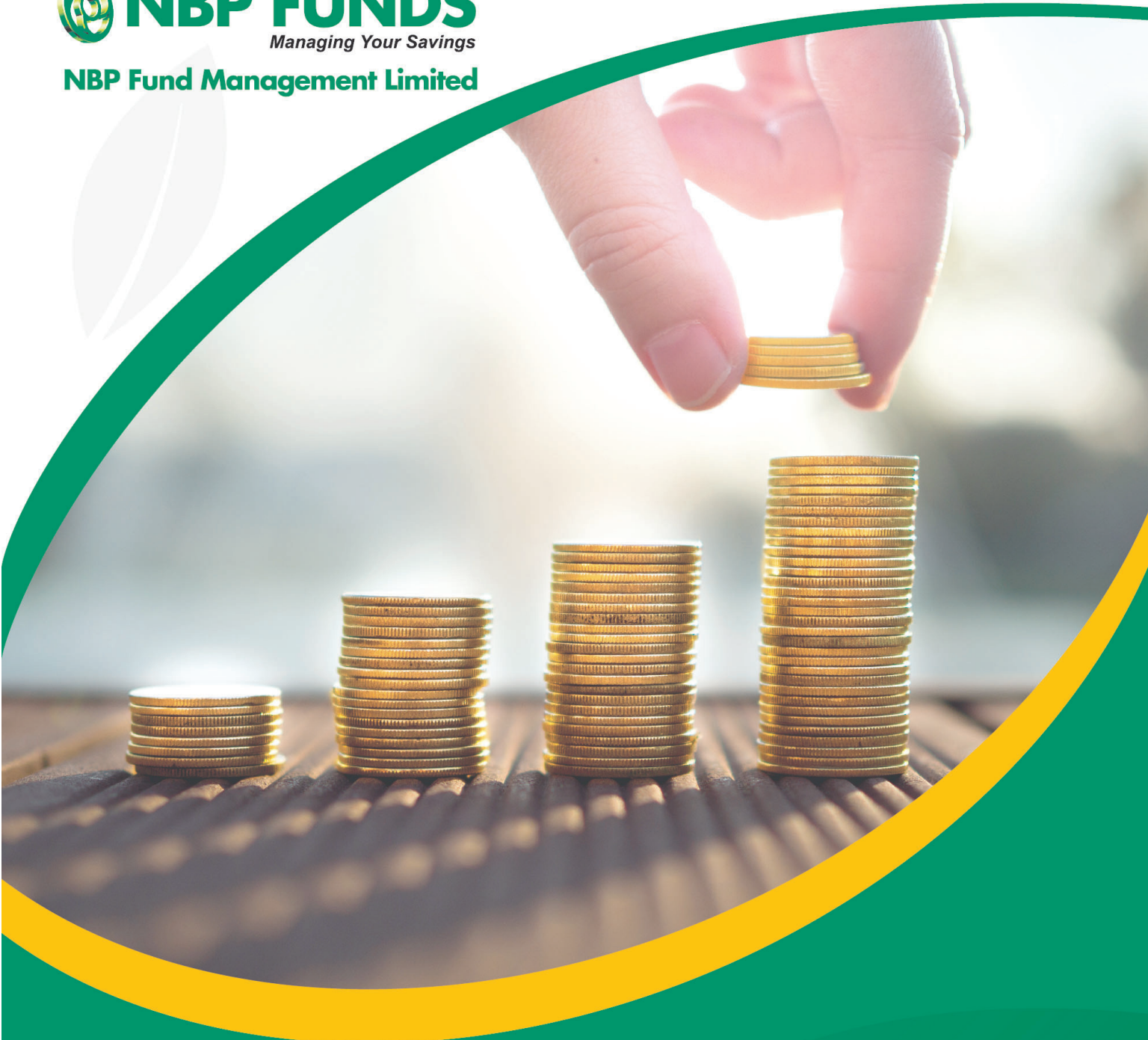




Managing Your Savings

NBP Fund Management Limited



NBP GOVERNMENT SECURITIES SAVINGS 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	National Bank of Pakistan
Bank Alfalah Limited	Soneri Bank Limited
Bank Al Habib Limited	Mobilink Microfinance Bank Limited
Bank Islami Pakistan Limited	Telenor Microfinance Bank Limited
Habib Bank Limited	HBL Microfinance Bank Limited
Habib Metropolitan Bank Limited	United Bank Limited
JS Bank Limited	U Microfinance Bank Limited
MCB Bank Limited	Samba Bank Limited

Auditors

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

Legal Advisor

Akhund Forbes
D-21, Block, 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



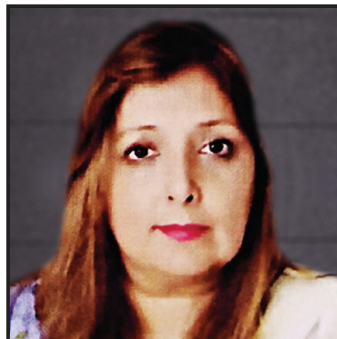
Mr. Faisal Ahmed
Director



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 10th Annual Report of **NBP Government Securities Savings Fund (NGSSF)** for the year ended June 30, 2025.

Fund's Performance

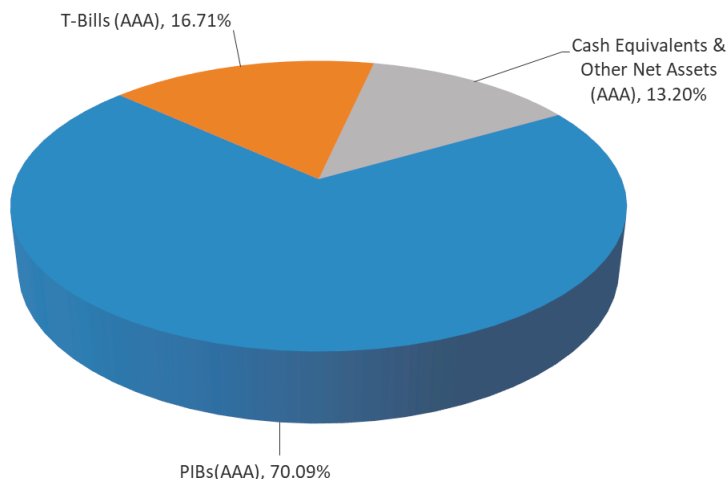
During FY25, Pakistan's Monetary Policy Committee (MPC) reduced the Policy Rate significantly from 20.5% to 11%, responding to a sustained decline in inflation, and considerable improvement on the external front. This easing cycle was underpinned by stable global commodity prices, moderation in food 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. Besides, twelve (12) PIB-Fixed auctions, with bids accepted to a cumulative realization of roughly Rs. 3,479 billion. The yield trend showed a steady decline throughout the fiscal year, with short-term T-Bill cut-off rates falling from over 20% early in the year to around 11% by the latest auctions, and PIB rates also easing across tenures. The liquidity management strategy reflected market demand, maturity pressures, and policy alignment - acceptance patterns favored shorter tenures with selective PIB participation, particularly in 2 to 10-year tenures, while longer maturities (15 to 30 years) saw minimal or rejected interest.

The size of NBP Government Securities Savings Fund decreased from Rs. 5,312 million to Rs. 4,096 million during the period (a decrease of 23%). During the period, the unit price of the Fund has increased from Rs. 9.0010 (Ex-Div) on June 30, 2024 to Rs. 10.5299 on June 30, 2025, thus showing a return of 17.0% as compared to the benchmark return of 13.6% for the same period. The performance of the Fund is net of management fee and all other expenses. The Fund has been assigned a stability rating of 'AA- (f)' by PACRA.

The Fund has earned a total income of Rs. 1,377.05 million during the year. After deducting total expenses of Rs. 124.78 million, the net income is Rs. 1,252.27 million. The asset allocation of NGSSF as on June 30, 2025 is as follows:



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 16.53% of the opening ex-NAV (17.33% of the par value) during the year ended June 30, 2025.

