000,000	1,000,000	-	-	-	-	-
Pak Brunei Investment Company Limited	A-1+	September 13, 2024	19.65%	-	1,000,000	1,000,000	-	-	-	-	-
Pak Brunei Investment Company Limited	A-1+	October 7, 2024	17.75%	-	500,000	500,000	-	-	-	-	-
Pak Brunei Investment Company Limited	A-1+	July 19, 2024	20.30%	-	900,000	900,000	-	-	-	-	-
Pak Brunei Investment Company Limited	A-1+	July 25, 2024	20.30%	-	900,000	900,000	-	-	-	-	-
Pak Brunei Investment Company Limited	A-1+	August 6, 2024	19.50%	-	250,000	250,000	-	-	-	-	-
Pak Brunei Investment Company Limited	A-1+	September 12, 2024	19.55%	-	1,000,000	1,000,000	-	-	-	-	-
Pak Brunei Investment Company Limited	A-1+	September 13, 2024	19.65%	-	1,000,000	1,000,000	-	-	-	-	-
Pak Brunei Investment Company Limited	A-1+	October 7, 2024	17.75%	-	500,000	500,000	-	-	-	-	-
Pak Kuwait Investment Company	A-1+	December 26, 2024	13.50%	-	1,000,000	1,000,000	-	-	-	-	-
Pak Kuwait Investment Company	A-1+	December 26, 2024	13.50%	-	1,000,000	1,000,000	-	-	-	-	-
Pak Oman Investment Company Limited	A-1+	August 2, 2024	20.30%	-	250,000	250,000	-	-	-	-	-
Pak Oman Investment Company Limited	A-1+	August 16, 2024	19.50%	-	500,000	500,000	-	-	-	-	-
Pak Oman Investment Company Limited	A-1+	August 27, 2024	19.60%	-	800,000	800,000	-	-	-	-	-
Pak Oman Investment Company Limited	A-1+	August 16, 2024	19.50%	-	500,000	500,000	-	-	-	-	-
Pak Oman Investment Company Limited	A-1+	August 2, 2024	20.30%	-	250,000	250,000	-	-	-	-	-
Pak Oman Investment Company Limited	A-1+	August 27, 2024	19.60%	-	800,000	800,000	-	-	-	-	-
COMMERCIAL BANKS											
JS Bank Limited	A-1+	August 5, 2024	19.00%	-	250,000	250,000	-	-	-	-	-
JS Bank Limited	A-1+	August 7, 2024	19.25%	-	250,000	250,000	-	-	-	-	-
JS Bank Limited	A-1+	August 22, 2024	19.35%	-	500,000	500,000	-	-	-	-	-
JS Bank Limited	A-1+	December 13, 2024	15.04%	-	500,000	500,000	-	-	-	-	-
JS Bank Limited	A-1+	February 17, 2025	11.80%	-	500,000	500,000	-	-	-	-	-
JS Bank Limited	A-1+	August 5, 2024	19.00%	-	250,000	250,000	-	-	-	-	-
JS Bank Limited	A-1+	August 7, 2024	19.25%	-	250,000	250,000	-	-	-	-	-
JS Bank Limited	A-1+	December 12, 2024	15.04%	-	400,000	400,000	-	-	-	-	-
JS Bank Limited	A-1+	February 10, 2025	11.90%	-	500,000	500,000	-	-	-	-	-
JS Bank Limited	A-1+	August 22, 2024	19.35%	-	500,000	500,000	-	-	-	-	-
United Bank Limited	A-1+	August 28, 2024	19.10%	-	800,000	800,000	-	-	-	-	-
United Bank Limited	A-1+	August 29, 2024	19.10%	-	800,000	800,000	-	-	-	-	-
United Bank Limited	A-1+	August 30, 2024	19.00%	-	500,000	500,000	-	-	-	-	-
United Bank Limited	A-1+	April 8, 2025	12.10%	-	1,000,000	1,000,000	-	-	-	-	-
United Bank Limited	A-1+	April 9, 2025	12.05%	-	1,000,000	1,000,000	-	-	-	-	-
United Bank Limited	A-1+	August 28, 2024	19.10%	-	800,000	800,000	-	-	-	-	-
United Bank Limited	A-1+	August 29, 2024	19.10%	-	800,000	800,000	-	-	-	-	-
United Bank Limited	A-1+	August 30, 2024	19.00%	-	500,000	500,000	-	-	-	-	-
Zarai Taraqati Bank Limited	A-1+	July 19, 2024	20.45%	-	250,000	250,000	-	-	-	-	-
Zarai Taraqati Bank Limited	A-1+	July 23, 2024	20.40%	-	300,000	300,000	-	-	-	-	-
Zarai Taraqati Bank Limited	A-1+	July 24, 2024	20.40%	-	300,000	300,000	-	-	-	-	-
Zarai Taraqati Bank Limited	A-1+	July 25, 2024	20.25%	-	300,000	300,000	-	-	-	-	-
Zarai Taraqati Bank Limited	A-1+	September 11, 2024	19.50%	-	1,000,000	1,000,000	-	-	-	-	-
Zarai Taraqati Bank Limited	A-1+	December 5, 2024	15.25%	-	500,000	500,000	-	-	-	-	-
Zarai Taraqati Bank Limited	A-1+	July 23, 2024	20.40%	-	300,000	300,000	-	-	-	-	-
Zarai Taraqati Bank Limited	A-1+	July 24, 2024	20.40%	-	300,000	300,000	-	-	-	-	-
Zarai Taraqati Bank Limited	A-1+	July 25, 2024	20.25%	-	300,000	300,000	-	-	-	-	-
Zarai Taraqati Bank Limited	A-1+	September 11, 2024	19.50%	-	1,000,000	1,000,000	-	-	-	-	-
Zarai Taraqati Bank Limited	A-1+	December 5, 2024	15.25%	-	500,000	500,000	-	-	-	-	-
Zarai Taraqati Bank Limited	A-1+	July 19, 2024	20.45%	-	250,000	250,000	-	-	-	-	-
Total as at June 30, 2025											
Total as at June 30, 2024											

