



Managing Your Savings

NBP Fund Management Limited



NBP BALANCED FUND

QUARTERLY REPORT
MARCH 31, 2024

AM1
Rated by PACRA

MISSION STATEMENT

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

Contents

| | |
|---|-----------|
| FUND'S INFORMATION | 03 |
| DIRECTORS' REPORT | 05 |
| CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES | 11 |
| CONDENSED INTERIM INCOME STATEMENT | 12 |
| CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME | 13 |
| CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND | 14 |
| CONDENSED INTERIM CASH FLOW STATEMENT | 15 |
| NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION | 16 |

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

| | |
|---------------------------------|-----------------------------|
| Allied Bank Limited | MCB Bank Limited |
| Askari Bank Limited | Meezan Bank Limited |
| Bank Alfalah Limited | National Bank of Pakistan |
| Bank Al Habib Limited | Zarai Taraqiat Bank Limited |
| Bank Islami Pakistan Limited | Dubai Islamic Bank Limited |
| Faysal Bank Limited | Soneri Bank Limited |
| Habib Bank Limited | Summit Bank Limited |
| Habib Metropolitan Bank Limited | United Bank Limited |
| JS Bank Limited | |

Auditors

Grant Thornton Anjum Rahman.
1st & 3rd Floor,
Modern Motors House, Beaumont Road,
Karachi, 75530

Legal Advisor

Akhund Forbes
D-21, Block 4, Scheme 5,
Clifton, Karachi 75600, Pakistan.

Head Office:

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

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited financial statements of **NBP Balanced Fund (NBF)** for the period ended March 31, 2024.

Fund's Performance

During 9MFY24, the stock market performance remained exceptional as the benchmark KSE-100 index achieved new highs and settled above 67,000 points at period end. During the period under review, KSE-100 Index surged by around 25,500 points, translating into a stellar return of 62%.

The equities started off on a firm footing and the strong performance carried throughout the period. The signing of the Staff Level Agreement (SLA) with IMF on June 29th, 2023 was the turning point for stock market. The IMF executive board approved USD 3 billion Stand-By Agreement (SBA) for nine months until March 2024. It paved the way for other multi-lateral loans and inflows from friendly countries. The multiple loan tranches realized from IMF and deposits from KSA & UAE buttressed the external reserves, averted a possible balance of payment (BoP) crisis and helped restore investors' confidence. Fitch also upgraded Pakistan's Long-Term Foreign Currency Issuer Rating. In tandem with SLA, Pakistan's dollar bonds rallied in the international market. The bond prices across various tenures surged in the range of 100-150% during the period, reflecting increasing investors' optimism of improving external position. Multilateral inflows, particularly from ADB and the World Bank, also gained momentum. Consequently, the State Bank of Pakistan's reserves improved from USD 4.4 billion to USD 8 billion at March end. The improving reserves, coupled with a crackdown against illicit trade in the open market, brought much-needed stability to the currency market. Owing to prudent policies pursued by authorities, the economy also showed signs of stabilization. According to Pakistan Bureau of Statistics (PBS), GDP growth for 1QFY2024 stood at 2.5%, while in 2Q it expanded by 1% on a YoY basis, mainly driven by robust agricultural growth. The current account deficit during July-Feb period was brought down significantly from USD 3.8 bn last year to under USD 1 bn in the current period. Though average inflation remained elevated during the period owing to massive increase in the energy component of the CPI basket and unabated food inflation, the recent readings show that it has somewhat moderated. 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 impending rate cuts. The listed corporates declared stellar results with equally impressive dividend announcements by select companies. It is noteworthy that the cumulative profitability of KSE-100 listed companies surged by more than 50% YoY during September & December 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.

In terms of sector-wise performance, Auto Assemblers, Auto Parts & Accessories, Cable & Electrical Goods, Commercial Banks, Leather & Tanneries, Oil & Gas Exploration, Power Generation & Distribution, Refinery, and Transport sectors outperformed the market. On the other hand, Cement, Chemicals, Fertilizers, Food & Personal Care, Glass & Ceramics, Insurance, Miscellaneous, Oil & Gas Marketing Companies, Paper & Board, Pharmaceutical, Sugar & Allied, Technology & Communication, and Textile Composite sectors lagged behind the market. Regarding participants' market activity, Insurance, Foreigners and Companies emerged as the largest net buyers with inflows of around USD 121 million, USD 75 million, and USD 31 million, respectively.

The trading activity in corporate debt securities remained diminutive, recording cumulative trade value of Rs. 6.3 billion versus Rs. 6.2 billion in the same period last year. Throughout the first nine months of fiscal year 2024, the State Bank of Pakistan (SBP) convened six Monetary Policy Committee (MPC) meetings, maintaining the policy rate at 22%. Despite some improvements in the inflation outlook, the need for a prudent approach to monetary policy was emphasized, particularly considering significant adjustments in administered energy prices that have impacted inflation outcomes and future projections.