Taxation

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

Auditors

The present auditors, Messrs Yousuf Adil 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 27 to these financial statements.
11. The detailed pattern of unit holding is disclosed in the note 24 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 19 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 مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز NBP گورنمنٹ سیکورٹیز سیونگ فنڈ (NGSSF) کی دسویں سالانہ رپورٹ برائے ختمہ سال 30 جون 2025ء پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

فنڈ کی کارکردگی

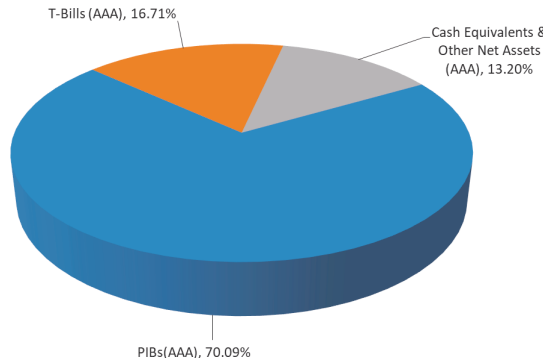
مالی سال 2025 کے دوران، پاکستان کی مونیٹری پالیسی کمیٹی (MPC) نے پالیسی ریٹ میں نمایاں کمی کرتے ہوئے اسے 20.5% سے کم کر کے 11% کر دیا۔ یہ اقدام مہنگائی میں مسلسل کمی اور بیرونی شعبے میں خاطر خواہ بہتری کے ردعمل کے طور پر کیا گیا۔ اس زمی کے سلسلے کو عالمی کموڈٹی قیمتوں میں استحکام، خوراک اور توانائی کی 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 بنیادی کی قیمتوں میں کمی جتنا مونیٹری 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 صرف ایڈجسٹمنٹس، عالمی معاشی غیر یقینی صورتحال، مالیاتی کمزوریاں اور محصولات بڑھانے میں درپیش چیلنجز ممکنہ خطرات کا باعث بن سکتے ہیں۔ اسٹیٹ بینک نے اس بات پر زور دیا کہ مالی سال 2026 میں استحکام اور بحالی کے تسلسل کے لیے ساختی اصلاحات، مالیاتی نظم و ضبط اور مربوط پالیسی عملدرآمد کلیدی اہمیت رکھتے ہیں۔

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

موجودہ مدت کے دوران، NBP گورنمنٹ سیکورٹیز سیونگ فنڈ کا سائز 5,312 ملین روپے سے کم ہو کر 4,096 ملین روپے ہو گیا یعنی 23% کمی ہوئی۔ زیر جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2024 کو (Ex-Div) 9.0010 روپے سے بڑھ کر 30 جون 2025 کو 10.5299 روپے ہو گئی، لہذا اسی مدت کے دوران فنڈ نے اپنے بیچ مارک منافع 13.6% کے مقابلے میں 17.0% کا منافع درج کیا۔ فنڈ کی یکا کر دگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کو PACRA کی طرف سے 'AA-(f)' کی اسٹیبلٹی ریٹنگ تفویض کی گئی ہے۔

فنڈ نے سال کے دوران 1,377.05 ملین روپے کی مجموعی آمدنی کمائی۔ 124.78 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 1,252.27 ملین روپے ہے۔ NGSSF کی ایسٹ ایلوکیشن برطانیہ 30 جون 2025ء حسب ذیل ہے۔



آمدنی کی تقسیم

میٹجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 30 جون 2025 سال کے اختتام پر اویٹنگ ex-NAV کا 16.53% (بنیادی قیمت کا 17.33%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

یکیش

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

آڈیٹرز

موجودہ آڈیٹر، مہسز یوسف عادل، 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 کارپوریٹ گورننس) ریگولیشنز 2019 میں شامل بہترین عوامل کی پیروی میں ڈائریکٹرز میٹمنٹ

- میٹجمنٹ کمپنی کی طرف سے تیار کردہ، مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کیش فلوا اور یونٹ ہولڈرز فنڈز میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔
- فنڈ کے اکاؤنٹس کے کھاتے درست انداز میں رکھے ہوئے ہیں۔
- مالی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کی مسلسل پیروی کی گئی ہے۔ شہر یاتی تخمینے مناسب اور معقول نظریات پر مبنی ہیں۔
- 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۔
- انٹرنل کنٹرول کا نظام مستحکم اور موثر طریقے سے نافذ ہے اور اس کی مسلسل نگرانی کی جاتی ہے۔
- فنڈ کی رواں دواں رہنے کی صلاحیت کے بارے میں کوئی شکوک و شبہات نہیں ہیں۔
- کارپوریٹ گورننس کی اعلیٰ ترین روایات سے کوئی پہلو تہی نہیں کی گئی۔
- پرفارمنس ٹیلی / اہم مالیاتی ڈیٹا اس سالانہ رپورٹ میں شامل ہیں۔
- ٹیکسوں، ڈیوٹیوں، محصولات اور چارجز کی مد میں واجب الادا سرکاری ادائیگیاں مالیاتی گوشواروں میں پوری طرح ظاہر کر دی گئی ہیں۔
- اس مدت کے دوران میٹجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے آٹھ اجلاس منعقد ہوئے۔ تمام ڈائریکٹرز کی حاضری ان مالیاتی گوشواروں کے نوٹ 27 میں ظاہر کی گئی ہے۔
- یونٹ ہولڈنگ کا تفصیلی پیرین مالیاتی گوشواروں کے نوٹ 24 میں ظاہر کیا گیا ہے۔
- 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 19 میں ظاہر کی گئی ہے۔
- 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 انٹریٹ 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 (چیرمین) •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 Savings Fund (the Fund) are of the opinion that NBP Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the 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 Savings Fund

NBP Government Securities Savings Fund (NGSSF) is an Open-End Income Scheme.

Investment Objective of the Fund

The objective of NBP Government Securities Savings Fund is to provide competitive return from portfolio of low credit risk by investing primarily in Government Securities.

Benchmark*

90% six (6) months PKRV rates + 10% six (6) months average of the highest rates on savings account of three (3) AA rated scheduled Banks as selected by MUFAP.

Fund Performance Review

This is the 11h Annual report since the launch of the Fund on July 10, 2014. The Fund size decreased by 23% during FY25 and stands at Rs. 4.1 billion as of June 30, 2025. Since its inception, the Fund posted a return of 11.9% p.a. versus the benchmark return of 11.0% p.a. This translates into outperformance of 0.9% p.a. During FY25, the Fund posted a 17.0% return versus the benchmark return of 13.6%. The return of the Fund is net of the management fee.

NBP Government Securities Savings Fund (NGSSF) stability rating is "AA- (f)" by PACRA and invests a minimum of 70% in Government Securities. The Fund invests at least 10% of its assets in less than 90 days T-Bills or saving accounts with banks, which enhances the liquidity profile of the Fund.

During FY25, Pakistan's Monetary Policy Committee (MPC) reduced the Policy Rate significantly from 20.5% to 11%, responding to a sustained decline in inflation, and considerable improvement on the external front. This easing cycle was underpinned by stable global commodity prices, moderation in food and energy inflation, softening market yields, and strong remittance inflows. The country's FX reserves increased from \$9.39 billion in July 2024 to \$14.31 billion by the end of FY25. This surge was driven by multilateral inflows and disciplined macroeconomic management particularly on the external front.