5.4	Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	Note	2025	2024
			----- (Rupees in '000) -----	
	Market value of investments	5.1, 5.2 & 5.3	9,666,033	6,799,536
	Less: carrying value of investments	5.1, 5.2 & 5.3	9,665,394	6,794,875
			<u>639</u>	<u>4,661</u>

6 PROFIT RECEIVABLE

Profit receivable on bank balances		15,998	8,812
Profit receivable on Pakistan Investment Bonds		-	30,265
		<u>15,998</u>	<u>39,077</u>

7 PREPAYMENTS AND OTHER RECEIVABLES

Advance tax	7.1	9,978	9,978
Prepaid annual rating fee		197	175
		<u>10,175</u>	<u>10,153</u>

7.1 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 section 151. However, withholding taxes on profit on bank balances and debt securities 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 taxes withheld on profit on bank balances and debt securities as at June 30, 2025 amount to Rs. 9.978 million (2024: Rs. 9.978 million).

For this purpose, the 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 SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of SHC. Pending resolution of the matter, the amount of withholding tax so deducted has been shown as other receivables as at June 30, 2025 as, in the opinion of the management, the amount of tax deducted at source will likely be refunded.

8	PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2025	2024
			----- Rupees in '000 -----	
	Remuneration payable to the Management Company	8.1	16,909	4,196
	Sindh sales tax payable on remuneration to the Management Company	8.2	2,536	546
	Reimbursement allocated expenses payable	8.3	4,918	2,183
	Reimbursement selling and marketing expenses payable	8.4	-	10,939
	Sindh sales tax payable on allocated expenses	8.2	738	-
	Sales load including Sindh sales tax		41	360
	Federal Excise Duty on remuneration of the Management Company	8.5	45,779	45,779
	ADC charges payable including Sindh sales tax		134	71
			<u>71,055</u>	<u>64,074</u>

8.1 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 under the following rates:

2025					2024
From July 01, 2024 to December 08, 2024	From December 09, 2024 to December 18, 2024	From December 19, 2024 to January 12, 2025	From January 13, 2025 to January 19, 2025	From January 20, 2025 to June 30, 2025	From July 01, 2023 to June 30, 2024
1% of net income of the Fund subject to floor and capping of 0.2% and 1% per annum of average annual net assets.	0.73% of average annual net assets	1.16% of average annual net assets	1.33% of average annual net assets	1.1% of average annual net assets	1% of net income of the Fund subject to floor and capping of 0.2% and 1% per annum of average annual net assets.

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

During the year ended June 30, 2025, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, introduced the management fee cap of 1.25% to be calculated on a per annum basis of the average daily net assets, applicable to a "Money Market Scheme". This revision is effective from July 1, 2025.

