



Islamic Savings

NBP Fund Management Limited



# NBP ISLAMIC STOCK FUND

**HALF YEARLY** REPORT  
DECEMBER 31, 2023

**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
Mr. Tauqeer Mazhar	Director
Ms. Mehnaz Salar	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Saad Amanullah Khan	Director
Mr. Ruhail Muhammad	Director

### Company Secretary & COO

Mr. Muhammad Murtaza Ali

### Chief Financial Officer

Mr. Khalid Mehmood

### Audit & Risk Committee

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

### Human Resource & Remuneration Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Tauqeer Mazhar	Member

### Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Tauqeer Mazhar	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

Al Baraka Islamic Bank Limited	MCB Bank Limited
Allied Bank Limited	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan
Bank Al Habib Limited	Silk Bank Limited
Bankislami Pakistan Limited	Summit Bank Limited
Dubai Islamic Bank Pakistan Limited	United Bank Limited
Habib Bank Limited	
Habib Metropolitan 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.nbpffunds.com](http://www.nbpffunds.com)

## **Lahore Office:**

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

## **Islamabad Office:**

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

## **Peshawar Office:**

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

## **Multan Office:**

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



## DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the reviewed financial statements of **NBP Islamic Stock Fund (NISF)** for the half year ended December 31, 2023.

### Fund's Performance

During the first half of fiscal year 2024, the stock market showcased outstanding performance as the benchmark KMI-30 index surged by an impressive 34,000 points, translating into a remarkable 48% return over the period.

Equities started off on a strong footing, and this momentum persisted throughout the period. The turning point for the market was the signing of the Staff Level Agreement (SLA) with the IMF on June 29th, which ignited significant investor interest. Subsequently, the IMF executive board approved a USD 3 billion Stand-By Agreement (SBA) for nine months until March 2024. Concurrently, the country received USD 2 billion from Saudi Arabia, and later the UAE approved a deposit of USD 1 billion. Following these developments, the first loan tranche of USD 1.2 billion from the SBA was received from the IMF. Fitch also upgraded Pakistan's Long-Term Foreign Currency Issuer Rating. In tandem with the SLA, Pakistan's dollar bonds rallied in the international market, almost doubling during the period. Multilateral inflows, particularly from ADB and World Bank, gained momentum. Consequently, the State Bank of Pakistan's reserves improved from USD 4.4 billion to USD 8.2 billion at the end of the period. The improving reserves, coupled with a crackdown against illicit trade in the open market, brought much-needed stability to the foreign exchange market, resulting in a slight appreciation of the PKR by 1.45%. Other economic indicators also pointed towards stability and gradual improvement. According to data released by the Pakistan Bureau of Statistics (PBS), GDP growth for 1QFY2024 stood at 2.1%, led by robust agricultural growth. The current account deficit during 1H narrowed considerably, reaching USD 831 million compared to USD 3.6 billion in the same period last year. Inflation, on a sequential basis, tapered off but remained elevated, averaging around 28.8% during the period, primarily due to a massive increase in energy component of the CPI basket and unabated food inflation. During the period, the Monetary Policy Committee (MPC) of SBP kept the Policy Rate unchanged at 22%. However, secondary market yields across various tenures fell sharply from their peak, reflecting investors' expectations of imminent rate cuts. The listed corporate space declared stellar results with equally impressive dividend announcements by select companies. It is noteworthy that the cumulative profitability of KSE-100 Index surged by around 59% YoY during September quarter results. Sequential improvement in earnings was also broad-based. In a significant development, one of the largest auto players announced its intention to delist its shares from the bourse, acting as a key catalyst. The delisting price was 7x higher than the prevailing price, reflecting the potential of the stock market. Other contributing factors included the government's approval of revised gas tariffs. The announcement of election date by ECP further alleviated political uncertainties. Towards the end, the country successfully completed the first review of the IMF.

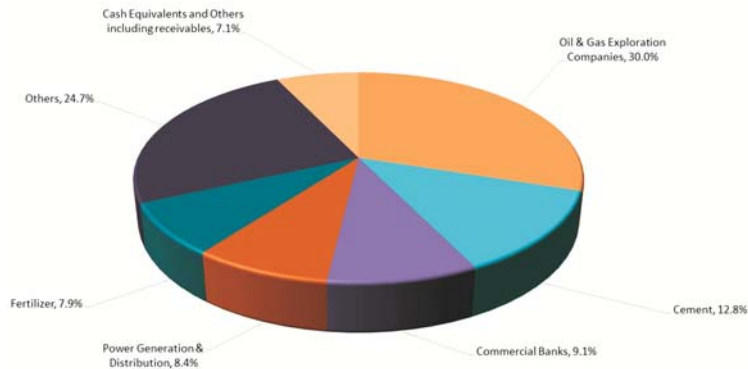
In terms of sector-wise performance, Auto Assemblers, Auto Parts & Accessories, Cable & Electrical Goods, Commercial Banks, Engineering, Leather & Tanneries, Oil & Gas Exploration, Power Generation & Distribution, Refinery, Tobacco, and Transport sectors outperformed the market. On the other hand, Cement, Fertilizers, Food & Personal Care, Glass & Ceramics, Insurance, Miscellaneous, Paper & Board, Pharmaceutical, Sugar & Allied, Technology & Communication, and Textile Composite sectors lagged behind the market. Regarding participants' market activity, Foreigners, Insurance, and Companies emerged as the largest net buyers with inflows of around USD 71 million, USD 60 million, and USD 52 million, respectively. Conversely, Banks/DFIs and Mutual Funds reduced their net holdings by around USD 92 million and USD 51 million, respectively.

The size of NBP Islamic Stock Fund has Increased from Rs. 2,118 million to Rs. 2,570 million during the period, i.e., an Increase of 21.0%. During the period the unit price of NBP Islamic Stock Fund (NISF) has increased from Rs. 10.3856 on June 30, 2023 to Rs. 15.3665 on December 31, 2023, thus showing an increase of 48.0% in line with the Benchmark. Since inception the NAV of the Fund has increased from Rs. 7.7495 (Ex-Div) on January 09, 2015 to Rs. 15.3665 on December 31, 2023, thus showing an increase of 98.3%. During the said period, the Benchmark increased by 99.7%, translating into underperformance of 1.4%. This performance is net of management fee and all other expenses.

NBP Islamic Stock Fund has earned a total income of Rs. 901.39 million during the period. After deducting total expenses of Rs. 50.01 million, the net income is Rs. 851.38 million. The asset allocation of the Fund as on December 31, 2023 is as follows:



The asset allocation of the Fund as on December 31, 2023 is as follows:



NISF Performance versus Benchmark (Since Inception)



## Acknowledgement

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

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

On behalf of the Board of  
**NBP Fund Management Limited**

**Chief Executive Officer**

**Director**

Date: **February 29, 2024**

Place: Karachi.