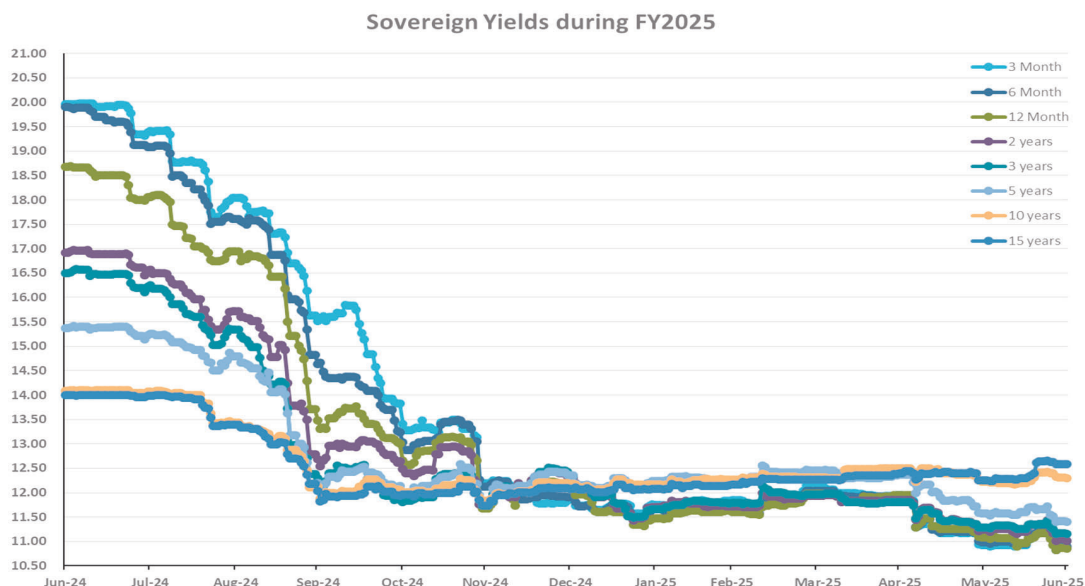
Real GDP grew by 2.7% in FY25, falling short of the government's target of 3.6%. Inflation averaged 4.5%, significantly below the budgeted target of 12%, driven by declining food and fuel prices, prudent monetary policy, and favorable base effect. Despite notable gains, the MPC maintained a cautious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

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

Asset Allocation of Fund (% of NAV)

Particulars	30-Jun-25	30-Jun-24
T-Bills	16.71%	61.38%
PIBs	70.09%	29.67%
GOP Ijara Sukuk	-	1.89%
Cash, Bank Placements & Other Assets	13.20%	7.06%
Total	100%	100%

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	17.333%	12.2218	10.4885

Unit Holding Pattern of NBP Government Securities Savings Fund as on June 30, 2025

Size of Unit Holding (Units)	# of Unit Holders
0-1	189
1-1000	381
1001-5000	67
5001-10000	38
10001-50000	68
50001-100000	33
100001-500000	91
500001-1000000	24
1000001-5000000	40
10000001-100000000	8
100000001-1000000000	7
Total	946

During the period under question

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

*effective from Jan 01, 2025; Previously 6-Month PKRV

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

To the unit holders of NBP Government Securities Savings Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of NBP Government Securities Savings Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2025 and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and statement of cash flows 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 accounting and reporting standards as applicable in Pakistan.

Basis for opinion

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

Key audit matter

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

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	<p>Valuation and existence of investment (Refer note 2.4 of the Financial Statements)</p> <p>Investments held at fair value through profit or loss are disclosed in note 6 to the financial statements and represent 85.10% of the net assets of the Fund.</p> <p>The Fund's primary activity is, inter alia, to invest in Government Securities (Market Treasury Bills and Pakistan Investment Bonds), which is the main driver of the Fund's performance.</p> <p>Considering the above factors, the valuation and existence are significant areas during our audit due to which we have considered this as a key audit matter.</p>	<p>In this respect, we performed the following procedures:</p> <ul style="list-style-type: none"> Reviewed the processes and key controls relating to existence and valuation and evaluated the design and implementation of such controls; Independently verified the existence of investments from Investor Portfolio Services (IPS) account statement; Tested valuation of investments by verifying the average rates quoted on a widely used electronic quotation system (PKRV and PKFRV) rates, prices quoted at Mutual Fund Association of Pakistan (MUFAP); and Differences, if any, identified during our testing that were over our acceptable threshold were investigated further.

Other matter

The annual financial statements of the Fund for the year ended June 30, 2024 were audited by another firm of chartered accountants, whose audit report dated October 30, 2024, expressed an unmodified opinion.

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

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

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

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

Responsibilities of Management Company and Board of Directors of the Management Company for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 the Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on other legal and regulatory requirements

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

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

Yousuf Adil
Chartered Accountants

Place: Karachi
Date: September 04, 2025
UDIN: AR202510091Y746apuJg

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2025

	Note	2025 (Rupees in '000)	2024
ASSETS			
Bank balances	5	1,047,097	634,352
Investments	6	3,555,188	4,936,945
Profit receivable	7	61,146	68,556
Receivable against conversion of units		1,412,864	103,465
Deposits, prepayments and other receivables	8	894	860
Total assets		6,077,189	5,744,178
LIABILITIES			
Payable to NBP Fund Management Limited - the Management Company	9	18,257	27,651
Payable to Central Depository Company of Pakistan Limited - the Trustee	10	414	280
Payable to the Securities and Exchange Commission of Pakistan	11	542	338
Payable against redemption of units		1,840,698	354,607
Accrued expenses and other liabilities	12	121,422	48,852
Total liabilities		1,981,333	431,728
NET ASSETS		4,095,856	5,312,450
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		4,095,856	5,312,450
CONTINGENCIES AND COMMITMENTS			
	13		
		----- Number of units -----	
NUMBER OF UNITS IN ISSUE	14	388,973,555	506,504,606
		----- Rupees -----	
NET ASSET VALUE PER UNIT	4.6	10.5299	10.4885

The annexed notes 1 to 30 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 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
Income			
Income on government securities		1,147,465	1,266,349
Profit on bank balances		91,777	250,340
Gain / (loss) on sale of investments - net		99,345	(26,854)
Net unrealised appreciation on re-measurement of classified as financial assets 'at fair value through profit or loss' - net	6.4	38,458	8,519
Total income		1,377,045	1,498,354
Expenses			
Remuneration of NBP Fund Management Limited - the Management Company	9.1	62,991	21,936
Sindh Sales Tax on remuneration of Management Company	9.2	9,449	2,852
Reimbursement of allocated expenses	9.3	5,746	10,206
Sindh Sales Tax expense on allocated expenses	9.4	862	-
Reimbursement of selling and marketing expenses	9.5	27,886	52,656
Sindh Sales Tax expense on selling & marketing	9.6	4,183	-
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	10.1	4,625	3,761
Sindh Sales Tax on remuneration of Trustee	10.2	694	489
Annual fee - Securities and Exchange Commission of Pakistan	11.1	6,307	5,129
Auditors' remuneration	15	780	588
Securities transaction costs		559	1,513
Settlement and bank charges		265	183
Annual listing fee		27	27
Professional charges		196	147
Mutual fund rating fee		191	191
Printing and other charges		19	18
Total expenses		124,780	99,696
Net income for the year before taxation		1,252,265	1,398,658
Taxation	17	-	-
Net income for the year after taxation		1,252,265	1,398,658
Earnings per unit	4.13		
Allocation of net income for the year:			
Net income for the year after taxation		1,252,265	1,398,658
Income already paid on units redeemed		(1,170,495)	(860,402)
		81,770	538,256
Accounting income available for distribution:			
- Relating to capital gains		81,770	-
- Excluding capital (loss) / gain		-	538,256
		81,770	538,256

The annexed notes 1 to 30 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	1,252,265	1,398,658
Other comprehensive income for the year	-	-
Total comprehensive income for the year	1,252,265	1,398,658

The annexed notes 1 to 30 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	5,232,492	79,958	5,312,450	5,363,692	62,897	5,426,589
Issuance of 2,521,719,063 units (2024: 1,788,334,752 units)						
- Capital value (at ex - net asset value per unit)	26,449,051	-	26,449,051	18,695,967	-	18,695,967
- Element of income	2,610,849	-	2,610,849	916,922	-	916,922
Total proceeds on issuance of units	29,059,900	-	29,059,900	19,612,889	-	19,612,889
Redemption of 2,639,250,114 units (2024: 1,800,902,034 units)						
- Capital value (at ex - net asset value per unit)	(27,681,775)	-	(27,681,775)	(18,827,350)	-	(18,827,350)
- Element of loss	(2,395,226)	(1,170,495)	(3,565,721)	(338,751)	(860,402)	(1,199,153)
Total payments on redemption of units	(30,077,001)	(1,170,495)	(31,247,496)	(19,166,101)	(860,402)	(20,026,503)
Total comprehensive income for the year	-	1,252,265	1,252,265	-	1,398,658	1,398,658
Interim distribution for the period ended December 31, 2023 @ Rs. 1.139 per unit declared on December 27, 2023	-	-	-	(336,324)	(263,106)	(599,430)
Interim distribution for the year ended June 30, 2025 @ Rs.1.7333 per unit declared on June 27, 2025 (2024: Rs. 1.069 per unit declared on June 27, 2024)	(203,667)	(77,596)	(281,263)	(241,664)	(258,089)	(499,753)
	(203,667)	(77,596)	(281,263)	(577,988)	(521,195)	(1,099,183)
Net assets at end of the year	4,011,724	84,132	4,095,856	5,232,492	79,958	5,312,450
Undistributed income brought forward						
- Realised income		71,439			70,579	
- Unrealised gain / (loss)		8,519			(7,682)	
		79,958			62,897	
Accounting income available for distribution:						
- Relating to capital gains		137,803			-	
- Excluding capital (loss) / gain		(56,033)			538,256	
		81,770			538,256	
Distributions during the year		(77,596)			(521,195)	
Undistributed income carried forward		84,132			79,958	
Undistributed income carried forward						
- Realised income		45,674			71,439	
- Unrealised income		38,458			8,519	
		84,132			79,958	
				(Rupees)		(Rupees)
Net assets value per unit at the beginning of the year			10.4885			10.4544
Net assets value per unit at the end of the year			10.5299			10.4885