- 8.2** Sindh sales tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of Management Company has been enhanced from the rate of 13% to 15% (2024: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

Further, Sindh sales tax at the rate of 15% has also been levied on any reimbursable expenditure to the Management Company effective July 1, 2024 vide Sindh Finance Act, 2024.

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

Accordingly, the Management Company based on its discretion has charged accounting and operational charges under the following rates:

2025			2024	
Rate applicable from July 1, 2024 to November 24, 2024	Rate applicable from November 25, 2024 to January 12, 2025	Rate applicable from January 13, 2025 to June 30, 2025	Rate applicable from July 1, 2023 to June 23, 2024	Rate applicable from June 24, 2024 to June 30, 2024
0.07% of average annual net assets	0.17% of average annual net assets	Nil	0.125% of average annual net assets	0.07% of average annual net assets

Further, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to registrar services, accounting, operation and valuation services has been excluded. This amendment was effective immediately upon its release on April 10, 2025.

- 8.4** In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion has charged selling and marketing expenses at the following rates keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC regulations, 2008, subject to total expense being lower than actual expense incurred.

2025			2024		
From July 01, 2024 to November 24, 2024	From November 25, 2024 to December 08, 2024	From December 09, 2024 to June 30, 2025	From July 01, 2023 to November 9, 2023	From November 10, 2023 to March 24, 2024	From March 25, 2024 to June 30, 2024
0.4% of average annual net assets	0.3% of average annual net assets	Nil	0.8% of average annual net assets	0.3% of average annual net assets	0.4% of average annual net assets

Further, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs, as prescribed in Schedule XX of the NBFC Regulations, wherein the SECP has excluded

the chargeability of selling and marketing expenses from the schedule. This amendment was effective immediately upon its release on April 10, 2025.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period till June 30, 2016 amounting to Rs. 45.779 million (2024: Rs. 45.779 million) is being retained in these financial statements of the Fund as the matter is pending before the SHC. Had the provision for FED not been made, the net asset value per unit of the Fund as at June 30, 2025 would have been higher by Re. 0.0388 (2024: Re. 0.0532) per unit.

9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2025	2024
			----- Rupees in '000 -----	
	Trustee fee payable	9.1	845	378
	Sindh sales tax payable on trustee fee	9.2	127	49
			972	427

9.1	2025	2024
	Rate applicable from July 1, 2024 to June 30, 2025	Rate applicable from July 1, 2023 to June 30, 2024
	0.055% of average annual net assets	0.055% of average annual net assets

- 9.2** Sindh sales tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of the Trustee has been enhanced from the rate of 13% to 15% (2024: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2025	2024
			----- Rupees in '000 -----	
	Fee payable	10.1	1,153	515

- 10.1** Under the provisions of the NBFC Regulations, a collective investment 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.

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

	2025	2024
	----- Rupees in '000 -----	
11 ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration	932	724
Withholding tax payable	64,191	26,196
Capital gain tax payable	239,712	483
Legal and professional charges payable	182	181
Other payables	925	754
	<u>305,942</u>	<u>28,338</u>

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2025 and June 30, 2024.

	2025	2024
	----- Number of units -----	
13 NUMBER OF UNITS IN ISSUE		
Total units in issue at the beginning of the year	860,355,843	191,006,569
Units issued during the year	8,344,643,648	1,212,948,869
Less: Units redeemed during the year	<u>(8,024,566,983)</u>	<u>(543,599,595)</u>
Total units in issue at the end of the year	<u>1,180,432,508</u>	<u>860,355,843</u>

	2025	2024
	----- Rupees in '000 -----	
14 AUDITORS' REMUNERATION		
Annual audit fee	642	540
Half yearly review	257	216
Other certification	150	-
Out of pocket	109	104
Sindh Sales tax	93	69
	<u>1,251</u>	<u>929</u>

15 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund as at June 30, 2025 is 1.39% (2024: 1.34%) which includes 0.24% (2024: 0.15%) representing government levy including sales tax and the SECP fee. The prescribed limit for the ratio is 2% (2024: 2%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an money market scheme.

During the year ended June 30, 2025, the SECP, vide S.R.O. 600(I)/2025 dated April 10, 2025, has removed the TER limit with effect from July 1, 2025. The TER limit, applicable previously, has been replaced with the management fee cap which has been disclosed in note 8.1 of these financial statements.