## ڈائریکٹرز رپورٹ

NBP فنڈ منیجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 دسمبر 2023ء کو ختم ہونے والی ششماہی کے لئے NBP اسلامک اسٹاک فنڈ (NISF) کے جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

مالی سال 2024 کی پہلی ششماہی کے دوران اسٹاک مارکیٹ کی کارکردگی بہت بہتر رہی، کیونکہ شیخ مارک KMI-30 انڈیکس میں 34,000 پوائنٹس کا زبردست اضافہ ہوا، جس کے نتیجے میں مدت کے لیے 48% قابل ذکر منافع ہوا۔

ایکویٹیز کا آغاز مستحکم بنیادوں پر ہوا، اور یہ رفتار پوری مدت میں برقرار رہی۔ 29 جون کو IMF کے ساتھ اسٹاف لیول ایگریمنٹ (SLA) پر دستخط کرنا مارکیٹ کے لیے ایک ٹرننگ پوائنٹ تھا، جس نے سرمایہ کاروں کی نمایاں دلچسپی کو جنم دیا۔ اس کے بعد، آئی ایم ایف کے ایگزیکٹو بورڈ نے مارچ 2024 تک نو ماہ کے لیے 3 بلین امریکی ڈالر کے اسٹینڈ بائی ایگریمنٹ (SBA) کی منظوری دی۔ فی الحال، ملک کو سعودی عرب سے 2 بلین امریکی ڈالر وصول ہوئے، اور بعد میں متحدہ عرب امارات نے 1 بلین امریکی ڈالر کے ڈیپازٹ کی منظوری دی۔ ان پیش رفتوں کے بعد، SBA سے 1.2 بلین امریکی ڈالر کی پہلی قسط IMF سے موصول ہوئی۔ Fitch نے پاکستان کی طویل مدتی غیر ملکی کرنسی ایسٹوریٹنگ کو بھی اپ گریڈ کیا۔ SLA کے ساتھ مل کر، پاکستان کے ڈالر بانڈز نے بین الاقوامی مارکیٹ میں تیزی دیکھی، جو اس عرصہ کے دوران تقریباً دو گنا ہو گئے۔ خاص طور پر ADB اور ورلڈ بینک سے، کثیر الجہتی رقم نے زور پکڑا۔ نتیجتاً، اس مدت کے اختتام پر اسٹیٹ بینک آف پاکستان کے ذخائر 4.4 بلین امریکی ڈالر سے بڑھ کر 8.2 بلین امریکی ڈالر ہو گئے۔ اوپن مارکیٹ میں غیر قانونی تجارت کے خلاف کریک ڈاؤن کے ساتھ بہتر ہونے والے ذخائر زرمبادلہ کی منڈی میں انتہائی ضروری استحکام لائے، جس کے نتیجے میں پاکستانی روپیہ کی قدر میں 1.45% کا معمولی اضافہ ہوا۔ دیگر اقتصادی اشاروں نے بھی استحکام اور بتدریج بہتری کی نشاندہی کی۔ پاکستان پیور آف سسٹمٹیکس (PBS) کے جاری کردہ اعداد و شمار کے مطابق، مالی سال 2024 کی پہلی سہ ماہی کے لیے جی ڈی پی کی شرح نمو 2.1 فیصد رہی، جس کی وجہ مضبوط زرعی نمو ہے۔ پہلی ششماہی کے دوران کرنٹ اکاؤنٹ خسارہ کافی حد تک کم ہوا، جو گزشتہ سال کی اسی مدت میں 3.6 بلین امریکی ڈالر کے مقابلے میں 831 ملین امریکی ڈالر تک پہنچ گیا۔ مہنگائی، مسلسل بنیادوں پر، کم نہیں بلکہ بڑھتی رہی، جو اس مدت کے دوران اوسطاً 28.8% ہے، جس کی بنیادی وجہ سی پی آئی باسکٹ کے انرجی کمپوسٹ میں بڑے پیمانے پر اضافہ اور بے قابو ہنگی خوراک ہے۔ اس مدت کے دوران، SBP کی مانیٹری پالیسی کمیٹی (MPC) نے پالیسی شرح کو 22% پر برقرار رکھا۔ تاہم، مختلف ادوار میں ثانوی مارکیٹ کا شرح منافع اپنے عروج سے تیزی سے گر گیا، جو سرمایہ کاروں کی متوقع شرح میں کمی کی توقعات کی عکاسی کرتا ہے۔ لسٹڈ کارپوریٹ اسپنس نے منتخب کمپنیوں کے مساوی متاثر کن ڈیویڈنڈ کے اعلانات کے ساتھ شاندار نتائج کا اعلان کیا۔ یہ بات قابل ذکر ہے کہ ستمبر کی سہ ماہی کے نتائج کے دوران KSE-100 انڈیکس کے مجموعی منافع میں تقریباً 59% سالانہ اضافہ ہوا۔ آمدنی میں فی الوقت بہتری بھی وسیع البہا تھی۔ ایک اہم پیش رفت میں، سب سے بڑے آٹو پلیئرز میں سے ایک نے کلیدی کردار ادا کرتے ہوئے، اپنے حصص کو بورس سے ڈی لسٹ کرنے کے ارادہ کا اعلان کیا ہے۔ ڈی لسٹنگ کی قیمت موجودہ قیمت سے 7 گنا زیادہ تھی، جو اسٹاک مارکیٹ کی صلاحیت کو ظاہر کرتی ہے۔ دیگر معاون عوامل میں حکومت کی جانب سے نظر ثانی شدہ گیس ٹیرف کی منظوری بھی شامل ہے۔ اسی سی پی کی جانب سے انتخابات کی تاریخ کے اعلان نے مزید سیاسی غیر یقینی صورتحال کو ختم کر دیا۔ آخر کار، ملک نے IMF کا پہلا جائزہ کامیابی سے مکمل کیا۔