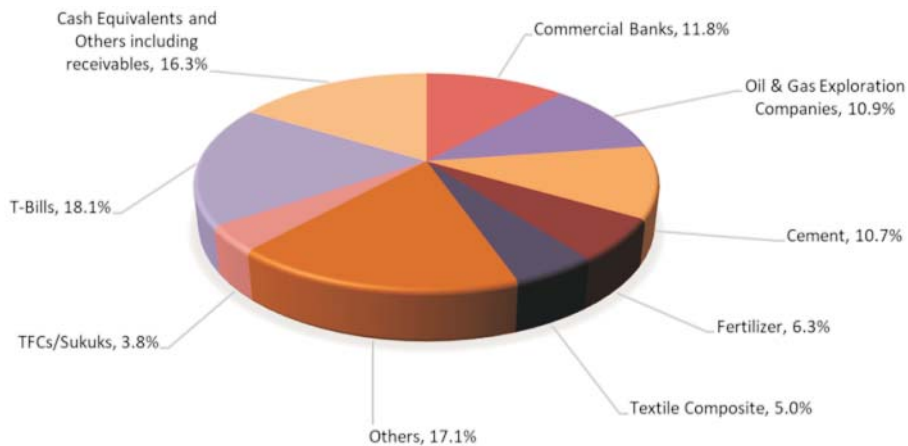
The MPC considered various factors, including an improved agricultural outlook, fluctuations in global oil prices, and ongoing efforts toward fiscal consolidation. However, the economic situation continues to face challenges due to lack of fiscal discipline. Additionally, escalating geopolitical tensions have led to increased global freight charges, posing threats to global trade and commodity prices.

Recognizing the importance of maintaining the current stringent monetary policy stance alongside fiscal consolidation to achieve the medium-term inflation target, the MPC underscored the need for continued vigilance. As of March 29, 2024, the net liquid foreign exchange reserves held with the SBP stood at approximately USD 8.04 billion. During the

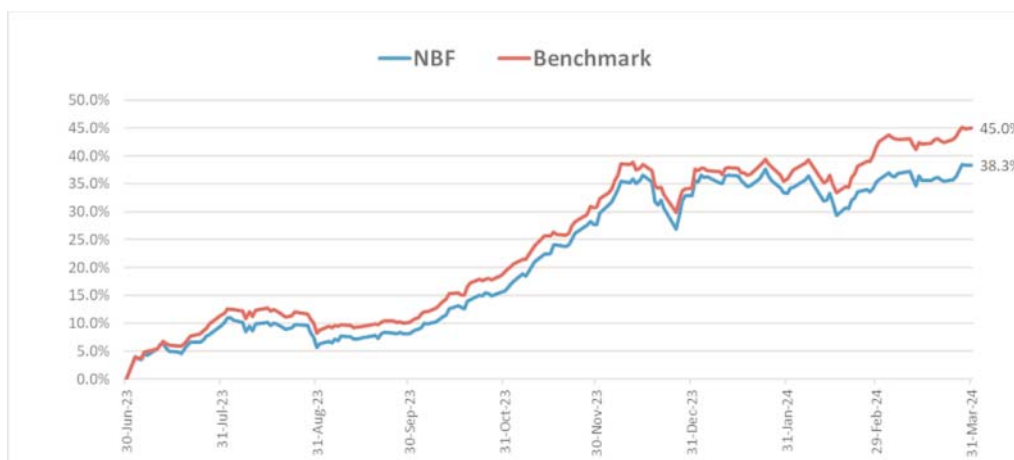
period, SBP held nineteen (19) T-Bill auctions realizing a total of Rs. 17.70 trillion against the target of Rs. 18.01 trillion. The yields on T-Bills for 3-month, 6-month and 12-month tenures decreased by 0.93%, 1.33% and 2.20% respectively. Similarly, PIB yields decreased by 2.73%, 0.51% and 1.10% for 3-year, 5-year and 10-year tenure. There were nine (9) PIB auctions held where an amount of around Rs. 1,256 billion was realized.

The size of NBP Balanced Fund has increased from Rs. 666 million to Rs. 892 million during the period, i.e., an increase of 33.9%. During the period, the unit price of NBP Balanced Fund (NBF) has increased from Rs. 18.1595 on June 30, 2023 to Rs. 25.1236 on March 31, 2024, thus showing an increase of 38.3%. The Benchmark increase during the same period was 45.0%. Thus, the Fund has underperformed its Benchmark by 6.7% during the period under review. Since inception the NAV of the Fund has increased from Rs.3.3753 (Ex-Div) on January 19, 2007 to Rs. 25.1236 on March 31, 2024, thus showing an increase of 644.3%. During the said period, the Benchmark increased by 425.3%, translating into outperformance of 219.0%. This performance is net of management fee and all other expenses.

NBP Balanced Fund earned a total income of Rs. 282.10 million during the period. After deducting total expenses of Rs. 32.25 million, the net income is Rs. 249.85 million. The asset allocation of the Fund as March 31, 2024 is as follows:



NBF Performance versus Benchmark



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

Director

Date: April 25, 2024
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 مارچ 2024ء کو ختم ہونے والی نو ماہی کے لئے NBP بیلنسڈ فنڈ (NBF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

9MFY24 کے دوران اسٹاک مارکیٹ کی کارکردگی غیر معمولی رہی، کیونکہ بیچ مارک KSE-100 انڈیکس نئی بلندیوں تک پہنچ گئی اور مدت کے اختتام پر 67,000 پوائنٹس سے زائد ہو گیا۔ زیر جائزہ مدت کے دوران، KSE-100 انڈیکس تقریباً 25,500 پوائنٹس تک بڑھ گیا، جس کے نتیجے میں 62% کا شاندار منافع ہوا۔