16 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed to the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

17 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan and Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company, other associated companies, any entity in which the Management Company, its CISs or their connected persons have material interest. Connected persons also include any person or company beneficially owing directly or indirectly 10% or more of net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

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

Remuneration payable to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Remuneration payable to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

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

The details of transactions carried out by the Fund with connected persons and related parties during the year and balances with them as at year end are as follows:

	2025	2024
	----- Rupees in '000 -----	
NBP Fund Management Limited - Management Company		
Remuneration of the Management Company	115,202	23,552
Sindh sales tax on remuneration of the Management Company	17,280	3,062
Reimbursement of allocated expenses	6,937	5,386
Sindh sales tax on allocated expenses	1,041	-
Reimbursement of selling and marketing expenses	21,998	19,051
Sindh sales tax on selling and marketing expenses	3,300	-
Sales load including Sindh sales tax	3,496	1,040
ADC charges including Sindh sales tax	175	176
Units issued to unitholders on behalf of the Management Company	1,326	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	7,383	2,410
Sindh sales tax on remuneration of Trustee	1,107	313
Employees of the Management Company		
Dividend re-invested: 2,327 units (2024: 80,326 units)	24	825
Units issued: 3,392,408 units (2024: 3,300,611 units)	39,241	33,993
Units redeemed: 3,846,607 units (2024: 3,583,291 units)	44,425	37,059
NBP Employees Pension Fund - Pension Fund of Parent Company - unit holder of 10% or more of units of the Fund		
Dividend re-invested: 4,383,147 units (2024: 6,276,182 units)	45,168	64,457
Units issued: 730,552 units (2024: 3,153 units)*	7,482	-

	2025	2024
	----- Rupees in '000 -----	
National Bank of Pakistan - Parent of Management Company		
Bank profits earned in the savings account	181	238
National Fullerton Asset Management Employee Provident Fund - Provident Fund of Management Company		
Dividend re-invested: 88,629 units (2024: 139,394 units)	913	1,432
Units issued: 2,314,588 units (2024: 2,512,337 units)	24,060	25,787
Units redeemed: 1,156,160 units (2024: 2,629,665 units)	12,882	27,097
Muhammad Murtaza Ali - Company Secretary / Chief Operating Officer of the Management Company		
Units issued: Nil unit (2024: 1 unit)*	-	-
Fauji Fertilizer Company Limited - common directorship		
Dividend re-invested: Nil units (2024: 3,742,101 units)	-	38,432
Units issued: 1,292,602,406 units (2024: 146,107,270 units)	15,002,523	1,499,824
Units redeemed: 1,269,227,761 units (2024: 66,415,906 units)	14,900,088	687,051
First Credit and Investment Bank Limited - common directorship		
Brokerage paid	11	-
Mari Energies Limited - unit holder of 10% or more units of the fund		
Units issued: 1,134,841,022 units (2024: 316,616,491 units)	12,350,880	3,250,000
Units redeemed: 928,692,213 units (2024: Nil units)	10,950,953	-
Portfolios managed by the Management Company		
Dividend re-invested 1,606 units (2024: 1,807,042 units)	18	18,559
Units issued: 96,113,368 units (2024: 21,728,044 units)	1,132,338	223,037
Units redeemed: 112,041,838 units (2024: 12,970,324 units)	1,317,601	134,560
Purchase of market treasury bills	1,120,623	434,592
Sale of market treasury bills	99,907	299,673
Amounts / balances outstanding as at year end are as follows:		
NBP Fund Management Limited - Management Company		
Remuneration payable to the Management Company	16,909	4,196
Sindh sales tax on remuneration to the Management Company	2,536	546
Reimbursement allocated expenses payable	4,918	2,183
Reimbursement selling and marketing expenses payable	-	10,939
Sindh sales tax payable on allocated expenses	738	-
Sales load including Sindh sales tax	41	360
Federal Excise Duty on remuneration of the Management Company	45,779	45,779
ADC charges payable including Sindh sales tax	134	71
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	845	378
Sindh sales tax payable on remuneration of the Trustee	127	49