ٹیکسٹ وائر کارکردگی کے لحاظ سے آٹو اسٹمبرز، آٹو پارٹس اینڈ اسیمبلیز، کیبل اینڈ الیکٹریکل اشیا، کمرشل ٹیکس، انجینئرنگ، لیڈر اینڈ ٹیئر، آئل اور گیس ایکسپلوریشن، پاور جنریشن اینڈ ڈسٹری بیوشن، ریفائنری، تمباکو، اور ٹرانسپورٹ کے شعبوں نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ دوسری جانب سیمینٹس، فزٹیلز، زرخوراک اور ذاتی نگہداشت، گلاس اینڈ سٹریکس، انشورنس، متفرق، پیپر اینڈ بورڈ، فارماسیوٹیکل، شوگر اینڈ الائیڈ اینڈ سٹریز، ٹیکسٹائل اور کیوٹیکیشن اور ٹیکسٹائل کمپوزٹ کے شعبے مارکیٹ میں پیچھے رہے۔ شرکاء کے لحاظ سے مارکیٹ کی سرگرمیوں پر، غیر ملکی، انشورنس، اور کمپنیاں بالترتیب 71 ملین امریکی ڈالر اور 60 ملین امریکی ڈالر اور 52 ملین امریکی ڈالر کی آمد کے ساتھ اہم خالص خریدار رہے۔ اس کے برعکس بینکس / DFIs اور میوچل فنڈز نے اپنی خالص ہولڈنگز کو بالترتیب 92 ملین امریکی ڈالر اور 51 ملین امریکی ڈالر تک کم کیا۔

موجودہ مدت کے دوران NBP اسلامک اسٹاک فنڈ کا سائز 2,118 ملین روپے سے بڑھ کر 2,570 ملین روپے ہو گیا، یعنی 21.0% کا اضافہ ہوا۔ اس مدت کے دوران، NBP اسلامک اسٹاک فنڈ (NISF) کے یونٹ کی قیمت 30 جون 2023 کو 10.3856 روپے سے بڑھ کر 31 دسمبر 2023 کو 15.3665 روپے ہو گئی، لہذا شیخ مارک کے مطابق 48.0% کا اضافہ ظاہر کیا۔ اپنے قیام کے وقت سے فنڈ کا NAV (09 جنوری 2015) کو 7.7495 روپے (Ex-Div) سے بڑھ کر 31 دسمبر 2023 کو 15.3665 روپے ہو گیا، لہذا 98.31 فیصد کا اضافہ دیکھا گیا۔ زیر جائزہ مدت کے دوران، شیخ مارک میں 99.7 فیصد تک اضافہ ہوا، لہذا فنڈ نے اپنے شیخ مارک سے 1.4% کی ایئر کارکردگی کا مظاہرہ کیا۔ یہ کارکردگی منجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

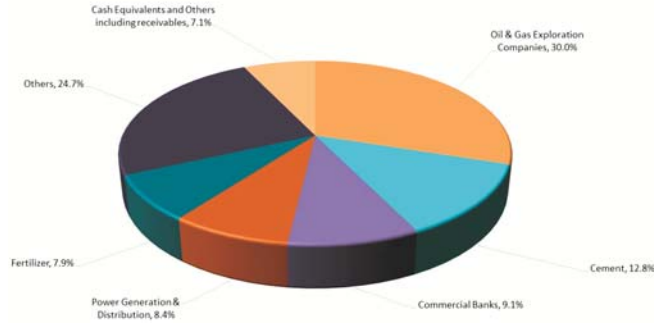
NBP اسلامک اسٹاک فنڈ (NISF) کو اس مدت کے دوران 901.39 ملین روپے کی مجموعی آمدنی ہوئی۔ 50.01 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 851.38 ملین روپے

ہے۔





31 دسمبر 2023 کو فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



NISF کی کارکردگی بمقابلہ بیچ مارک



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 ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مخلص رویہ کا بھی اعتراف کرتا ہے۔

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

منجانب بورڈ آف ڈائریکٹرز

**NBP فنڈ مینجمنٹ لمیٹڈ**

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 29 فروری 2024ء

مقام: کراچی



## TRUSTEE REPORT TO THE UNIT HOLDERS

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

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Islamic Stock Fund (the Fund) are of the opinion that NBP Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2023 in accordance with the provisions of the following:

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

**Badiuddin Akber**

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 28, 2024



## REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS

### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NBP Islamic Stock Fund** (the Fund) as at December 31, 2023, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim statement of cash flow and notes to and forming part of the condensed interim financial statements for the half year ended December 31, 2023 (here-in-after referred to as the 'condensed interim financial statements'). NBP Fund Management Limited (the Management Company) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

### Scope of Review

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

### Conclusion

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

### Other Matter

The figures of the condensed interim income statement and condensed interim statement of comprehensive income, for the quarter ended December 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2023.

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

**Yousuf Adil**  
**Chartered Accountants**

Place: Karachi  
Date: February 29, 2024

UDIN: RR202310091vDg711E8i



## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2023

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- (Rupees in '000) -----	
<b>Assets</b>			
Bank balances	4	566,260	77,912
Investments	5	2,387,986	2,090,104
Receivable against sale of investments		-	26,620
Receivables from funds under management by Management Company against conversion of units		28,302	-
Dividend and profit receivable		3,416	1,184
Advance, deposits and prepayment		7,126	7,270
<b>Total assets</b>		<b>2,993,090</b>	<b>2,203,090</b>
<b>Liabilities</b>			
Payable to NBP Fund Management Limited - Management Company	6	14,890	22,381
Payable to the Central Depository Company of Pakistan Limited - Trustee	7	316	321
Payable to the Securities and Exchange Commission of Pakistan	8	186	804
Payable against purchase of investments		362,711	-
Payable against conversion and redemption of units		14,279	27,330
Accrued expenses and other liabilities	9	30,221	33,826
<b>Total liabilities</b>		<b>422,603</b>	<b>84,662</b>
<b>Net assets</b>		<b>2,570,487</b>	<b>2,118,428</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>2,570,487</b>	<b>2,118,428</b>
<b>Contingency and commitment</b>	10	-----Number of units-----	
<b>Number of units in issue</b>		<b>167,278,305</b>	<b>203,976,543</b>
<b>Net assets value per unit</b>		<b>15.3665</b>	<b>10.3856</b>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023

		Half year ended		Quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Note		(Rupees in '000)			
<b>Income</b>					
		245,255	(18,004)	166,279	(15,762)
		12,147	10,239	7,862	4,548
		72,744	200,250	52,138	134,241