ایکویٹیز کا آغاز مضبوط بنیادوں پر ہوا اور پوری مدت میں کارکردگی مستحکم رہی۔ 29 جون 2023 کو IMF کے ساتھ اسٹاف لیول ایگریمنٹ (SLA) پر دستخط اسٹاک مارکیٹ کے لیے بہت اہم تھا۔ IMF کے ایگزیکٹو بورڈ نے مارچ 2024 تک نو ماہ کے لیے 3 بلین امریکی ڈالر کے اسٹینڈ بائی ایگریمنٹ (SBA) کی منظوری دے دی۔ اس سے دوست ممالک سے دیگر کثیرالچجتی قرضوں اور آمد کی راہ ہموار ہوئی۔ IMF سے ملنے والے متعدد قرضوں کی منتقلیوں اور KSA اور UAE سے ڈیپازٹس نے بیرونی ذخائر میں اضافہ، ممکنہ توازن ادائیگی (BoP) کے بحران کو کم اور سرمایہ کاروں کا اعتماد بحال کرنے میں مدد کی۔ فنڈ نے پاکستان کی طویل مدتی غیر ملکی کرنسی اجراء ریٹنگ کو بھی اپ گریڈ کر دیا۔ SLA کے ساتھ مل کر، بین الاقوامی مارکیٹ میں پاکستان کے ڈالر بانڈز میں تیزی آئی۔ اس عرصے کے دوران مختلف مدتوں میں بانڈ کی قیمتوں میں 100-150% کی حد تک اضافہ ہوا، جو بیرونی پوزیشن کو بہتر بنانے کے لیے سرمایہ کاروں کی حوصلہ افزائی کی عکاسی کرتی ہے۔ خاص طور پر ADB اور ورلڈ بینک سے، کثیرالچجتی آمد کی بھی رفتار تیز ہوئی۔ اس کے نتیجے میں، اسٹیٹ بینک آف پاکستان کے ذخائر مارچ کے آخر میں 4.4 بلین امریکی ڈالر سے بڑھ کر 8 بلین امریکی ڈالر ہو گئے۔ اوپن مارکیٹ میں غیر قانونی تجارت کے خلاف کریک ڈاؤن کے ساتھ ذخائر میں بہتری سے کرنسی مارکیٹ میں انتہائی ضروری استحکام آیا۔ حکام کی جانب سے اختیار کی گئی دانشمندانہ پالیسیوں کی وجہ سے، معیشت نے بھی استحکام کے آثار دکھائے۔ پاکستان پر پورے آف سٹیکس (PBS) کے مطابق مالی سال 2024 کی پہلی سہ ماہی کے لیے GDP کی شرح نمو 2.5 فیصد رہی، جب کہ دوسری سہ ماہی میں، بنیادی طور پر مضبوط زرع نمو کی وجہ سے سہ سالانہ بنیادوں پر 1% تک بڑھ گئی۔ جولائی تا فروری کی مدت کے دوران کرنٹ اکاؤنٹ خسارہ گزشتہ سال 3.8 بلین امریکی ڈالر سے نمایاں طور پر کم ہو کر موجودہ مدت میں 1 بلین امریکی ڈالر سے بھی کم ہو گیا ہے۔ اگرچہ CPI باسکٹ کے توانائی کے اجزاء میں بڑے پیمانے پر اضافہ اور خوراک کی بہت زیادہ افراط زر کی وجہ سے اس مدت کے دوران اوسط مہنگائی بلند رہی، حالیہ ریڈنگز یہ ظاہر کرتے ہیں کہ اس میں کچھ حد تک کمی آئی ہے۔ اس مدت کے دوران، SBP کی مانیٹری پالیسی کمیٹی (MPC) نے پالیسی ریٹ کو 22% پر برقرار رکھا۔ تاہم، مختلف ادوار میں ثانوی مارکیٹ کی شرح نمو اپنے عروج سے تیزی سے گری گئی، جو سرمایہ کاروں کی متوقع شرح میں کمی کی توقعات کی عکاسی کرتی ہے۔ لسٹڈ کارپوریشنوں میں منتخب کمپنیوں کے اتنے ہی متاثر کن پوائنڈنگ کے اعلانات کے ساتھ شاندار نتائج کا اعلان کیا۔ یہ بات قابل ذکر ہے کہ KSE-100 مندرج کمپنیوں کے مجموعی منافع میں تیسرا درجہ سب سے زیادہ اضافہ ہوا۔ آمدنی میں ترتیب وار بہتری بھی وسیع البنیاتی تھی۔ ایک اہم پیش رفت میں، سب سے بڑے آٹو پلیٹرز میں سے ایک نے گلدی کی کپالٹ کے طور پر کام کرتے ہوئے اپنے حصص کو بورس سے ڈی لسٹ کرنے کے اپنے ارادہ کا اعلان کیا۔ ڈی لسٹنگ کی قیمت موجودہ قیمت سے 7 گنا زیادہ تھی، جو اسٹاک مارکیٹ کی صلاحیت کو ظاہر کرتی ہے۔