	2025	2024
	----- Rupees in '000 -----	
Employees of the Management Company		
Units held: 18,875 units (2024: 470,746 units)	195	4,843
Muhammad Murtaza Ali - Company Secretary / Chief Operating Officer of the Management Company		
Units held: 4 units (2024: 4 units)*	-	-
NBP Employees Pension Fund - Pension Fund of Parent company - unit holder of 10% or more of units of the Fund		
Units held: 44,445,447 units (2024: 39,331,748 units)	458,201	404,606
National Bank of Pakistan - Parent of the Management Company		
Bank balances	8,542	833
Profit receivable on bank balances	214	115
National Fullerton Asset Management Employee Provident Fund - Provident Fund of the Management Company		
Units held: 2,132,932 units (2024: 885,875 units)	21,989	9,113
Fauji Fertilizer Company Limited - common directorship		
Units held: 106,808,110 units (2024: 83,433,465 units)	1,101,117	858,280
Mari Energies Limited - unit holder of 10% or more units of the fund		
Units held: 522,765,300 units (2024: 316,616,491 units)	5,389,344	3,257,034
Portfolios managed by the Management Company		
Units held: 140 units (2024: 15,927,149 units)	1	163,842

* Nil due to rounding off

18	CASH AND CASH EQUIVALENTS	Note	2025	2024
			----- (Rupees in '000) -----	
	Bank balances	4	6,566,456	2,104,792
	Market Treasury Bills - original maturity of 3 months or less	5.1	1,477,080	1,033,856
			8,043,536	3,138,648

19 FINANCIAL INSTRUMENTS BY CATEGORY

----- 2025 -----			
	At amortised cost	At fair value through profit or loss	Total
----- (Rupees in '000) -----			
Financial assets			
Bank balances	6,566,456	-	6,566,456
Investments	-	9,666,033	9,666,033
Profit receivable	15,998	-	15,998
Receivable against transfer of units	1,930,224	-	1,930,224
	8,512,678	9,666,033	18,178,711

2025		
At amortised cost	At fair value through profit or loss	Total
(Rupees in '000)		
Financial liabilities		
Payable to NBP Fund Management Limited - Management Company	71,055	71,055
Payable to Central Depository Company of Pakistan Limited - Trustee	972	972
Payable against redemption of units	5,640,349	5,640,349
Accrued expenses and other liabilities	2,039	2,039
	5,714,415	5,714,415
2024		
At amortised cost	At fair value through profit or loss	Total
(Rupees in '000)		
Financial assets		
Bank balances	2,104,792	2,104,792
Investments	-	6,799,536
Profit receivable	39,077	39,077
Receivable against transfer of units	13,611	13,611
	2,157,480	8,957,016
Financial liabilities		
Payable to NBP Fund Management Limited - Management Company	64,074	64,074
Payable to Central Depository Company of Pakistan Limited - Trustee	427	427
Payable against redemption of units	23,371	23,371
Accrued expenses and other liabilities	1,659	1,659
	89,531	89,531

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The risk management policy of the Fund aims to maximise the return attributable to the unit holders and seeks to minimise potential adverse effects on the Fund's financial performance. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund, the NBFC Regulations and the directives issued by the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

20.1 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: interest rate risk, currency risk and price risk.

(i) Interest rate risk

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 yield / interest rates. As of June 30, 2025, the Fund is exposed to such risk on bank balances and investments in market treasury bills. 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

As of June 30, 2025, the Fund holds bank balances which expose the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Fund would have been higher / lower by Rs. 65.66 million (2024: Rs. 21.05 million).

(b) Sensitivity analysis for fixed rate instruments

As of June 30, 2025, the Fund holds market treasury bills which expose the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Fund would have been lower / higher by Rs. 96.66 million (2024: Rs. 67.99 million).

The composition of the Fund's investment portfolio, KIBOR rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

Interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2025 can be determined as follows:

		2025				
Interest rate (%)	Exposed to interest rate risk			Not exposed to interest rate risk	Total	
	Upto three months	More than three months and upto one year	More than one year			
-----Rupees in '000-----						
Financial assets						
Bank balances	0.1%-11%	6,566,379	-	-	77	6,566,456
Investments	10.95%-11.8%	7,259,487	2,406,546	-	-	9,666,033
Profit receivable		-	-	-	15,998	15,998
Receivable against transfer of units		-	-	-	1,930,224	1,930,224
		13,825,866	2,406,546	-	1,946,299	18,178,711
Financial liabilities						
Payable to NBP Fund Management Limited - Management Company		-	-	-	71,055	71,055
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	972	972
Payable against redemption of units		-	-	-	5,640,349	5,640,349
Accrued expenses and other liabilities		-	-	-	2,039	2,039
		-	-	-	5,714,415	5,714,415
On-balance sheet gap (a)		13,825,866	2,406,546	-	(3,768,116)	12,464,296
Off-balance sheet financial statements		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		13,825,866	2,406,546	-		
Cumulative profit rate sensitivity gap		13,825,866	16,232,412	16,232,412		