The annexed notes 1 to 30 form an integral part of these financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2025

Note	2025 ------(Rupees in '000)-----	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	1,252,265	1,398,658
Adjustments:		
Net unrealised appreciation on re-measurement of investments at 'fair value through profit or loss'	(38,458)	(8,519)
	1,213,807	1,390,139
Decrease / (increase) in assets		
Investments - net	1,910,548	(1,471,793)
Profit receivable	7,410	36,706
Advance, deposit and prepayment	(34)	(24)
	1,917,924	(1,435,111)
Increase / (decrease) in liabilities		
Payable to NBP Fund Management Limited - the Management Company	(9,394)	10,843
Payable to the Central Depository Company of Pakistan Limited - the Trustee	134	(7)
Payable to the Securities and Exchange Commission of Pakistan	204	33
Payable against purchase of investments	-	(141)
Accrued expenses and other liabilities	72,570	27,445
	63,514	38,173
Net cash generated from / (used in) operating activities	3,195,245	(6,799)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received against issuance of units	27,546,834	18,934,089
Payment against redemption of units	(29,761,405)	(19,687,553)
Dividend paid	(77,596)	(521,195)
Net cash used in financing activities	(2,292,167)	(1,274,659)
Net increase / (decrease) in cash and cash equivalents	903,078	(1,281,458)
Cash and cash equivalents at the beginning of the year	634,352	1,915,810
Cash and cash equivalents at the end of the year	1,537,430	634,352

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The annexed notes 1 to 30 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 Savings Fund (the Fund) was established under a Trust Deed entered into between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 30, 2014 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund was registered under the Sindh Trust 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 (the NBFC Rules) through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).
- 1.3 The Fund has been categorised as an open ended "income scheme" by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 1.4 The objective of the Fund is to provide unit holders with competitive return from a portfolio of low credit risk securities by investing primarily in government securities.
- 1.5 The Pakistan Credit Rating Agency (PACRA) has reaffirmed an asset manager rating of the Management Company of AM1 on May 15, 2025 (2024: AM1 on June 21, 2024). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, PACRA has maintained the stability rating of "AA-(f)" to the Fund dated April 17, 2025 (2024: "AA-(f)" dated March 28, 2024).
- 1.6 The title to the assets of the Fund are held in the name of CDC 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 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 VIII A of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

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

During the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

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, 2023. 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 disclosed in these financial statements.

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

- 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. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

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, 2024. However, these are not considered to be relevant or will not have any material effect on the Fund's financial statements and have not been disclosed in the financial statements.

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 3.2 and 5) and federal excise duty (note 8.5).

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.

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 Rupees, which is the Fund's functional and presentation currency.

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

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

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

Amendments to IFRS 16 'Leases' -Clarification on how seller-lessee subsequently measures sale and leaseback transactions.

Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Convenants..

Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements.

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

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

Effective from accounting periods beginning on or after:

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

Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Contracts Referencing Nature-dependent Electricity

January 01, 2026

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

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

4 MATERIAL ACCOUNTING POLICY INFORMATION

The principal 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 unless otherwise stated.

4.1 Cash and cash equivalents

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

4.2 Financial assets

4.2.1 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.

4.2.2 Classification and subsequent measurement

Debt instruments

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

- amortised cost;
- at fair value through other comprehensive income (FVOCI); or
- 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 recognized 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.

4.2.3 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

Financial assets 'at fair value through profit or loss'

Basis of valuation of Government securities

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

4.2.4 Impairment (other than debt securities)

The Fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) 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 outcomes;
- 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 forecasts 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.

4.2.5 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.

4.2.6 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. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

4.2.7 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the income statement.

4.3 Financial liabilities

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 values and subsequently stated at amortised cost.

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.

4.4 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.

4.5 Provisions

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

4.6 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.

4.7 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application(s) 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 applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

4.8 Distributions to unit holders

Distributions to 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 period in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value 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.

4.10 Revenue recognition

- Gains / (losses) arising on sale of investments are included in income statement and are recognised on the date when 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 included in the Income Statement in the year in which these arise;

- Income from government securities is recognised on an accrual basis using effective interest method.
- Profit on balances with banks is recognised on an accrual basis.

4.11 Expenses

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

4.12 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I to the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders in cash.

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

4.13 Earnings per unit

Earnings per unit (EPU) is calculated by dividing the net income for the year after taxation of the Fund by the weighted average number of units outstanding during the year.

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

4.14 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

	Note	2025 ----- (Rupees in '000) -----	2024
5 BANK BALANCES			
In Current accounts		2,175	-
In savings accounts	4.1	1,044,922	634,352
		<u>1,047,097</u>	<u>634,352</u>

5.1 These include a balance of Rs 0.123 million (2024: Rs 0.524 million) maintained with 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 rates ranging from 0.1% to 11% (2024: 18.8% to 21.25%) per annum.

	Note	2025 ----- (Rupees in '000) -----	2024
6 INVESTMENTS			
Financial assets 'at fair value through profit or loss'			
Government securities - Market Treasury Bills (MTBs)	6.1	684,345	3,260,788
Government securities - Pakistan Investment Bonds (PIBs)	6.2	2,870,843	1,575,989
Government securities - GOP Ijara Sukuks certificates	6.3	-	100,168
		<u>3,555,188</u>	<u>4,936,945</u>