سیکٹر وار کارکردگی کے لحاظ سے آٹو اسمبلرز، آٹو پارٹس اور ایسیریز، کیبل اور الیکٹریکل سامان، کمرشل بینکنگ، لیڈر ایڈ ٹیٹرز، آئل اینڈ گیس ایکسپلوریشن، پاور جنریشن اینڈ ڈسٹری بیوشن، ریفرنسری، اور ٹرانسپورٹ سیکٹرز نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ اس کے برعکس سیمینٹ، فرنیچر، زرخوراک اور ذاتی نگہداشت، گلاس اینڈ سرامیکس، انشورنس، متنقلات، آئل اینڈ گیس مارکیٹنگ کمپنیاں۔ پیپر اینڈ بورڈ، فارماسیوٹیکل، شوگر اینڈ الائیڈ، بیکنالوجی اینڈ کمپیکیشن، اور ٹیکسٹائل کمپوزٹ سیکٹرز مارکیٹ میں پیچھے رہ گئے۔ شرکاء کے لحاظ سے مارکیٹ کی سرگرمیوں پر، غیر ملکی اور کمپنیاں بالترتیب 75 بلین امریکی ڈالر اور 31 بلین امریکی ڈالر کی آمد کے ساتھ بڑے خالص خریدار رہے۔

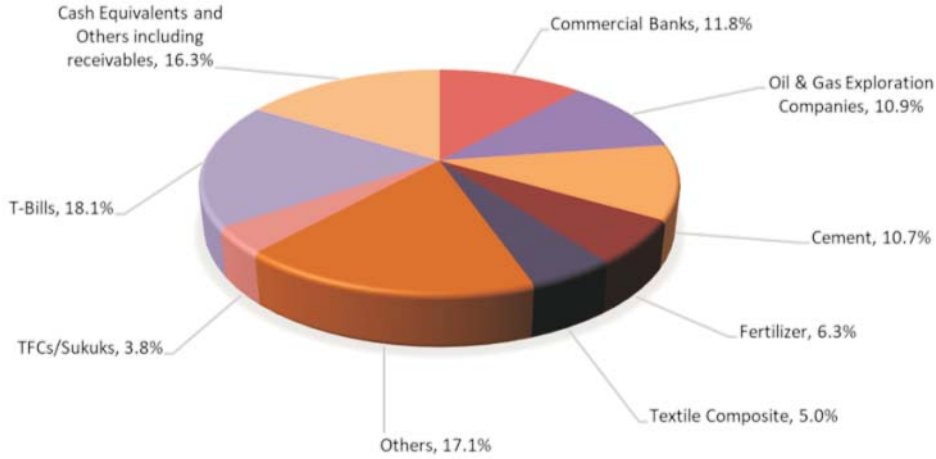
کارپوریٹ ڈیٹ سیکورٹیز میں تجارتی سرگرمی کم رہی، جس نے پچھلے سال کی اسی مدت میں 6.2 بلین روپے کے برعکس 6.3 بلین روپے کی مجموعی تجارتی قیمت ریکارڈ کی ہے۔ مالی سال 24 کی نو ماہی کے دوران، بینک دولت پاکستان (SBP) نے مانیٹری پالیسی کمیٹی (MPC) کے چھ اجلاس منعقد کئے، پالیسی ریٹ کو 22% پر برقرار رکھا۔ افراط زر کے نقطہ نظر میں کچھ بہتری کے باوجود، مانیٹری پالیسی کے لیے ایک محتاط اپروچ کی ضرورت پر زور دیا گیا، خاص طور پر زیر انتظام توانائی کی قیمتوں میں اہم ایڈجسٹمنٹ پر غور کیا گیا جس نے افراط زر کے نتائج اور مستقبل کے تخمینوں کو متاثر کیا ہے۔

MPC نے بہتر زری نقطہ نظر، تیل کی عالمی قیمتوں میں اتار چڑھاؤ، اور مالی استحکام کی جانب جاری کوششوں سمیت مختلف عوامل پر غور کیا۔ تاہم، مالیاتی نظم و ضبط کے فقدان کی وجہ سے معاشی صورتحال کو مسلسل چیلنجز کا سامنا ہے۔ مزید برآں، بڑھتے ہوئے جغرافیائی سیاسی تناؤ کی وجہ سے عالمی فریٹ چارجز میں اضافہ ہوا ہے، جس سے عالمی تجارت اور اجناس کی قیمتوں کو خطرناک لاحق ہیں۔