----- 2024 -----					
Interest rate (%)	Exposed to interest rate risk			Not exposed to interest rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		

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

Financial assets

Bank balances	11.01%-22.25%	2,104,766	-	-	26	2,104,792
Investments	20.86%-22.55%	1,033,856	5,765,680	-	-	6,799,536
Profit receivable		-	-	-	39,077	39,077
Receivable against transfer of units		-	-	-	13,611	13,611
		3,138,622	5,765,680	-	52,714	8,957,016

Financial liabilities

Payable to NBP Fund Management Limited - Management Company		-	-	-	64,074	64,074
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	427	427
Payable against redemption of units		-	-	-	23,371	23,371
Accrued expenses and other liabilities		-	-	-	1,659	1,659
		-	-	-	89,531	89,531

On-balance sheet gap (a)

3,138,622	5,765,680	-	(36,817)	8,867,485
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Off-balance sheet financial statements

-	-	-	-	-
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Off-balance sheet gap (b)

-	-	-	-	-
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Total profit rate sensitivity gap (a+b)

3,138,622	5,765,680	-		
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Cumulative profit rate sensitivity gap

3,138,622	8,904,302	8,904,302		
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(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit 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 instruments traded in the market.

The Fund does not hold any instrument that expose it to price risk as of June 30, 2025.

20.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily 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. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active or over the counter market and can be readily disposed of and are considered readily realisable.

In order to manage the Fund's overall liquidity, the Fund may also 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 redemptions during the year.

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 year to the contractual maturity dates. However, the liabilities that are payable on demand have been included in the maturity grouping of one month:

2025						
Within one 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 five years	Financial instruments with no fixed maturity	Total

Rupees in '000

Financial liabilities

Payable to NBP Fund Management Limited - Management Company	71,055	-	-	-	-	71,055
Payable to Central Depository Company of Pakistan Limited - Trustee	972	-	-	-	-	972
Payable against redemption of units	5,640,349	-	-	-	-	5,640,349
Accrued expenses and other liabilities	1,107	932	-	-	-	2,039
	5,713,483	932	-	-	-	5,714,415

2024						
Within one 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 five years	Financial instruments with no fixed maturity	Total

Rupees in '000

Financial liabilities

Payable to NBP Fund Management Limited - Management Company	64,074	-	-	-	-	64,074
Payable to Central Depository Company of Pakistan Limited - Trustee	427	-	-	-	-	427
Payable against redemption of units	23,371	-	-	-	-	23,371
Accrued expenses and other liabilities	935	724	-	-	-	1,659
	88,807	724	-	-	-	89,531

20.3 Credit risk

20.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arises from bank balances, profit receivable on bank balances and receivable against sale of investment. Credit risk arising on financial assets is monitored through regular analysis of financial position of brokers and other parties. In accordance with the risk management policy of the Fund, investment manager monitors the credit position on daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The table below analyses the Fund's maximum exposure to credit risk:

	2025		2024	
	Balance as per Statement of Assets and Liabilities	Maximum exposure to credit risk	Balance as per Statement of Assets and Liabilities	Maximum exposure to credit risk
----- (Rupees in '000) -----				
Financial assets				
Bank balances	6,566,456	6,566,456	2,104,792	2,104,792
Investments	9,666,033	-	6,799,536	-
Profit receivable	15,998	15,998	39,077	8,812
Receivable against transfer of units	1,930,224	1,930,224	13,611	13,611
	<u>18,178,711</u>	<u>8,512,678</u>	<u>8,957,016</u>	<u>2,127,215</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2025 is the carrying amount of the financial assets. Investment in government securities and profit accrued thereon, however, are not exposed to credit risk and have been excluded from the above analysis as investment in government securities are guaranteed by the Government of Pakistan.

20.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its bank balances and profit receivable thereon. The credit rating profile of bank balances and accrued profit thereon are as follows:

Rating	% of financial assets exposed to credit risk	
	2025	2024
Bank balances and accrued profit thereon		
AAA	97.77%	98.25%
AA+	2.20%	1.71%
AA	0.01%	0.01%
AA-	0.02%	0.03%
	<u>100.00%</u>	<u>100.00%</u>

20.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties thereby any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2025 and June 30, 2024 are unsecured and are not impaired.