6.1 Government securities - Market Treasury Bills (MTBs)

Issue date	Maturity Date	Tenor in months	Face value				Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised (diminution) / appreciation	Market value as a percentage of	
			As at July 01, 2024	Purchased during the year	Sold / matured during the year	As at June 30, 2025				net assets of the Fund	total investments of the Fund
----- (Rupees in 000) -----											
May 2, 2024	May 2, 2025	12 Month	750,000	101,900	851,900	-	-	-	-	0.00%	0.00%
May 2, 2025	April 30, 2026	12 Month	-	500,000	500,000	-	-	-	-	0.00%	0.00%
May 2, 2025	October 30, 2025	6 Month	-	500,000	500,000	-	-	-	-	0.00%	0.00%
October 3, 2024	October 2, 2025	12 Month	-	1,728,000	1,728,000	-	-	-	-	0.00%	0.00%
April 4, 2024	April 3, 2025	12 Month	399,500	75,000	474,500	-	-	-	-	0.00%	0.00%
September 5, 2024	September 4, 2025	12 Month	-	1,933,100	1,933,000	100	98	98	0	0.00%	0.00%
August 8, 2024	August 7, 2025	12 Month	-	447,700	447,700	-	-	-	-	0.00%	0.00%
January 9, 2025	April 3, 2025	3 Month	-	250,000	250,000	-	-	-	-	0.00%	0.00%
January 9, 2025	January 8, 2026	12 Month	-	505,000	505,000	-	-	-	-	0.00%	0.00%
January 9, 2025	July 10, 2025	6 Month	-	200,000	200,000	-	-	-	-	0.00%	0.00%
January 11, 2024	July 11, 2024	6 Month	125,000	-	125,000	-	-	-	-	0.00%	0.00%
January 11, 2024	January 9, 2025	12 Month	3,000	-	3,000	-	-	-	-	0.00%	0.00%
July 11, 2024	October 3, 2024	3 Month	-	250,000	250,000	-	-	-	-	0.00%	0.00%
December 12, 2024	December 11, 2025	12 Month	-	1,541,255	1,541,255	-	-	-	-	0.00%	0.00%
December 12, 2024	June 12, 2025	6 Month	-	500,000	500,000	-	-	-	-	0.00%	0.00%
June 12, 2025	September 4, 2025	3 Month	-	500,000	-	500,000	490,491	490,333	(158)	12.00%	13.79%
June 12, 2025	June 11, 2026	12 Month	-	100,000	-	100,000	90,690	90,683	(8)	2.00%	2.55%
December 14, 2023	December 12, 2024	12 Month	23,000	-	23,000	-	-	-	-	0.00%	0.00%
May 15, 2025	June 12, 2025	1 Month	-	500,000	500,000	-	-	-	-	0.00%	0.00%
May 15, 2025	May 14, 2026	12 Month	-	500,000	500,000	-	-	-	-	0.00%	0.00%
May 16, 2024	May 15, 2025	12 Month	760,000	1,016,300	1,776,300	-	-	-	-	0.00%	0.00%
November 16, 2023	November 14, 2024	12 Month	56,000	-	56,000	-	-	-	-	0.00%	0.00%
April 17, 2025	April 16, 2026	12 Month	-	940,300	940,300	-	-	-	-	0.00%	0.00%
October 17, 2024	January 9, 2025	3 Month	-	700,000	700,000	-	-	-	-	0.00%	0.00%
October 17, 2024	October 16, 2025	12 Month	-	600,000	600,000	-	-	-	-	0.00%	0.00%
October 17, 2024	April 17, 2025	6 Month	-	500,000	500,000	-	-	-	-	0.00%	0.00%
April 18, 2024	April 17, 2025	12 Month	880,000	581,600	1,461,600	-	-	-	-	0.00%	0.00%
October 19, 2023	October 17, 2024	12 Month	1,700	-	1,700	-	-	-	-	0.00%	0.00%
March 21, 2024	March 20, 2025	12 Month	175,000	-	175,000	-	-	-	-	0.00%	0.00%
August 22, 2024	August 21, 2025	12 Month	-	1,251,500	1,250,000	1,500	1,477	1,477	0	0.00%	0.04%
February 22, 2024	February 20, 2025	12 Month	250	-	250	-	-	-	-	0.00%	0.00%
January 23, 2025	January 22, 2026	12 Month	-	500,000	500,000	-	-	-	-	0.00%	0.00%
January 23, 2025	July 24, 2025	6 Month	-	500,000	500,000	-	-	-	-	0.00%	0.00%
July 25, 2024	July 24, 2025	12 Month	-	5,300	-	5,300	5,258	5,263	5	0.00%	0.15%
December 26, 2024	March 20, 2025	3 Month	-	250,000	250,000	-	-	-	-	0.00%	0.00%
December 28, 2023	December 26, 2024	12 Month	79,200	-	79,200	-	-	-	-	0.00%	0.00%
November 28, 2024	February 20, 2025	3 Month	-	200,000	200,000	-	-	-	-	0.00%	0.00%
May 30, 2024	May 29, 2025	12 Month	500,000	503,400	1,003,400	-	-	-	-	0.00%	0.00%
October 31, 2024	January 23, 2025	3 Month	-	100,000	100,000	-	-	-	-	0.00%	0.00%
October 31, 2024	October 30, 2025	12 Month	-	100,000	-	100,000	96,202	96,491	289	2.00%	2.71%
Total as at June 30, 2025							684,216	684,345	129	16.00%	19.2300%
Total as at June 30, 2024							3,249,692	3,260,788	11,096	60.00%	66.05%

6.2 Government securities - Pakistan Investment Bonds (PIBs)

Issue date	Maturity Date	Tenor in months	Face value				Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised (diminution) / appreciation	Market value as a percentage of	
			As at July 01, 2024	Purchased during the year	Sold / matured during the year	As at June 30, 2025				net assets of the Fund	total investments of the Fund
----- (Rupees in 000) -----											
February 9, 2023	February 9, 2025	2	25,000	-	25,000	-	-	-	-	-	-
April 6, 2023	April 6, 2025	2	13,900	-	13,900	-	-	-	-	-	-
October 7, 2021	October 7, 2024	3	100,000	-	100,000	-	-	-	-	0.00%	0.00%

Issue date	Maturity Date	Tenor in months	Face value				Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised (diminution) / appreciation	Market value as a percentage of	
			As at July 01, 2024	Purchased during the year	Sold / matured during the year	As at June 30, 2025				net assets of the Fund	total investments of the Fund
----- (Rupees in 000) -----											
September 21, 2023	September 21, 2026	3	250,000	-	-	250,000	247,275	249,125	1,850	6.00%	7.00%
November 17, 2022	November 17, 2027	5	10,000	-	-	10,000	9,800	9,922	122	0.00%	0.00%
October 19, 2023	October 19, 2026	3	300,000	-	-	300,000	296,743	298,830	2,087	7.00%	8.00%
October 19, 2023	October 19, 2028	5	70,000	-	-	70,000	68,254	69,055	801	2.00%	2.00%
April 18, 2024	April 18, 2029	5	850,000	-	400,000	450,000	437,816	442,935	5,119	11.00%	12.00%
October 3, 2024	October 3, 2029	5	-	425,000	-	425,000	414,216	416,458	2,242	10.00%	12.00%
January 16, 2025	January 16, 2027	2	-	500,000	250,000	250,000	211,065	212,954	1,889	5.00%	6.00%
January 16, 2025	January 16, 2028	3	250,000	-	250,000	-	-	-	-	0.00%	0.00%
January 16, 2025	January 16, 2030	5	1,000,000	-	500,000	500,000	495,192	510,524	15,332	12.00%	14.00%
September 20, 2024	September 20, 2026	2	750,000	-	-	750,000	652,153	661,040	8,887	16.00%	19.00%
Total as at June 30, 2025			3,618,900	925,000	1,538,900	3,005,000	2,832,514	2,870,843	38,329	69.01%	80.00%
Total as at June 30, 2024							1,578,734	1,575,989	(2,745)	29.67%	31.92%

6.3 Government securities - GOP Ijara Sukuks certificates

Name of Security	Profit payments / Principal redemptions	Maturity date	Profit rate	As at July 01, 2024	Purchase d during the year	Sold/ Matured during the year	As at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised appreciation	Market value as a percentage of	
											net assets of the Fund	total investments of the Fund
----- (Rupees in 000) -----												
----- (%) -----												
GoP Ijarah sukuks GIS - VRR - XL (Face value of Rs. 100,000 per certificate)	Semi-annually	December 4, 2024	Weighted average six months T-bills	5,000	-	5,000	-	-	-	-	-	-
GoP Ijarah sukuks GIS - FRR - XXXII (Face value of Rs. 100,000 per certificate)	Semi-annually	December 4, 2026	16.19%	15,000	-	15,000	-	-	-	-	-	-
Total as at June 30, 2025											0.00%	0.00%
Total as at June 30, 2024							100,000	100,168	168	1.88%	2.03%	

6.4 Net unrealised appreciation / (diminution) 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	3,555,188	4,936,945
Less: carrying value of investments	5.1, 5.2 & 5.3	(3,516,730)	(4,928,426)
		38,458	8,519

7 PROFIT RECEIVABLE

Profit receivable on:

Bank balances	1,564	6,843
Government securities - Pakistan Investment Bonds	59,582	60,439
Government securities - GOP Ijara Sukuks certificates	-	1,274
	61,146	68,556

7.1 Profit receivable on bank balances include Rs. 0.034 million (2024: Rs 0.001 million) due from National Bank of Pakistan (a related party).

8	ADVANCE, DEPOSIT AND PREPAYMENT	Note	2025	2024
			----- (Rupees in '000) -----	
	Advance tax		639	639
	Security deposit with Central Depository Company of Pakistan Limited		102	102
	Prepaid mutual fund rating fee		153	113
	Prepaid annual listing fee	8.1	-	6
			<u>894</u>	<u>860</u>

- 8.1** 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 and 150. However, withholding tax on profit on bank balances and debt securities paid to the Fund was deducted by various withholding agents based on the interpretation issued by 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 withholders. The tax withheld on profit on bank balances and debt securities amounted to Rs. 0.639 million (2024: Rs. 0.639 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 judgement 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 be refunded.