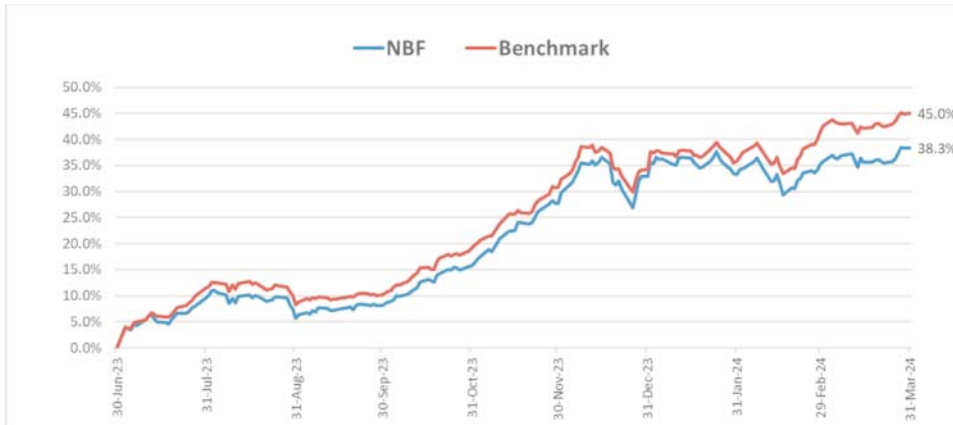
وسط مدتی افراط زر کا ہدف حاصل کرنے کے لئے مالی استحکام کے ساتھ ساتھ موجودہ سخت مانیٹری پالیسی کے موقف کو برقرار رکھنے کی اہمیت کو تسلیم کرتے ہوئے PMC نے مسلسل نگرانی کی ضرورت پر زور دیا۔ 29 مارچ 2024 تک اسٹیٹ بینک پاکستان کے ہاں موجود خالص لیکویڈ زرمبادلہ کے ذخائر تقریباً 8.04 بلین امریکی ڈالر تھے۔ مدت کے دوران، SBP نے ٹی بی ایل کی انیس (19) نیلامیوں کا انعقاد کیا، جس سے 18.01 ٹریلین روپے ہدف کے مقابل کل 17.70 ٹریلین روپے کی وصولی ہوئی۔ ٹی بلز کی شرح منافع میں 3 ماہ، 6 ماہ اور 12 ماہ کے لئے بالترتیب 0.93%، 1.33% اور 2.20% تک کمی ہوئی۔ اسی طرح، 3 سالہ، 5 سالہ اور 10 سالہ مدت کے لئے PIB شرح منافع میں 2.73%، 0.51% اور 1.10% تک کمی ہوئی۔ PIB کی نو (9) نیلامیاں ہوئیں جس سے تقریباً 1,256 بلین روپے کی رقم وصول ہوئی۔

NBP ہیلتھ فنڈ (NBF) کا سائز اس مدت کے دوران 666 بلین روپے سے بڑھ کر 892 بلین روپے ہو گیا، یعنی 33.9% کا اضافہ ہوا۔ اس مدت کے دوران NBP ہیلتھ فنڈ (NBF) کے پونڈ کی قیمت 30 جون 2023 کو 18.1595 روپے سے بڑھ کر 31 مارچ 2024 کو 25.1236 روپے پر پہنچ چکی ہے، لہذا 38.3% کا اضافہ ظاہر کر رہی ہے۔ اسی مدت کے دوران بیچ مارک بڑھ کر 45.0% ہو گیا۔ لہذا فنڈ نے زیر جائزہ مدت کے دوران اپنے بیچ مارک سے 6.7% ایٹر کارکردگی دکھائی۔ اپنے قیام سے اب تک فنڈ کی NAV 19 جنوری 2007 کو 3.3753 روپے (EX-Div) سے بڑھ کر 31 مارچ 2024 کو 25.1236 روپے ہو گئی، لہذا 219.0% کا اضافہ ہوا۔ اس مدت کے دوران، بیچ مارک میں 425.3% اضافہ ہوا۔ جس کا نتیجہ فنڈ کی 219.0% بہتر کارکردگی کی صورت میں سامنے آیا ہے۔ فنڈ کی یہ کارکردگی پیٹرنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

NBP ہیلتھ فنڈ کو موجودہ سرمایہ کے دوران 282.10 بلین روپے کی کل آمدنی ہوئی۔ 32.25 بلین روپے کے کل اخراجات منہا کرنے کے بعد خالص آمدنی 249.85 بلین روپے ہے۔ 31 مارچ 2024 کے مطابق فنڈ کی ایٹ ایبلٹیشن حسب ذیل ہے:



NBF کی کارکردگی بمقابلہ بیچ مارک (اپنے قیام سے)





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 آرٹسٹس 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 فونڈ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر
تاریخ: 25 اپریل 2024ء
مقام: کراچی

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

| | Note | Unaudited March 31, 2024 | Audited June 30, 2023 |
|---|------|--------------------------------|-----------------------------|
| -----Rupees in '000----- | | | |
| ASSETS | | | |
| Balances with banks | | 154,566 | 74,322 |
| Investments | 4 | 745,986 | 610,615 |
| Dividend and profit receivable | | 13,612 | 2,525 |
| Advances, deposits, prepayments and other receivables | | 4,068 | 3,898 |
| Total assets | | 918,232 | 691,360 |
| LIABILITIES | | | |
| Payable to NBP Fund Management Limited - Management Company | | 5,409 | 4,318 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | | 416 | 124 |
| Payable to the Securities and Exchange Commission of Pakistan | | 63 | 152 |
| Payable against Purchase of Investment | | - | 5,584 |
| Payable against redemption of units | | - | - |
| Accrued expenses and other liabilities | | 20,785 | 15,388 |
| Total liabilities | | 26,673 | 25,566 |
| NET ASSETS | | 891,559 | 665,794 |
| UNIT HOLDERS' FUND (As per statement attached) | | 891,559 | 665,794 |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 8 | | |
| -----Number of units----- | | | |
| Number of units in issue | | 35,486,859 | 36,663,750 |
| -----Rupees----- | | | |
| Net Asset Value per unit | | 25.1236 | 18.1595 |