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director



## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023

	Half year ended		Quarter ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	----- (Rupees in '000) -----			
Net income / (loss) for the period after taxation	851,383	(90,043)	622,147	(90,885)
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b>851,383</b>	<b>(90,043)</b>	<b>622,147</b>	<b>(90,885)</b>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Half year ended December 31,					
	2023			2022		
	Value	Undistributed loss	Total	Value	Undistributed loss	Total
	(Rupees in '000)					
Net assets at beginning of the period (audited)	3,816,139	(1,697,711)	2,118,428	6,796,671	(1,608,627)	5,188,044
Issue of 139,303,256 units (2022: 146,047,513 units)						
- Capital value	1,446,748	-	1,446,748	1,548,965	-	1,548,965
- Element of income	423,804	-	423,804	28,455	-	28,455
Total proceeds on issuance of units	1,870,552	-	1,870,552	1,577,420	-	1,577,420
Redemption of 176,001,494 units (2022: 230,926,355 units)						
- Capital value	(1,827,881)	-	(1,827,881)	(2,449,182)	-	(2,449,182)
- Element of (loss)	(194,542)	(247,453)	(441,995)	(23,084)	-	(23,084)
Total payments on redemption of units	(2,022,423)	(247,453)	(2,269,876)	(2,472,265)	-	(2,472,265)
Total comprehensive income / (loss) for the period	-	851,383	851,383	-	(90,043)	(90,043)
<b>Net assets at end of the period</b>	<b>3,664,268</b>	<b>(1,093,781)</b>	<b>2,570,487</b>	<b>5,901,826</b>	<b>(1,698,670)</b>	<b>4,203,156</b>
Undistributed loss brought forward						
- Realised		(1,606,608)			(395,098)	
- Unrealised		(91,103)			(1,213,529)	
		(1,697,711)			(1,608,627)	
Accounting income available for distribution						
- Relating to capital gains		603,930			-	
- Excluding capital gains		-			-	
		-			-	
Total comprehensive loss for the period		-			(90,043)	
Undistributed loss carried forward		(1,093,781)			(1,698,670)	
Undistributed loss carried forward						
- Realised		(1,665,026)			(1,521,193)	
- Unrealised		571,245			(177,477)	
		(1,093,781)			(1,698,670)	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		10.3856			10.6059	
Net assets value per unit at end of the period		15.3665			10.3965	

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director



## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	<u>Half Year ended December</u>	
	<u>2023</u>	<u>2022</u>
Note	<u>----- (Rupees in '000) -----</u>	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Income / (loss) for the period before taxation	851,383	(90,043)
<b>Adjustments for:</b>		
Net unrealised diminuation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	571,245	177,477
	<u>1,422,627</u>	<u>87,434</u>
<b>(Increase) / decrease in assets</b>		
Investments	(869,127)	734,281
Dividend and profit receivable	(2,232)	1,822
Receivable against sale of investments	26,620	(10,480)
Advances, deposits and prepayments	144	133
	<u>(844,594)</u>	<u>725,756</u>
<b>Increase / (decrease) in liabilities</b>		
Payable to NBP Fund Management Limited - Management Company	(7,491)	(4,697)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(5)	(71)
Payable to the Securities and Exchange Commission of Pakistan	(618)	(856)
Payable against purchase of investment	362,711	-
Accrued expenses and other liabilities	(3,605)	1,586
	<u>350,992</u>	<u>(4,038)</u>
<b>Net cash generated from operating activities</b>	<u>929,025</u>	<u>809,152</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amounts received on issue of units	1,842,250	1,563,666
Payments against redemption of units	(2,282,927)	(2,443,245)
<b>Net cash used in financing activities</b>	<u>(440,677)</u>	<u>(879,579)</u>
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<u>488,348</u>	<u>(70,427)</u>
Cash and cash equivalents at the beginning of the period	77,912	143,804
<b>Cash and cash equivalents at the end of the period</b>	<u><u>566,260</u></u>	<u><u>73,377</u></u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



## NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NBP Islamic Stock Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on 12 November 2014 between NBP Fund Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee.
- 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 SECP. The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of Mutual Fund Association of Pakistan (MUFAP).
- 1.3 The Fund has been categorised as an open ended "Shari'ah compliant equity scheme" by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at Rs. 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from 9 January 2015 and are transferable and redeemable by surrendering them to the Fund.
- 1.4 The objective of the fund is to provide investors with long-term capital growth from an actively managed portfolio of shari'ah compliant listed equities securities. The investment objectives and policies are explained in the Fund's offering document.
- 1.5 The Pakistan Credit Rating Agency (PACRA) has assigned and maintained an Asset Manager Rating of AM1 of Management Company and performance ranking of "3 - Star" to the Fund.
- 1.6 The title to the assets of the Fund is held in the name of the Central Depository Company Limited as the Trustee of the Fund.
- 1.7 During the year ended June 30, 2021 the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on October 26, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- The Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA



of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

**2.2** The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of the financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2023.

**2.3** In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2023.

### **3 SIGNIFICANT ACCOUNTING POLICIES, RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN**

**3.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2023.

**3.2** The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied in the annual audited financial statements as at and for the year ended June 30, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2023.

#### **3.3 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are effective in the current period**

There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in this condensed interim financial information.

#### **3.4 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are not yet effective**

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2023. However, these will not have any significant effects on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

		(Un-audited) December 31, 2023	(Audited) June 30, 2023
4	BANK BALANCES	Note	----- (Rupees in '000) -----
	In current accounts		20,410 17,350
	In savings accounts	4.1	545,851 60,562
			566,260 77,912

**4.1** These accounts carry profit at rates ranging from 11.01% to 21.75% (30 June 2023: 10.00% to 19.75%) per annum.



# NBP ISLAMIC STOCK FUND



**NBP FUNDS**

Managing Your Savings

NBP Fund Management Limited

## 5 INVESTMENTS

(Un-audited) (Audited)  
December 31, June 30,  
2023 2023  
Note ----- (Rupees in '000) -----

### Financial assets 'at fair value through profit or loss'

- Listed equity securities 4.1 2,387,986 2,090,104

### 5.1 Listed equity securities

All shares have a nominal face value of Rs.10 each except for the shares of Shabbir Tiles & Ceramics Limited and Thal Limited which have face value of Rs 5 each and K-Electric Limited which have face value of Rs. 3.5 each.