9	PAYABLE TO NBP FUND MANAGEMENT LIMITED - THE MANAGEMENT COMPANY	Note	2025	2024
			----- (Rupees in '000) -----	
	Management remuneration	9.1	8,245	1,526
	Sindh Sales Tax on management remuneration	9.2	1,298	198
	Reimbursement of allocated expenses	9.3	4,244	4,112
	Sindh Sales Tax payable on allocated expenses	9.4	637	-
	Reimbursement of selling and marketing expenses	9.5	2,869	21,376
	Sindh Sales Tax payable on selling & marketing expenses	9.6	430	-
	ADC charges including Sindh Sales Tax	9.7	402	261
	Sales and transfer load		60	100
	Sindh sales tax on sales load		27	33
	Other payable to Management Company		45	45
			<u>18,257</u>	<u>27,651</u>

- 9.1** As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1.50% of net income subject to floor and capping of 0.20% and 1.00% per annum of the average net assets of the Fund (2024: 1.50% of net income subject to floor and capping of 0.20% and 1.00% per annum of the average net assets of the Fund). The remuneration is payable to the Management Company monthly in arrears.

- 9.2** During the year, an amount of Rs 9.449 million (2024: Rs 2.852 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 15% (2024: 13%).
- 9.3** 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 as per the following rates:

June 30, 2025:

- From July 01, 2024 to November 24, 2024 at the rate of 0.1% of the average annual net assets of the Fund.
- From November 25, 2024 to January 12, 2025 at the rate of 0.20% of the average annual net assets of the Fund.
- From 13 January 2025 to June 30, 2025 at the rate of 0% of the average net assets of the Fund

June 30, 2024

- From July 01, 2023 to June 23, 2024 at the rate of 0.15% of the average annual net assets of the Fund.
- From June 24, 2024 to June 30, 2024 at the rate of 0.1% of the average annual net assets of the Fund.

- 9.4** The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Management Company and sales load through Sindh Sales Tax on Services Act, 2011, effective from July 01, 2011. During the year, Sindh Sales Tax at the rate of 15% (December 31, 2024: 13%) was charged on management remuneration and sales load.

- 9.5** 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.

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

June 30, 2025:

- From July 01, 2024 to August 04, 2024 at the rate of 0.77% of the average annual net assets of the Fund.
- From August 05, 2024 to November 24, 2024 at the rate of 0.60% of the average annual net assets of the Fund.
From November 25, 2024 to December 18, 2024 at the rate of 0.50% of the average annual net assets of the Fund.
- From December 19, 2024 to January 12, 2025 at the rate of 0.80% of the average annual net assets of the Fund.
- From 13 January 2025 to June 30, 2025 at the rate of 0% of the average net assets of the Fund

June 30, 2024

- From July 01, 2023 to June 30, 2024 at the rate of 0.77% of the average annual net assets of the Fund.

9.6 The Sindh Provincial Government levied Sindh Sales Tax on the reimbursement of selling and marketing expenses through Sindh Sales Tax on Services Act, 2011, effective from July 01, 2024. During the Year, Sindh Sales Tax at the rate of 15% (June 30, 2024: Nil) was charged on reimbursement of selling and marketing expenses.

9.7 During the year, the Securities and Exchange Commission of Pakistan (SECP) carried out onsite inspection of the Management Company and inspected, among other matters, the mechanism of chargeability of selling

& marketing expenses and allocated expenses to the funds under its management. As a result of this inspection, SECP raised certain observations relating to the chargeability of such expenses by the Management Company to the funds under its management. The Board of Directors of the Management Company has responded to the observations highlighted by the SECP and the management is engaged with SECP in this regard. Accordingly, the impact of the SECP's observations, if any, is not determinable as at the reporting date.

10	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2025	2024
			----- (Rupees in 000) -----	
	Trustee remuneration	10.1	360	248
	Sindh Sales Tax on Trustee remuneration	10.2	54	32
			<u>414</u>	<u>280</u>

10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.055% (2024: 0.055%) per annum of average annual net assets. Accordingly, the Fund has charged trustee fee at the above mentioned rate during the year.

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

11	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2025	2024
			----- (Rupees in 000) -----	
	Fee payable	11.1	542	305

11.1 "Under the provisions of the NBFC Regulations, a collective scheme categorized as an equity scheme is required to pay an annual fee to SECP at an amount equal to 0.095% (June 30, 2024: 0.095%) per annum of the average net assets of the Fund. The fee is paid monthly in arrears.

12	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2025	2024
			----- (Rupees in 000) -----	
	Federal excise duty on remuneration of Management Company	11.1	1,865	1,865
	Federal excise duty on sales load		371	371
	Auditors' remuneration payable		749	555
	Bank charges payable		74	145
	Printing charges payable		7	12
	Withholding tax payable		11,728	45,399
	Capital gains tax payable		106,373	-
	Professional charges payable		255	169
	Brokerage payable		-	336
			<u>121,422</u>	<u>48,852</u>

- 12.1** 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 sales 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 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 2.24 million (2024: Rs 2.24 million) is being retained in these financial statements of the Fund as the matter is pending before the HSC. Had the provision for FED not been made, the net asset value per unit of the Fund as at June 30, 2024 would have been higher by Rs 0.0058 per unit (2024: Re 0.0044 per unit).

13 CONTINGENCIES AND COMMITMENTS

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

14 NUMBER OF UNITS IN ISSUE	Note	2025	2024
		----- (Rupees in 000) -----	
Total units in issue at the beginning of the year		506,504,606	519,071,888
Add: units issued during the year		2,521,719,063	1,788,334,752
Less: units redeemed during the year		(2,639,250,114)	(1,800,902,034)
Total units in issue at the end of the year		<u>388,973,555</u>	<u>506,504,606</u>

15 AUDITORS' REMUNERATION	Note	2025	2024
		----- (Rupees in 000) -----	
Annual audit fee		364	331
Half yearly review		147	134
Other certification		125	-
Out of pocket expenses Including government Levies		144	123
		<u>780</u>	<u>588</u>

16 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the year ended June 30, 2025 is 1.48% (2024: 1.46%) which includes 0.25% (2024: 0.13%) representing government levies on the Fund such as sales taxes, annual fee payable to the SECP, etc. The TER excluding government levies is 1.23% (2024: 1.33%) which is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorized as an income scheme.

17 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2025 to the unit holders in cash, no provision for taxation has been made in these financial statements during the year.

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

18 CASH AND CASH EQUIVALENTS	Note	2025	2024
		----- (Rupees in 000) -----	
Bank balances	5	1,047,097	634,352
Market Treasury Bills - 3 Months		490,333	-
		<u>1,537,430</u>	<u>634,352</u>

19 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

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

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

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

19.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

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

19.6 Details of the transactions with related parties / connected persons during the year are as follows:	Note	2025	2024
		----- (Rupees in 000) -----	
NBP Fund Management Limited - the Management Company			
Remuneration of the Management Company		62,991	21,936
Sindh Sales Tax on remuneration of the Management Company		9,449	2,852
Reimbursement of allocated expenses		5,746	10,206
Sindh Sales Tax on allocated expenses		637	-
Reimbursement of selling and marketing expenses		27,886	52,656
Sindh Sales Tax on selling and marketing expenses		430	-
Sales load and transfer load		2,397	2,504
Sindh sales tax on sales and transfer load		360	326
ADC charges including Sindh sales tax		339	248
Amount received against issuance of units holders (December 2024)		1,283	-