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2024

| | Nine months ended | | Quarter ended | |
|--|-------------------|-------------------|-------------------|-------------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| INCOME | | | | |
| Gain / (Loss) on sale of investments - net | 31,245 | (37,752) | 7,521 | 2,965 |
| Income from term finance certificates and sukuk bonds | 8,169 | 11,724 | 2,409 | 4,052 |
| Income from government securities | 16,889 | 8,926 | 8,118 | 872 |
| Income from commercial paper | - | - | - | - |
| Dividend income | 35,774 | 54,254 | 13,146 | 15,240 |
| Income from bank Balances | 29,570 | 8,032 | 8,253 | 2,929 |
| Unrealised (diminution) on re-measurement of investments 'at fair value through profit or loss -held-for trading' - net | 160,451 | (31,394) | 7,481 | (11,932) |
| Total Income | 282,098 | 13,790 | 46,928 | 14,126 |
| EXPENSES | | | | |
| Remuneration of NBP Fund Management Limited - Management Company | 14,868 | 15,326 | 5,422 | 4,067 |
| Sindh sales tax on remuneration on the Management Company | 1,933 | 1,992 | 705 | 528 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 1,189 | 1,693 | 434 | 446 |
| Sindh Sales Tax on remuneration of Trustee | 155 | 220 | 56 | 58 |
| Reimbursement of Accounting and operational charges to the Management Company | 1,189 | 1,892 | 434 | 446 |
| Reimbursement of Selling and marketing expenses | 6,906 | 16,698 | 2,386 | 3,305 |
| Annual fee - Securities and Exchange Commission of Pakistan | 506 | 195 | 184 | 45 |
| Securities transaction cost | 416 | 925 | 82 | (64) |
| Settlement and bank charges | 345 | 242 | 114 | 52 |
| Annual listing fee | 21 | 21 | 7 | 7 |
| Legal and professional charges | 337 | 168 | 262 | (83) |
| Auditors' remuneration | 729 | 652 | 241 | 372 |
| Printing expenses | 34 | 34 | 11 | 11 |
| Impairment loss on investments classified as held for trading | 3,417 | - | 1,298 | - |
| Fund's rating fee | 202 | 199 | 36 | 66 |
| Total Expenses | 32,246 | 40,257 | 11,672 | 9,256 |
| Net (Loss) / Income from operating activities | 249,852 | (26,467) | 35,256 | 4,870 |
| Reversal of / (Provision) against Sindh Workers' Welfare Fund | - | 19,666 | - | - |
| Net (Loss) / Income for the period before taxation | 249,852 | (6,801) | 35,256 | 4,870 |
| Taxation | - | - | - | - |
| Net (Loss) / Income for the period after taxation | 249,852 | (6,801) | 35,256 | 4,870 |
| Allocation of net income for the period | | | | |
| Net income for the period | 249,852 | - | 35,256 | 4,870 |
| Income already paid on units redeemed | (3,590) | - | (1,306) | - |
| | 246,262 | - | 33,950 | 4,870 |
| Accounting income available for distribution: | | | | |
| Relating to capital gains | 246,262 | - | 69,568 | - |
| Excluding capital gains | - | - | (35,617) | - |
| | 246,262 | - | 33,950 | 4,870 |

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2024

| | Nine months ended | | Quarter ended | |
|---|----------------------------|-----------------------|----------------------|---------------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| | ----- Rupees in '000 ----- | | | |
| Net (Loss) / Income for the period after taxation | 249,852 | (6,801) | 35,256 | 4,870 |
| Other comprehensive income / (loss) | | | | |
| Total comprehensive income / (loss) for the period | <u><u>249,852</u></u> | <u><u>(6,801)</u></u> | <u><u>35,256</u></u> | <u><u>4,870</u></u> |

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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 NINE MONTHS PERIOD ENDED MARCH 31, 2024

| | 2024 | | | 2023 | | |
|--|------------------|----------------------|----------------|---------------|----------------------|----------------|
| | Capital value | Undistributed income | Total | Capital value | Undistributed income | Total |
| | (Rupees in '000) | | | | | |
| Net assets at beginning of the period | (4,420) | 670,214 | 665,794 | 148,571 | 670,253 | 818,824 |
| Issue of 331,703 units (2023: 439,247 units) | | | | | | |
| - Capital value | 6,024 | - | 6,024 | 7,966 | - | 7,966 |
| - Element of Income | 1,886 | - | 1,886 | (1) | - | (1) |
| Total proceeds on issuance of units | 7,910 | - | 7,910 | 7,965 | - | 7,965 |
| Redemption of 1,508,594 units (2023: 6,803,879 units) | | | | | | |
| - Capital value | (27,395) | - | (27,395) | (123,400) | - | (123,400) |
| - Element of income / (loss) | (1,012) | (3,590) | (4,602) | 918 | - | 918 |
| Total payments on redemption of units | (28,407) | (3,590) | (31,997) | (122,482) | - | (122,482) |
| Total comprehensive income / (loss) for the period | - | 249,852 | 249,852 | - | (1,875) | (1,875) |
| Net assets at end of the period | (24,917) | 916,476 | 891,559 | 34,054 | 668,378 | 702,432 |
| Undistributed income brought forward | | | | | | |
| - Realised | | 701,083 | | | 776,736 | |
| - Unrealised | | (30,869) | | | (106,483) | |
| | | 670,214 | | | 670,253 | |
| Accounting income available for distribution: | | | | | | |
| - Relating to capital gains | | 246,262 | | | - | |
| - Excluding capital gains | | - | | | - | |
| | | 246,262 | | | - | |
| Net income / (loss) for the period | | - | | | (1,875) | |
| Undistributed income carried forward | | 916,476 | | | 668,378 | |
| Undistributed income carried forward | | | | | | |
| - Realised | | 756,025 | | | 709,754 | |
| - Unrealised | | 160,451 | | | (41,376) | |
| | | 916,476 | | | 668,378 | |
| | | | (Rupees) | | | (Rupees) |
| Net assets value per unit at beginning of the period | | | 18.1595 | | | 18.1367 |
| Net assets value per unit at end of the period | | | 25.1236 | | | 18.1120 |