Name of the investee company	As at July 01, 2023	Purchases during the period	Bonus / Right Issue	Sales during the period	As at December 31, 2023	Market value as at December 31, 2023	Market value as a percentage of		Holding as a percentage of Paid up capital of the investee company
							Net assets	Total investments	
----- No. of shares ----- Rupees in '000 ----- % -----									
<b>OIL &amp; GAS MARKETING COMPANIES</b>									
Attock Petroleum Limited	167	-	-	-	167	63	0.00%	0.00%	0.00
Pakistan State Oil Company Limited	493,020	60,000	-	221,200	331,820	58,636	2.28%	2.46%	0.07
Haseol Petroleum Limited	1,583	-	-	-	1,583	12	0.00%	0.00%	0.00
	<b>494,770</b>	<b>60,000</b>	<b>-</b>	<b>221,200</b>	<b>333,570</b>	<b>58,711</b>	<b>2.28%</b>	<b>2.46%</b>	
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>									
Pakistan Oilfields Limited	114,363	-	-	112,000	2,363	997	0.04%	0.04%	0.00
Pakistan Petroleum Limited	3,906,683	800,800	-	2,108,200	2,599,283	298,996	11.63%	12.52%	0.10
Mari Petroleum Company Limited	141,049	15,712	-	47,918	108,843	228,146	8.88%	9.55%	0.08
Oil and Gas Development Company Limited	2,739,738	772,161	-	1,354,590	2,157,309	242,589	9.44%	10.16%	0.05
	<b>6,901,833</b>	<b>1,588,673</b>	<b>-</b>	<b>3,622,708</b>	<b>4,867,798</b>	<b>770,728</b>	<b>29.98%</b>	<b>32.28%</b>	
<b>FERTILIZERS</b>									
Engro Fertilizers Limited	54,339	10,000	-	50,000	14,339	1,609	0.06%	0.07%	0.00
Engro Corporation Limited	674,446	247,800	-	245,699	676,547	199,520	7.76%	8.36%	0.13
Fauji Fertilizer Bin Qasim Limited	460,000	113,500	-	494,500	79,000	2,520	0.10%	0.11%	0.01
	<b>1,188,785</b>	<b>371,300</b>	<b>-</b>	<b>790,199</b>	<b>769,886</b>	<b>203,649</b>	<b>7.92%</b>	<b>8.53%</b>	
<b>CEMENT</b>									
Kohat Cement Limited	1,227,372	139,715	-	403,146	963,941	225,784	8.78%	9.45%	0.49
Lucky Cement Limited	167,713	12,389	-	100,286	79,816	62,814	2.44%	2.63%	0.03
Maple Leaf Cement Factory Limited	2	-	-	-	2	-	0.00%	0.00%	0.00
Fauji Cement Company Limited	1	-	-	-	1	-	0.00%	0.00%	0.00
Attock Cement (Pakistan) Limited	500,100	170,760	-	260,500	410,360	39,485	1.54%	1.65%	0.30
	<b>1,895,188</b>	<b>322,864</b>	<b>-</b>	<b>763,932</b>	<b>1,454,120</b>	<b>328,083</b>	<b>12.76%</b>	<b>13.74%</b>	
<b>MISCELLANEOUS</b>									
Ecopack Limited	2,898	-	-	2,896	2	-	0.00%	0.00%	0.00
Synthetic Products Enterprises Limited	126,453	-	-	109,816	16,637	222	0.01%	0.01%	0.02
	<b>129,351</b>	<b>-</b>	<b>-</b>	<b>112,712</b>	<b>16,639</b>	<b>222</b>	<b>0.01%</b>	<b>0.01%</b>	
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>									
Agriautos Industries Limited	250	-	-	-	250	25	0.00%	0.00%	0.00
Thal Limited	39,000	-	-	10,906	28,094	8,288	0.32%	0.35%	0.07
Panther Tyres Limited	212,499	-	-	121,500	90,999	4,120	0.16%	0.17%	0.05
	<b>251,749</b>	<b>-</b>	<b>-</b>	<b>132,406</b>	<b>119,343</b>	<b>12,433</b>	<b>0.48%</b>	<b>0.52%</b>	



# NBP ISLAMIC STOCK FUND



**NBP FUNDS**  
Managing Your Savings

NBP Fund Management Limited

Name of the investee company	As at July 01, 2023	Purchases during the period	Bonus / Right Issue	Sales during the period	As at December 31, 2023	Market value as at December 31, 2023	Market value as a percentage of		Holding as a percentage of Paid up capital of the investee company
							Net assets	Total investments	
----- No. of shares ----- Rupees in '000 ----- % -----									
<b>AUTOMOBILES ASSEMBLER</b>									
Millat Tractors Limited	4	-	-	-	4	2	0.00%	0.00%	0.00
Honda Atlas Cars (Pakistan) Limited	-	55,000	-	34,000	21,000	4,488	0.17%	0.19%	0.01
Al-Ghazi Tractors Limited	1,300	-	-	1,300	-	-	0.00%	0.00%	-
	<b>1,304</b>	<b>55,000</b>	<b>-</b>	<b>35,300</b>	<b>21,004</b>	<b>4,490</b>	<b>0.17%</b>	<b>0.19%</b>	
<b>GLASS AND CERAMICS</b>									
Tariq Glass Industries Limited	141,840	148,314	-	83,877	206,277	20,570	0.80%	0.86%	0.12
Shabbir Tiles and Ceramics Limited	3,240,500	420,000	-	1,683,000	1,977,500	28,179	1.10%	1.18%	0.83
	<b>3,382,340</b>	<b>568,314</b>	<b>-</b>	<b>1,766,877</b>	<b>2,183,777</b>	<b>48,749</b>	<b>1.90%</b>	<b>2.04%</b>	
<b>ENGINEERING</b>									
Mughal Iron and Steel Industries Limited	1,328,810	35,000	-	860,718	503,092	33,295	1.30%	1.39%	0.15
International Steels Limited	-	189,425	-	800	188,625	13,773	0.54%	0.58%	0.04
International Industries Limited	-	65,400	-	-	65,400	9,082	0.35%	0.38%	0.05
Aisha Steel Mills Limited	757,878	66,000	-	325,000	498,878	4,330	0.17%	0.18%	0.05
	<b>2,086,688</b>	<b>355,825</b>	<b>-</b>	<b>1,186,518</b>	<b>1,255,995</b>	<b>60,480</b>	<b>2.35%</b>	<b>2.53%</b>	
<b>TEXTILE COMPOSITE</b>									
Kohinoor Textile Mills Limited	1,749,433	846,083	-	1,676,704	918,812	87,057	3.39%	3.65%	0.34
Nishat Mills Limited	238,318	256,372	-	169,500	325,190	24,949	0.97%	1.04%	0.09
Interloop Limited	3	-	-	-	3	-	0.00%	0.00%	0.00
	<b>1,987,754</b>	<b>1,102,455</b>	<b>-</b>	<b>1,846,204</b>	<b>1,244,005</b>	<b>112,006</b>	<b>4.36%</b>	<b>4.69%</b>	
<b>PAPER AND BOARD</b>									
Cherat Packaging Limited.	2	-	-	-	2	-	0.00%	0.00%	0.00
Roshan Packages Limited	978,500	-	-	721,000	257,500	3,579	0.14%	0.15%	0.18
Century Paper and Board Mills Limited	-	430,500	-	-	430,500	14,017	0.55%	0.59%	0.19
	<b>978,502</b>	<b>430,500</b>	<b>-</b>	<b>721,000</b>	<b>688,002</b>	<b>17,596</b>	<b>0.68%</b>	<b>0.74%</b>	
<b>PHARMACEUTICALS</b>									
Abbot Laboratories (Pakistan) Limited	6,150	-	-	6,100	50	25	0.00%	0.00%	0.00
The Searle Company Limited	274,021	93,175	59,125	285,650	140,673	7,242	0.28%	0.30%	0.03
Haleon Pakistan Limited	13,300	24,500	-	-	37,800	6,389	0.25%	0.27%	0.03
AGP Limited	84,121	16,500	-	24,000	76,621	5,387	0.21%	0.23%	0.03
IBL HealthCare Limited	38,536	363,000	7,007	3,500	405,043	14,671	0.57%	0.61%	0.47
Ferozsons Laboratories Limited	-	4,800	-	-	4,800	1,059	0.04%	0.04%	0.01
Highnoon Laboratories Limited	-	21,800	-	-	21,800	10,999	0.43%	0.46%	0.04
Citi Pharma Ltd.	184,848	-	-	62,000	122,848	2,916	0.11%	0.12%	0.05
	<b>600,976</b>	<b>603,775</b>	<b>66,132</b>	<b>381,250</b>	<b>889,635</b>	<b>48,688</b>	<b>1.89%</b>	<b>2.04%</b>	
<b>TECHNOLOGY AND COMMUNICATION</b>									
Avanceon Limited	19,611	-	-	-	19,611	1,124	0.04%	0.05%	0.01
Systems Limited	451,890	96,528	-	155,800	392,618	166,297	6.47%	6.96%	0.13
	<b>471,501</b>	<b>96,528</b>	<b>-</b>	<b>155,800</b>	<b>412,229</b>	<b>167,421</b>	<b>6.51%</b>	<b>7.01%</b>	
<b>POWER GENERATION AND DISTRIBUTION</b>									
Hub Power Company Limited	2,027,369	542,800	-	728,814	1,841,355	215,604	8.39%	9.03%	0.14
	<b>2,027,369</b>	<b>542,800</b>	<b>-</b>	<b>728,814</b>	<b>1,841,355</b>	<b>215,604</b>	<b>8.39%</b>	<b>9.03%</b>	
<b>COMMERCIAL BANKS</b>									
Meezan Bank Limited	1,698,750	503,000	-	862,643	1,339,107	216,078	8.41%	9.05%	0.07
Faysal Bank Limited	-	558,553	-	-	558,553	18,198	0.71%	0.76%	0.04
	<b>1,698,750</b>	<b>1,061,553</b>	<b>-</b>	<b>862,643</b>	<b>1,897,660</b>	<b>234,276</b>	<b>9.11%</b>	<b>9.81%</b>	