21 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Financial assets which are tradeable in an open market are revalued at market prices prevailing on the reporting date. The estimated fair value of all other financial assets and financial liabilities is considered not to be significantly different from the respective book values as the items are either short-term in nature or repriced periodically.

Fair value hierarchy

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

Level 1: quoted 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:

ASSETS	2025			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
Financial assets 'at fair value through profit or loss'				
Market Treasury Bills	-	9,666,033	-	9,666,033
Pakistan Investment Bonds	-	-	-	-
	<u>-</u>	<u>9,666,033</u>	<u>-</u>	<u>9,666,033</u>
	<u>-</u>	<u>9,666,033</u>	<u>-</u>	<u>9,666,033</u>
ASSETS	2024			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
Financial assets 'at fair value through profit or loss'				
Market Treasury Bills	-	6,201,156	-	6,201,156
Pakistan Investment Bonds	-	598,380	-	598,380
	<u>-</u>	<u>6,799,536</u>	<u>-</u>	<u>6,799,536</u>
	<u>-</u>	<u>6,799,536</u>	<u>-</u>	<u>6,799,536</u>

Valuation technique used in determination of fair values is as follows:

Item	Valuation technique
Pakistan Investment Bonds / Market Treasury Bills	The fair value of Pakistan Investment Bonds and Market Treasury Bills are derived using PKRV / PKFRV rates. The PKRV / PKFRV rates are announced by FMA (Financial Market Association) through Reuters. The rates announced are simple average of quotes received from eight different pre-defined / approved dealers / brokers.

There were no transfers between levels during the year.

22 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends 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 restriction on the subscription and redemption of units. As required under the NBFC Regulations every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

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 the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 20, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

23 UNIT HOLDING PATTERN OF THE FUND

Category	June 30, 2025			June 30, 2024		
	Number of unit holders	Investment amount	Percentage of total	Number of unit holders	Investment amount	Percentage of total
	(Rupees in '000)			(Rupees in '000)		
Individuals	1,781	2,194,996	18.03%	1,390	1,792,844	20.26%
Associated Company & Directors	3	480,192	3.95%	1	858,280	9.70%
Insurance	1	271,269	2.23%	2	261,353	2.95%
NBFC	1	*	*	1	*	*
Retirement Funds	32	503,935	4.14%	21	796,244	9.00%
Public Limited Companies	11	7,807,466	64.16%	7	3,761,379	42.50%
Others	58	911,557	7.49%	56	1,380,344	15.59%
	1,887	12,169,415	100.00%	1,478	8,850,444	100.00%

*Nil due to rounding off difference

24 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID / PAYABLE

Name of broker	2025 % of commission paid	Name of broker	2024 % of commission paid
Alfalah Securities Private Limited	19.15%	Alfalah CLSA Securities (Private) Limited	37.81%
BMA Capital Management Limited	16.96%	Summit Capital (Private) Limited	14.59%
C & M Management Private Limited	14.22%	Bright Capital (Private) Limited	11.01%
Magenta Capital Private Ltd.	14.02%	Paramount Capital (Private) Limited	9.00%
Optimus Markets Private Limited	7.51%	Magenta Capital (Private) Limited	5.10%
Summit Capital Private Limited	6.74%	Invest One Markets Limited	3.66%
Paramount Capital Private Ltd	6.57%	BMA Capital Management Limited	3.42%
Bright Capital Private Limited	4.30%	AKD Securities Limited	3.41%
First Credit & Investment Bank Brokerage Division*	3.50%	C & M Management (Private) Limited	2.71%
AKD Securities Limited	2.34%	Continental Exchange (Private) Limited	2.00%
	95.31%		92.71%

25 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the details in respect of members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience in years
Dr. Amjad Waheed	Chief Executive Officer	MBA / Doctorate in Business Administration / CFA	37
Asim Wahab Khan	Chief Investment Officer	CFA	19
Salman Ahmed (note 25.1)	Head of Fixed Income	CFA	20
Hassan Raza	Head of Research	ACCA / BSC / CFA	14
Usama Bin Razi	Senior Manager - Fixed Income	BE, MBA	21

25.1 The name of the Fund Manager is Salman Ahmed. Other funds being managed by the Fund Manager are as follows:

- 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 Sarmaya Izafa Fund
- NBP Islamic Mustahkam Fund
- NBP Islamic Government Securities 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 Sarmaya Izafa Fund
- NBP Mustahkam Fund
- NBP Income Fund Of Fund
- NBP Government Securities Fund
- NBP Mustahkam Fund - II

26 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

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.