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

| | Nine months ended | |
|---|-------------------|-------------------|
| | March 31, 2024 | March 31, 2023 |
| ----- Rupees in '000 ----- | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net (Loss) / Income for the period before taxation | 249,852 | (1,875) |
| Adjustments | | |
| Unrealised diminution / (appreciation) in the value of investments classified as 'at fair value through profit or loss' | (160,451) | 41,376 |
| (Reversal of) / Provision against Sindh Workers' Welfare Fund | - | - |
| Loss / (gain) on sale of investments - net | (31,245) | (16) |
| | 58,156 | 39,485 |
| Decrease / (Increase) in assets | | |
| Investments - net | 56,324 | (5,442) |
| Receivable against sale of investments | - | - |
| Advances, deposits, prepayments and other receivables | (170) | (93) |
| Dividend and profit receivable | (11,087) | (9,027) |
| | 45,068 | (14,562) |
| (Decrease) / increase in liabilities | | |
| Payable to the Management Company | 1,091 | (396) |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 292 | (20) |
| Payable to the Securities and Exchange Commission of Pakistan | (89) | (119) |
| Payable against purchase of investments | (5,584) | (5,375) |
| Accrued expenses and other liabilities | 5,397 | (75) |
| | 1,107 | (5,985) |
| Net cash generated / (used in) operating activities | 104,331 | 18,938 |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Amounts received from issuance of units | 7,910 | 7,965 |
| Amounts paid on redemption of units | (31,997) | (121,805) |
| Net cash used in financing activities | (24,087) | (113,840) |
| Net decrease in cash and cash equivalents during the period | 80,244 | (94,902) |
| Cash and cash equivalents at the beginning of the period | 74,322 | 177,792 |
| Cash and cash equivalents at the end of the period | 154,566 | 82,890 |

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.

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 NINE MONTHS PERIOD ENDED MARCH 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The NBP Balanced Fund 'the Fund' was established under a Trust Deed executed between the NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC), as the Trustee. The Trust Deed was executed on 06 December 2006 and was authorised by the Securities and Exchange Commission of Pakistan (SECP) on 01 December 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The effective date of change of name of the Fund is 5 April 2019.
- 1.2 Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is also the member of Mutual Fund Association of Pakistan (MUFAP).
- 1.3 The Fund is an open-ended mutual fund classified as a "balanced scheme" by the Management Company as per the criteria for categorization of open end collective investment scheme as specified by Securities and Exchange (SECP) and other allied matters and is listed on Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4 During the year ended June 30, 2021 the Trust Act, 1882 was repealed due to 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 14, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 1.5 The core objective of the Fund is to provide its investors with a combination of capital growth and income. The Fund aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments etc.
- 1.6 The Pakistan Credit Rating Agency (PACRA) has assigned and maintained an asset manager rating of 'AM1' to the Management Company, a short term performance ranking of 3 star and long term ranking of '4 star' to the Fund.
- 1.7 Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan (CDC) Limited as Trustee of Fund

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2024.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at and for the period ended March 31, 2024.

These condensed interim financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

- 3.1** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income expenses and other factors. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the audited financial statements as at and for the year ended June 30, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements as at and for the year ended June 30, 2023.

4 INVESTMENTS

| Investment by category | | Unaudited March 31, 2024 | Audited June 30, 2023 |
|---|-------|--------------------------------|-----------------------------|
| Financial assets 'at fair value through profit or loss' | Note | (Rupees in '000) | |
| Equity securities - listed | 4.1.1 | 550,721 | 398,121 |
| Government Securities | 4.1.3 | 161,083 | 147,830 |
| Commercial papers | | - | - |
| GOP Ijara Suk | 4.1.6 | 80 | - |
| Sukuk Bonds | 4.1.5 | 14,114 | 34,370 |
| | | <u>745,986</u> | <u>610,615</u> |