# NBP ISLAMIC STOCK FUND



**NBP FUNDS**

Managing Your Savings

NBP Fund Management Limited

Name of the investee company	As at July 01, 2023	Purchases during the period	Bonus / Right Issue	Sales during the period	As at December 31, 2023	Market value as at December 31, 2023	Market value as a percentage of		Holding as a percentage of Paid up capital of the investee company
							Net assets	Total investments	
<div>-----No. of shares-----Rupees in '000-----%</div>									
FOOD AND PERSONAL CARE PRODUCTS									
Al-Shaheer Corporation Limited	18,378	-	-	-	18,378	228	0.01%	0.01%	0.00
At-Tahur Limited	231,196	648,500	-	-	879,696	12,184	0.47%	0.51%	0.40
Shezan International Limited	95,560	-	-	68,500	27,060	2,851	0.11%	0.12%	0.28
Unity Foods Limited	-	467,000	-	-	467,000	11,035	0.43%	0.46%	0.04
Bunny's Limited	127,500	184,500	-	-	312,000	4,590	0.18%	0.19%	0.47
	472,634	1,300,000	-	68,500	1,704,134	30,888	1.20%	1.29%	
CHEMICAL									
Lucky Core Industrial Limited	9,022	-	-	9,022	-	-	0.00%	0.00%	-
	9,022	-	-	9,022	-	-	0.00%	0.00%	
TRANSPORT									
Pakistan National Shipping Corporation Limited	396,100	93,600	-	307,000	182,700	48,322	1.88%	2.02%	0.14
Pakistan International Bulk Terminal Limited	662,500	356,500	-	305,500	713,500	4,759	0.19%	0.20%	0.04
	1,058,600	450,100	-	612,500	896,200	53,081	2.07%	2.22%	
CABLE & ELECTRICAL GOODS									
Pak Elektron Limited	320,460	789,201	-	396,000	713,661	16,114	0.63%	0.67%	0.08
Emco Industries Limited	-	12,000	-	-	12,000	444	0.02%	0.02%	0.03
REFINERY									
Attock Refinery Limited	-	13,200	-	-	13,200	4,323	0.17%	0.18%	0.01
Total as at December 31, 2023	25,957,576	9,724,088	66,132	14,413,585	21,334,213	2,387,986	0.81%	0.87%	
Carrying value as at December 31, 2023						1,816,741			

**5.1.1** Investments include shares with market value of Rs. 447.373 million (30 June 2023: Rs. 323.491 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular number 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan.

**5.1.2** The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has led a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemption given to mutual funds under clause 47B and 99 of Second Schedule of Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. Accordingly, the investee company(s) have withheld the shares equivalent to 5% of bonus announcement amounting to Rs. 4.21 million (30 June 2022: Rs. 2.848 million) and not deposited in CDC account of department of Income Tax.