	2025	2024
Note	----- (Rupees in 000) -----	
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration of the Trustee	4,625	3,761
Sindh sales tax on remuneration of the Trustee	694	489
Units Issued : 62,091,937 Units (2024: Nil Units)	677,139	-
Units Redeemed 28,993,300 Units (2024: Nil Units)	354,144	-
National Bank of Pakistan - Parent company		
Profit on bank balances	50	2
National Fullerton Asset Management Limited - Employees Provident Fund		
Units issued: 1,300,736 units (2024: Nil units)	14,000	-
Dividend reinvestment units: 53,213 units(2024: 318,114 units)	560	3,327
Units redeemed: units 1,613,732 (2024: 848,678 units)	18,892	9,780
Employees of the Management Company		
Units issued: 8,726,109 (2024: 16,429,895 units)	99,725	179,782
Dividend reinvestment units: 1,256 units (2024: 22,072 units)	14	231
Units redeemed: units:9,156,761 (2024: 16,003,569 units)	106,631	179,305
Portfolio Managed by Management Company		
Units issued: 603,084,29 units (2024: 76,478,000 units)	712,906	802,261
Dividend reinvestment units: 730,264 units (2024:9,383,883 units)	7,727	98,173
Units redeemed: 95,737,181 units (2024:223,302,097 units)	1,099,166	2,434,705
Purchase of Market Treasury Bills (MTBs)	1,030,974	20,330
Sale of Market Treasury Bills (MTBs)	582,629	-
Purchase of Pakistan Investment Bonds (PIBs)	-	75,245
Fauji Fertilizer Company Limited		
Units issued: 307,683,967 units (2024: 54,512,330 units)	3,551,963	570,000
Dividend reinvestment units: Nil units (2024: 437,565 units)	-	4,581
Units Redeemed : 362,633,861 units (2024 Nil)	4,235,275	-
Haider Amjad- Shareholder of Management Company**		
Units Issued 2,302,568 Units (2024 Nil)	26,481	-
Units Redeemed 2,302,568 Units (2024 Nil)	26,532	-
NAFA Pension Debt Fund (NPF-DEBT) Entity managed by management Company		
Purchase of Market Treasury Bills (MTBs)	68,187	-
First Credit Investment Bank Limited		
Brokerage Expense	16	-
Amounts outstanding as at year end are as follows:		
NBP Fund Management Limited - the Management Company		
Remuneration of the Management Company	8,245	1,526
Sindh sales tax payable on remuneration of the Management Company	1,298	198
Reimbursement of allocated expense payable	4,244	4,112
Sindh Sales Tax payable on allocated expenses	637	-
Reimbursement of selling and marketing expenses payable	2,869	21,376
Sindh Sales Tax payable on selling & marketing expenses	430	-
Sales and transfer load payable	60	100
Sindh sales tax on sales and transfer load payable	27	33
Federal Excise Duty on remuneration of the Management	2,236	2,236
ADC charges including Sindh Sales Tax	402	261
Other payable to Management Company	45	45

Note	2025 ----- (Rupees in 000) -----	2024 ----- (Rupees in 000) -----
Central Depository Company of Pakistan Limited - the Trustee		
Trustee fee payable	360	248
Sindh sales tax payable on Trustee fee	54	32
Security deposit	639	102
Units held: 33,098,637 units (2024 :Nill)	348,525	-
National Bank of Pakistan - Parent company		
Bank balance in savings accounts	123	524
Profit receivable	34	1
National Fullerton Asset Management Limited - Employees Provident Fund		
Units held: 1,030,646units (2024:1,290,429 units)	10,853	13,535
Employees of the Management Company		
Units held:56,662 units (2024: 486,057units)	597	5,098
Portfolio Managed by Management Company		
Units held: 17,717,647units (2024:59,766,990 units)	186,565	626,866
United Energy Pakistan Ltd Employees Gratuity Fund** -unit holder with 10% or more holding		
Units held: 39,915,448 units (2024: Nill units)	420,306	-
Fauji Fertilizers Company Limited - unit holder with 10% or more holding *		
Units held: Nill units (2024:54,949,895 units)	-	576,342
Telenor Micro Finance Bank Limited-Common Directorship		
Bank balance in savings accounts	93	93

* This reflects the position of the related party / connected persons status as at June 30, 2025

** Previous year figure has not been shown as the company was not a related party / connected person as at June 30, 2024

20 FINANCIAL INSTRUMENTS BY CATEGORY

	2025		
	At amortised cost	At fair value through profit or loss	Total
	-----Rupees in '000-----		
Financial assets			
Bank balances	1,047,097	-	1,047,097
Investments	-	3,555,188	3,555,188
Profit receivable	61,146	-	61,146
Receivable against conversion of units	1,412,864	-	1,412,864
Deposits and other receivables	894	-	894
	<u>2,522,001</u>	<u>3,555,188</u>	<u>6,077,189</u>
Financial liabilities			
Payable to NBP Fund Management Limited - the Management Company	18,257	-	18,257
Payable to Central Depository Company of Pakistan Limited - the Trustee	414	-	414
Payable to the Securities and Exchange Commission of Pakistan	542	-	542
Payable against redemption of units	1,840,698	-	1,840,698
Accrued expenses and other liabilities	121,422	-	121,422
	<u>1,981,333.00</u>	<u>-</u>	<u>1,981,333.00</u>
	-----2024-----		
	At amortised cost	At fair value through profit or loss	Total
	-----Rupees in '000-----		
Financial assets			
Bank balances	634,352	-	634,352
Investments	-	4,936,945	4,936,945
Profit receivable	68,556	-	68,556
Receivable against conversion of units	103,465	-	103,465
Deposits and other receivables	752	-	752
	<u>807,125</u>	<u>4,936,945</u>	<u>5,744,070</u>
Financial liabilities			
Payable to NBP Fund Management Limited - the Management Company	27,651	-	27,651
Payable to Central Depository Company of Pakistan Limited - the Trustee	280	-	280
Payable against purchase of investments	-	-	-
Payable against redemption of units	354,607	-	354,607
Accrued expenses and other liabilities	46,471	-	46,471
	<u>429,009</u>	<u>-</u>	<u>429,009</u>

21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that 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.

21.1 Market risk

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

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

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

(i) Yield / interest rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2025, the Fund is exposed to such risk on its balances held with banks and investments in government securities. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds bank balances and GOP Ijara sukuks certificates 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 4.23 million (2024: Rs 6.59 million).

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund holds Market Treasury Bills, Pakistan Investment Bonds and GOP Ijara sukuks certificates 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.35.55 million (2024: Rs.49.37 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, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

Yield / interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date.

----- 2025 -----					
Effective yield / interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / 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	0.1% to 11%	1,047,097	-	-	1,047,097
Investments		490,333	194,012	-	3,555,188
Profit receivable		-	-	61,146	61,146
Receivable against conversion of units		-	-	1,412,864	1,412,864
Deposits and other receivables		-	-	894	894
		1,537,430	194,012	1,474,904	6,077,189

----- 2025 -----					
Effective yield / interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		

Financial liabilities

Payable to NBP Fund Management Limited - the Management Company
Payable to Central Depository Company of Pakistan Limited - the Trustee
Payable against purchase of investments
Payable against redemption of units
Accrued expenses and other liabilities

----- (Rupees in '000) -----					
-	-	-	-	18,257	18,257
-	-	-	-	414	414
-	-	-	-	542	542
-	-	-	-	1,840,698	1,840,698
-	-	-	-	121,422	121,422

On-balance sheet gap (a)

1,537,430 194,012 2,870,843 (506,429) 4,095,856

Off-balance sheet financial instruments

- - - - -

Off-balance sheet gap (b)

- - - - -

Total profit rate sensitivity gap (a+b)

1,537,430 194,012 2,870,843

Cumulative profit rate sensitivity gap

1,537,430 1,731,442 4,602,285

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

Financial assets

Bank balances 18.80% - 21.25%
Investments 15.38% - 25.77%
Profit receivable
Receivable against conversion of units
Deposits and other receivables

----- (Rupees in '000) -----					
634,352	-	-	-	-	634,352
124,300	3,299,901	1,437,661	-	75,083	4,936,945
-	-	-	-	68,556	68,556
-	-	-	-	103,465	103,465
-	-	-	-	108	108

758,652 3,299,901 1,437,661 247,212 5,743,426

Financial liabilities

Payable to NBP Fund Management Limited - the Management Company
Payable to Central Depository Company of Pakistan Limited - the Trustee
Payable against redemption of units
Accrued expenses and other liabilities

-	-	-	-	29,887	29,887
-	-	-	-	280	280
-	-	-	-	354,607	354,607
-	-	-	-	1,217	1,217

- - - - 385,991 385,991

On-balance sheet gap (a)

758,652 3,299,901 1,437,661 (138,779) 5,357,435

Off-balance sheet financial instruments

- - - - -

Off-balance sheet gap (b)

- - - - -

Total profit rate sensitivity gap (a+b)

758,652 3,299,901 1,437,661

Cumulative profit rate sensitivity gap

758,652 4,058,553 5,496,214

(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 instruments that expose it to price risk as of June 30, 2025 and June 30, 2024.