***Mr. 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.

27 GENERAL

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

28 CORRESPONDING FIGURES

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

29 DATE OF AUTHORISATION FOR ISSUE

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

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 at the year / period ended (Rs '000)	12,169,415	8,850,444	1,960,542	1,219,222	1,439,184	2,225,402
Net income for the year / period ended (Rs '000)	1,823,868	884,870	216,027	118,024	123,935	280,706
Net Asset Value per unit at the year / period ended (Rs)	10.3093	10.2870	10.2643	10.2274	10.2147	10.2022
Offer Price per unit at year end	10.4279	10.4032	10.3803	10.3430	10.3301	10.2022
Redemption Price per unit at year end	10.3093	10.2870	10.2643	10.2274	10.2147	10.2022
Ex - Highest offer price per unit (Rs.)	10.4279	10.4032	10.3803	10.3430	10.3301	10.2022
Ex - Lowest offer price per unit (Rs.)	9.0821	8.4894	8.8192	9.2775	9.6007	9.0715
Ex - Highest redemption price per unit (Rs.)	10.3093	10.2870	10.2643	10.2274	10.2147	10.2022
Ex - Lowest redemption price per unit (Rs.)	8.9788	8.3946	8.7207	9.1739	9.6007	9.0715
Fiscal Year Opening Ex Nav	8.9742	8.3901	8.7169	9.1721	9.5991	9.0679
Total return of the fund	14.88%	22.54%	17.75%	11.51%	6.41%	12.47%
Capital growth	0.25%	2.21%	1.66%	0.68%	0.30%	0.79%
Income distribution as a % of ex nav	14.63%	20.33%	16.09%	10.83%	6.11%	11.69%
Income distribution as a % of par value	15.05%	20.87%	16.46%	11.06%	6.23%	11.91%
Distribution						
Interim distribution per unit	1.5048	2.0872	1.6456	1.1063	0.6233	1.1905
Final distribution per unit				-	-	-
Distribution Dates						
Interim		July 26, 2023	July 28, 2022	28-Jul-21	28-Jul-20	30-Jul-19
Interim		August 29, 2023	August 30, 2022	26-Aug-21	28-Aug-20	29-Aug-19
Interim		September 26, 2023	September 28, 2022	28-Sep-21	28-Sep-20	28-Sep-19
Interim		October 24, 2023	October 27, 2022	26-Oct-21	27-Oct-20	29-Oct-19
Interim		November 28, 2023	November 26, 2022	26-Nov-21	26-Nov-20	28-Nov-19
Interim		December 27, 2023	December 27, 2022	28-Dec-21	24-Dec-20	27-Dec-19
Interim		January 23, 2024	January 26, 2023	27-Jan-22	26-Jan-21	28-Jan-20
Interim		February 27, 2024	February 28, 2023	24-Feb-22	24-Feb-21	27-Feb-20
Interim		March 26, 2024	March 29, 2023	29-Mar-22	26-Mar-21	27-Mar-20
Interim		April 24, 2024	April 27, 2023	27-Apr-22	27-Apr-21	29-Apr-20
Interim		May 29, 2024	May 30, 2023	26-May-22	26-May-21	29-May-20
Interim	Jun 26, 2025	June 27, 2024	June 23, 2023	28-Jun-22	25-Jun-21	26-Jun-20
Final				-	-	-
Average annual return of the fund (launch date May 16, 2009)						
(Since inception to June 30, 2025)	10.60%					
(Since inception to June 30, 2024)		10.32%				
(Since inception to June 30, 2023)			9.50%			
(Since inception to June 30, 2022)				8.90%		
(Since inception to June 30, 2021)					8.69%	
(Since inception to June 30, 2020)						8.89%
(Since inception to June 30, 2019)						
(Since inception to June 30, 2018)						
(Since inception to June 30, 2017)						
Portfolio Composition (Please see Fund Manager Report)						
Weighted average portfolio duration	55 Days	73 Days	45 Days	1 Day	57 Days	32 Days

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up

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