	Note	(Un-audited) December 31, 2023	(Audited) June 30, 2023
		----- (Rupees in '000) -----	
<b>5.2 Net unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'</b>			
Market value of securities	5.1	<b>2,387,986</b>	2,090,104
Less: carrying value of investments		<b>(1,816,741)</b>	(2,181,207)
		<b>571,245</b>	(91,103)



		(Un-audited) December 31, 2023	(Audited) June 30, 2023
	Note	----- (Rupees in '000) -----	
<b>6</b>	<b>PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>		
	Remuneration of the Management Company	6.1	4,879
	Sindh Sales Tax on the remuneration of the Management Company	6.2	634
	Reimbursement of operational expenses to the Management Company	6.3	1,095
	Reimbursement of selling and marketing expenses	6.4	6,603
	Sales and transfer load payable to Management Company		1,385
	ADC Payable Including SST		274
	Other payable		20
		<b>14,890</b>	<b>22,381</b>
6.1	As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration as follows:		
	<ul style="list-style-type: none"> <li>- From 01 July 2022 to 09 November 2023, at the rate of 2% of the average annual net assets of the Fund.</li> <li>- From 10 November 2023 to 31 December 2023, at the rate of 2.5% of the average annual net assets of the Fund.</li> </ul>		
	The remuneration is payable to the Management Company monthly in arrears.		
6.2	This represents amount payable in respect of Sindh Sales Tax at the rate of 13% (June 30, 2022: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.		
6.3	In accordance with clause 60(s) of Non-Banking Finance Companies and Notified Entities Regulations, 2008 the management company is allowed to charge "fees and expenses related to registrar services, accounting, operation and valuation services related to CIS maximum up to 0.1% of average annual net assets of the Fund or actual whichever is less" from the mutual funds managed by it. On 20 June 2019 SECP vide S.R.O. 639 (I)/2019 has substitute clause (s) of sub regulation 3 of regulation 60 and accordingly has removed cap charging 0.1% per annum of average daily net asset on account of fee and expenses related to registrar services, accounting, operation and valuation services. During the period ended 31 December, 2021, the Management Company has charged allocated expenses at the rate of 0.15% of average daily net assets till 25 July 2021 and with effective from 26 July 2021, the Management Company has revised its rate to 0.20% of the average annual net assets of the Fund.		
6.4	As per Circular 5 of 2018 dated 4 June 2018 issued by SECP, the Asset Management Company was entitled to charge selling and marketing expense to Collective Investment Scheme upto 0.4% per annum of net assets of Fund or actual expenses whichever is lower for initial three years. Circular 11 of 2019 dated 5 July 2019, issued by SECP superseded the above stated Circular and has revised the conditions and waived caping for charging selling and marketing expense. During the period ended 31 December 2021, the Management Company has charged selling and marketing expenses as follows:		

Period	Rate per annum
1 July 2022 to 09 November 2023	1.55% of net assets or actual expenses whichever is lower.
10 November 2023 to 31 December 2023	0.98% of net assets or actual expenses whichever is lower.



		(Un-audited) December 31, 2023	(Audited) June 30, 2023
	Note	----- (Rupees in '000) -----	
<b>7 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>			
Trustee remuneration	7.1	280	284
Sindh sales tax on trustee remuneration	7.2	36	37
		<u>316</u>	<u>321</u>

**7.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund which is as follows:

**Net assets**

**Tariff per annum**

Upto Rs. 1,000 million

0.20% per annum of net assets,

On an amount exceeding Rs. 1,000 million

Rs. 2.0 million plus 0.10% per annum of net assets exceeding Rs. 1,000 million.

The remuneration is paid to the Trustee monthly in arrears.

**7.2** This represents amount payable in respect of Sindh Sales Tax at the rate of 13% (June 30, 2022: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

**8 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

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

Effective from July 1, 2023, the SECP vide SRO No. 692(I)/2023 dated May 17, 2023, has revised the rate of fee to 0.095% per annum of the daily net assets of the Fund, applicable to "Equity Scheme". Previously, the rate of fee applicable on all categories of CISs was 0.02% per annum of the daily net assets of the Fund. Accordingly, the Fund has charged the SECP fee at the rate of 0.095% per annum of the daily net assets during the period.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.

		(Un-audited) December 31, 2023	(Audited) June 30, 2023
	Note	----- (Rupees in '000) -----	
<b>9 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Federal Excise Duty on management remuneration	9.2	8,209	8,209
Federal Excise Duty on sales load		2,327	2,327
Auditors' remuneration payable		515	588
Brokerage payable		2,025	984
Settlement and bank charges		60	239
Legal fee		63	181
Shari'ah advisor fee payable		767	623
Charity payable		12,029	20,453
Withholding tax payable		232	61
Capital gain tax payable		3,942	119
Payable against printing charges		51	42
		<u>30,221</u>	<u>33,826</u>



**9.1** SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

**9.2** The status of Federal Excise Duty (FED) is same as disclosed in annual financial statements for the year ended 30 June 2021. Since the appeal is pending in the Supreme Court of Pakistan, the Management Company as a matter of abundant caution has retained provision for FED on management fee aggregating to Rs. 8.209 million (30 June 2021: Rs. 8.209 million). Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Rs. 0.0491 (30 June 2023: Rs. 0.0402) per unit.

## **10 CONTINGENCY AND COMMITMENT**

There was no contingencies and commitments as at December 31, 2023 (June 30, 2023: Nil), except as disclosed elsewhere in these financial statements.

## **11 TAXATION**

**11.1** The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as 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 intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2024 to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these condensed interim financial statements during the period.

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.

## **12 TOTAL EXPENSE RATIO**

Total expense ratio (all the expenses, including government levies, incurred during the period divided by average net asset value for the year is 4.73% (2022: 4.33%) per annum. Total expense ratio (excluding government levies) is 4.34% (2022: 4.03%) per annum.

## **13 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS AND RELATED PARTIES**

**13.1** Connected persons include NBP Fund Management Limited being the Management Company (NBP Funds), Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP) and its connected persons, and Baltoro Growth Fund being the sponsors, other collective investment schemes managed by the Management Company, entities having common directorship with the Management Company, retirement funds of group companies, directors and officers of the Management Company and any person or company which beneficially owns directly or indirectly 10% or more of the units in issue / net assets of the Fund.

**13.2** The transactions with connected persons are in the normal course of business, at contracted and terms determined in accordance with market rates.

**13.3** Remuneration and front-end load payable to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

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

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



## 13.6 Transactions during the period:

### NBP Fund Management Limited - (Management Company)

	(Un-audited) Half year ended	
	2023	2022
	----- (Rupees in '000) -----	
Remuneration of the Management Company	22,818	48,619
Sindh sales tax on remuneration of the Management Company	2,966	6,320
Reimbursement of operational expenses to the Management Company	2,117	4,862
Reimbursement of selling and marketing expenses	14,519	37,680
Sales load and transfer load	1,463	1,056
Sales tax on sales load and transfer load	190	137
ADC share including SST	193	4

### \*\* Punjab general Provident Fund

Units redeemed: 12,603,771 units (2022: Nil units)	150,000	-
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### \*\* K-Electric Employees Gratuity Fund

Units issued: 17,144,362 units (2022: Nil units)	260,503	-
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### Central Depository Company of Pakistan Limited - (Trustee)

Remuneration for the period	1,561	2,935
Sindh sales tax on remuneration of the Trustee	203	382