21.2 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 market and can be readily disposed of and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement subject to the maximum limit which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. However, no borrowing was required to be obtained by the Fund during the current year.

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

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

	2025						
Payable to NBP Fund Management Limited - the Management Company	18,257	-	-	-	-	-	18,257
Payable to Central Depository Company of Pakistan Limited - the Trustee	414	-	-	-	-	-	414
Payable against purchase of investments	542	-	-	-	-	-	542
Payable against redemption of units	1,840,698	-	-	-	-	-	1,840,698
Accrued expenses and other liabilities	120,673	749	-	-	-	-	121,422
	1,980,584	749	-	-	-	-	1,981,333

	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)						
	----- 2024 -----						
Financial liabilities							
Payable to NBP Fund Management Limited - the Management Company	29,887	-	-	-	-	-	29,887
Payable to Central Depository Company of Pakistan Limited - the Trustee	280	-	-	-	-	-	280
Payable against redemption of units	354,607	-	-	-	-	-	354,607
Accrued expenses and other liabilities	662	555	-	-	-	-	1,217
	385,436	555	-	-	-	-	385,991

21.3 Credit risk

21.3.1 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. 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) -----			
Bank balances	1,047,097	1,047,097	634,352	634,352
Investments	3,555,188	-	685,921,249	-
Profit receivable	61,146	1,564	68,556	6,843
Receivable against conversion of units	1,412,864	103,465	103,465	03,465
Deposits and other receivables	894	894	108	108
	6,077,189	1,153,020	686,727,730	744,768

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 its accrued profit, however, are not exposed to credit risk and have been excluded from the above analysis as these are guaranteed by the Government of Pakistan.

21.3.2 Credit quality of financial assets

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

Rating	% of financial assets exposed to credit risk	
	2025	2024
Bank balances and accrued profit thereon		
AAA	15.01%	0.14%
AA+ *	0.00% *	-
AA-	2.21%	10.86%
AA	0.00% *	
A+	0.00% *	0.01%
A *	0.00% *	-
A-	-	0.02%
	17.22%	11.03%

* "0.00" Due to rounding off

21.3.3 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 exposed to credit risk as at June 30, 2025 and June 30, 2024 are unsecured and are not impaired.

22 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

Level 1: quoted 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:

----- As at June 30, 2025 -----			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
ASSETS			
Financial assets 'at fair value through profit or loss'			
Government securities:			
- Market Treasury Bills (MTBs)	-	684,345	-
- Pakistan Investment Bonds (PIBs)	-	2,870,843	-
- GOP Ijara Sukuks certificates	-	-	-
	-	3,555,188	-
	-	3,555,188	-

----- As at June 30, 2024 -----			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
ASSETS			
Financial assets 'at fair value through profit or loss'			
Government securities:			
- Market Treasury Bills (MTBs)	3,260,778		3,260,778
- Pakistan Investment Bonds (PIBs)	1,575,989		1,575,989
- GOP Ijara Sukuks certificates	-	100,168	-
	-	4,936,935	-
	-	4,936,935	-

23 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, 2008 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 19, 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.

24 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	870	1,774,212	43.32%	576	1,579,336	29.73%
Retirement funds	36	1,035,082	25.27%	21	1,612,834	30.37%
Public limited companies				1	204,151	0
Associated company and directors	1	10,852	0.26%	2	589,877	11.10%
Others	39	1,275,710	1.15%	30	1,326,252	24.96%
	946	4,095,256	100.00%	630	5,312,450	100%

25 LIST OF TOP 10 BROKERS BY PERCENTAGE OF COMMISSION PAID

Name of broker	2025 % of commission paid	Name of broker	2024 % of commission paid
Magenta Capital (Pvt.) Ltd.	18.69%	Alfalsh Securities (Private) Limited	18.23%
Invest One Markets Limited	17.60%	Continental Exchange (Private) Limited	16.16%
ALFALAH SECURITIES (PVT) LIMITED	17.32%	Summit Capital (Private) Limited	15.74%
BMA CAPITAL MANAGEMENT LIMITED	12.54%	Invest One Markets Limited	10.85%
AKD Securities Limited	10.55%	C & M Management (Private) Ltd.	10.83%
J.S. GLOBAL CAPITAL LTD	9.05%	Bright Capital (Private) Limited	4.76%
Bright Capital (Private) Limited	5.37%	Ali Shah Bukhari Securities (Private) Limited	4.76%
First Credit & Investment Bank	3.44%	Magenta Capital (Private) Limited	3.65%
C & M Management Pvt. Limited	3.31%	Paramount Capital (Private) Limited	3%
Continental Exchange (Pvt.) Limited	1.39%	Vector Securities (Private) Limited	2%
	99.26%		90.28%

26 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

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 26.1)	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

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

- NBP Financial Sector Income Fund
- NBP Government Securities Fund - I
- NBP Mustahkam Fund
- NBP Islamic Income Fund
- NBP Income Fund of Fund
- NBP Mahana Amdani Fund
- NBP Savings Fund
- NBP Government Securities Liquid Fund
- NBP Money Market Fund
- NBP Islamic Mustahkam Fund"
- NBP Mustahkam Fund II
- NBP Riba Free Savings Fund
- NBP Islamic Mahana Amdani Fund
- NBP Islamic Savings Fund
- NBP Income Opportunity Fund
- NBP Islamic Daily Dividend Fund
- NBP Islamic Money Market Fund
- NBP Islamic Government Securities Fund - I

27 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.

*** 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.

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 GENERAL

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

30 DATE OF AUTHORISATION FOR ISSUE

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

PERFORMANCE TABLE

Particulars	For the Period ended June 30, 2025	For the Period ended June 30, 2024	For the Period ended June 30, 2023	For the Period ended June 30, 2022	For the Period ended June 30, 2021
Net assets (Rs. '000')	4,095,856	5,312,450	5,426,589	138,324	212,537
Net Income / (loss) (Rs. '000')	1,252,265	1,398,658	296,812	17,168	11,662
Net Asset Value per units (Rs.)	10.5299	10.4885	10.4544	10.4090	10.3991
Offer price per unit	10.6510	10.6070	10.5725	10.5266	10.5166
Redemption price per unit	10.5299	10.4885	10.4544	10.4090	10.3991
Ex - Highest offer price per unit (Rs.)	10.6510	10.6070	10.5725	10.5266	10.5166
Ex - Lowest offer price per unit (Rs.)	8.9756	8.6538	9.0289	9.5439	9.8529
Ex - Highest redemption price per unit (Rs.)	10.5299	10.4885	10.4544	10.409	10.3991
Ex - Lowest redemption price per unit (Rs.)	8.8736	8.5571	8.9280	9.4372	9.7726
Opening Nav of Fiscal Year	9.0010	8.5522	8.9246	9.4353	9.8763
Total return of the fund	16.99%	22.57%	17.14%	10.32%	5.29%
Capital growth	0.46%	1.45%	0.51%	0.10%	0.51%
Income distribution as a % of e x nav	16.53%	21.13%	16.63%	10.21%	4.79%
Income distribution as a % of par value	17.33%	22.09%	17.31%	10.62%	4.97%
Interim distribution per unit	1.7333				
Final distribution per unit		2.2087	1.7313	1.0622	0.4972
Distribution dates					
Interim	26-Jun-25	27-Dec-23			
Interim		27-Jun-24			
Interim					
Interim					
Interim					
Interim					
Interim					
Interim					
Final			23-Jun-22	28-Jun-22	23-Jun-21
Average annual return (launch date 10-07-14)					
(Since inception to June 30, 2025)	11.91%				
(Since inception to June 30, 2024)		11.41%			
(Since inception to June 30, 2023)			10.23%		
(Since inception to June 30, 2022)				9.39%	
(Since inception to June 30, 2021)					9.26%
Portfolio Composition (Please see Fund Manager Report)					
Weighted average portfolio duration	457 Days	438 Days	36 Days	182 Days	174 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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