### Employees of the Management Company

Issue of 20,714,948 units (2022: 22,229,393 units)	275,102	239,941
Redemption of 18,897,169 units (2021: 25,008,816 units)	249,172	270,176

### Taurus Securities Limited- (Subsidiary of Parent Company)

Brokerage expense	318	127
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### Bank Islami Pakistan Limited- (Common Directorship)

Profit on bank deposits	3,971	3,304
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### International Steels Limited- (Common Directorship)

Shares purchased: 189,435 (2022: Nil shares)	13,817	-
Shares sold: 800 (2022: 214,600 shares)	39	12,522
Dividend income	-	245

### Portfolio managed by Management Company

Units issued: 7,425,306 (2022: 9,177 units)	94,669	100
Units redeemed: 3,484,754 (2022: 3,513,199 units)	40,047	37,761

### NBP Fund management Limited - Employees provident fund

Units Issued : 198,857 (2022 : 818,605 units)	3,183	8,901
Units redeemed : Nil (2022: 937,861 units)	-	10,080

### \*\*Punjab Pension Fund Trust

Units issued : 21,738,374 (2022: Nil)	250,000	-
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\* Current balances with these parties have not been disclosed as these parties were not related parties as at year end





	(Un-audited) December 31, 2023 ----- (Rupees in '000) -----	(Audited) June 30, 2023
<b>13.7 Balances as at period / year end are as follows:</b>		
<b>NBP Fund Management Limited - (Management Company)</b>		
Remuneration payable to the Management Company	4,879	4,034
Sindh sales tax payable on remuneration of the Management Company	634	524
Reimbursement of operational expenses to the Management Company	1,095	1,407
Reimbursement of Selling and marketing expenses	6,603	10,908
Sales load and transfer load including SST	1,385	5,425
ADC payable including SST	274	63
Other payable	20	20
<b>**Punjab General Provident Fund</b>		
Units Held: 25,501,844 (2023: 38,105,616)	391,874	395,750
<b>Employees of the Management Company</b>		
Units held: 3,386,125 (2023: 1,567,443 units)	52,033	16,279
<b>NBP Fund management Limited - (Employees provident fund)</b>		
Units held: 198,857 units (2023: Nil)	3,056	-
<b>Central Depository Company of Pakistan Limited - (Trustee)</b>		
Trustee fee payable	280	284
Sindh sales tax payable	36	37
Security deposit	103	103
<b>National Bank of Pakistan- (Parent Company)</b>		
Bank balances	835	651
Profit receivable	19	19
<b>Bank Islami Pakistan Limited- (Common Directorship)</b>		
Bank balances	402,163	-
Profit receivable	1,258	-
<b>International Steels Limited- (Common Directorship)</b>		
Shares held: 188,625 (2023: Nil)	13,773	-
<b>Taurus Securities Limited- (Common Directorship)</b>		
Brokerage payable	176	51
<b>Pioneer Cement Limited</b>		
Units held: Nil (2023: 23,222,138 units)	-	241,176
<b>K-Electric Employees Gratuity Fund</b>		
Units held: 17,144,362 units (2023: Nil units )	263,449	-
<b>Punjab Pension Fund Trust- (Related Party)</b>		
Units held: 17,629,142 (2023: 39,367,517 units)	270,898	408,855
<b>Portfolio managed by Management Company</b>		
Units held: 5,391,055 units (2023: 1,450,503 units)	82,842	15,064

\* Current balances with these parties have not been disclosed as these parties were not related parties as at year end.

\*\* Comparative balances with these parties have not been disclosed as these parties were not related parties in the last term.



## 14 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

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

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

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		Carrying amount			Fair value			
		At fair value through profit and loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
December 31, 2023					(Unaudited)			
	Note				(Rupees in '000)			
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investment								
- Equity securities - listed		2,387,986	-	2,387,986	2,387,986			2,387,986
Financial assets not measured at fair value 14.1								
Bank balances		-	566,260	566,260				
Receivable from funds under management by Management Company against conversion of units		-	28,302	28,302				
Receivable against sale of units		-	-	-				
Dividend and profit receivables		-	3,416	3,416				
Advances, deposits and prepayments		-	7,126	7,126				
		-	605,104	605,104				
Financial liabilities not measured at fair value 14.1								
Payable to NBP Fund Management Limited - Management Company		-	14,890	14,890				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	316	316				
Payable against purchase of investments		-	362,711	362,711				
Payable against conversion and redemption of units		-	14,279	14,279				
Accrued expenses and other liabilities		-	15,511	15,511				
		-	407,708	407,708				



	Carrying amount			Fair value			
	At fair value through profit and loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
June 30, 2023				(Unaudited)			
				(Rupees in '000)			
<b>On-balance sheet financial instruments</b>							
<b>Financial assets measured at fair value</b>							
Investment							
- Equity securities - listed	2,090,104	-	2,090,104	2,090,104			2,090,104
<b>Financial assets not measured at fair value</b>	14.1						
Bank balances	-	77,912	77,912				
Receivable from funds under management by Management Company against conversion of units	-	26,620	26,620				
Receivable against sale of units	-	1,184	1,184				
Dividend and profit receivables	-	2,633	2,633				
Advances, deposits and prepayments	-	-	-				
	-	108,349	108,349				
<b>Financial liabilities not measured at fair value</b>							
Payable to NBP Fund Management Limited - Management Company	-	22,381	22,381				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	321	321				
Accrued expenses and other liabilities	-	2,657	2,657				
Payable against conversion and redemption of units	-	27,330	27,330				
	-	52,689	52,689				

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

**14.2** Financial instruments not measured at FVTPL include net assets attributable to unitholders. The Fund routinely redeems and issues the units at the amount equal to the proportionate share of net assets of the Fund at the time of redemption, calculated on a basis consistent with that used in these condensed interim financial statements. Accordingly, the carrying amount of net assets attributable to unitholders approximates their fair value. The units are categorized into Level 2 of the fair value hierarchy.

## 15 GENERAL

**15.1** Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

**15.2** These condensed interim financial statements are unaudited and have been reviewed by the auditors. Furthermore, the figures for the three months period ended December 31, 2023 in these condensed interim financial statements, wherever appearing, have not been reviewed by the auditors.

## 16 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on **February 29, 2024**.

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

Chief Financial Officer

Chief Executive Officer

Director



## Head Office

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

**UAN:** 021-111-111-632

**Toll Free:** 0800-20002

**Sms:** INVEST to 9995

**Fax:** 021-35825335

**Email:** [info@nbpfunds.com](mailto:info@nbpfunds.com)

**Website:** [www.nbpfunds.com](http://www.nbpfunds.com)

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