4.1.1 Equity securities - Listed

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

| Name of the investee company | As at 1 July 2023 | Purchases during the period | Bonus issue during the period | Right shares purchased/subscribed during the period | Sales during the period | As at 31 March 2024 | Market value / carrying value as at 31 March 2024 | Market value as a percentage of net assets | Market value as a percentage of investments | Market value as Percentage of paid-up capital of the investee company held |
|---|-------------------|-----------------------------|-------------------------------|---|-------------------------|---------------------|---|--|---|--|
| | | | | | | | | | | |
| Oil & Gas Exploration Companies | | | | | | | | | | |
| Oil and Gas Development Company Limited (Refer 4.1.2) | 251,086 | 17,700 | - | - | 63,415 | 205,371 | 24,983 | 0.03 | 0.03 | - |
| Pakistan Oilfields Limited | 10,094 | - | - | - | - | 10,094 | 4,361 | 0.00 | 0.01 | - |
| Pakistan Petroleum Limited (Refer 4.1.1) | 315,691 | 67,100 | - | - | 107,900 | 274,891 | 29,180 | 0.03 | 0.04 | 0.01 |
| Mari Petroleum Limited | 15,405 | - | - | - | 280 | 15,125 | 38,371 | 0.04 | 0.05 | 0.01 |
| | 592,276 | 84,800 | - | - | 171,595 | 505,481 | 96,895 | 0.11 | 0.13 | |
| Oil & Gas Marketing Companies | | | | | | | | | | |
| Pakistan State Oil Company Limited (Refer 4.1.2) | 54,878 | - | - | - | 9,600 | 45,278 | 7,812 | 0.01 | 0.01 | 0.01 |
| Attock Petroleum Limited | 1 | - | - | - | - | 1 | 1 | 0.00 | 0.00 | - |
| Hascol Petroleum Limited | 777 | - | - | - | - | 777 | 6 | 0.00 | 0.00 | - |
| | 55,656 | - | - | - | 9,600 | 46,056 | 7,819 | 0.01 | 0.01 | |
| Fertilizers | | | | | | | | | | |
| Engro Fertilizers Limited | 1 | - | - | - | - | 1 | 0 | 0.00 | 0.00 | - |
| Fauji Fertilizer Bin Qasim Limited (Refer 4.1.2) | 171,500 | - | - | - | 64,000 | 107,500 | 2,950 | 0.00 | 0.00 | 0.01 |
| Engro Corporation Limited | 60,819 | 300 | - | - | 8,300 | 52,819 | 18,977 | 0.02 | 0.03 | 0.01 |
| Fauji Fertilizer Company Limited (Refer 4.1.2) | 220,201 | 50,800 | - | - | - | 271,001 | 34,214 | 0.04 | 0.05 | 0.02 |
| | 452,521 | 51,100 | - | - | 72,300 | 431,321 | 56,141 | 0.06 | 0.08 | |
| Chemicals | | | | | | | | | | |
| Engro Polymer & Chemicals Limited (Refer 4.1.2) | 91,473 | - | - | - | 91,473 | - | - | - | - | - |
| Lotte Chemical Pakistan Ltd | - | - | - | - | - | - | - | - | - | - |
| | 91,473 | - | - | - | 91,473 | - | - | - | - | |
| Cables & Electrical Goods | | | | | | | | | | |
| Pak Elektron Ltd | 303,880 | - | - | - | 50,000 | 253,880 | 5,697 | 0.01 | 0.01 | 0.05 |
| Cement | | | | | | | | | | |
| Fauji Cement Company Limited (Refer 4.1.2) | 1 | - | - | - | - | 1 | - | - | - | - |
| Attock Cement Pakistan Limited (Refer 4.1.2) | 142,800 | - | - | - | 17,000 | 125,800 | 11,884 | 0.01 | 0.02 | - |
| Kohat Cement Company Limited | 272,169 | 36,103 | - | - | 31,700 | 276,572 | 62,223 | 0.07 | 0.08 | 0.14 |
| Lucky Cement Limited (Refer 4.1.2) | 22,507 | 13,200 | - | - | 8,250 | 27,457 | 21,004 | 0.02 | 0.03 | 0.01 |
| | 437,477 | 49,303 | - | - | 56,950 | 429,830 | 95,112 | 0.11 | 0.13 | |
| Automobile Parts & Accessories | | | | | | | | | | |
| Thal Limited | 11 | - | - | - | - | 11 | 4 | 0.00 | 0.00 | - |
| Panther Tyres Limited | 35,700 | - | - | - | 18,000 | 17,700 | 681 | 0.00 | 0.00 | - |
| | 35,711 | - | - | - | 18,000 | 17,711 | 685 | 0.00 | 0.00 | |

| Name of the investee company | As at 1 July 2023 | Purchases during the period | Bonus issue during the period | Right shares purchased/subscribed during the period | Sales during the period | As at 31 March 2024 | Market value / carrying value as at 31 March 2024 | Market value as a percentage of net assets | Market value as a percentage of investments | Market value as Percentage of paid-up capital of the investee company held |
|--|--------------------|-----------------------------|-------------------------------|---|-------------------------|---------------------|---|--|---|--|
| | (Number of Shares) | | | | | (Rupees in '000) | | (%) | | |
| Textile Composite | | | | | | | | | | |
| Azgard Nine Limited (Non-voting shares) | 807,000 | - | - | - | - | 807,000 | 5,649 | 0.01 | 0.01 | 14.61 |
| Gul Ahmed Textile Mills Ltd | 247,632 | - | - | - | 2,000 | 245,632 | 4,866 | 0.01 | 0.01 | 0.06 |
| Kohinoor Textile Mills Limited | 499,613 | 57,045 | - | - | 314,000 | 242,658 | 24,552 | 0.03 | 0.03 | 0.08 |
| Interloop Limited | 2 | - | - | - | - | 2 | 0 | 0.00 | 0.00 | - |
| The Crescent Textile Mills Limited | 148,000 | - | - | - | - | 148,000 | 2,124 | 0.00 | 0.00 | 0.04 |
| Nishat Mills Limited (Refer 4.1.2) | 116,500 | 19,000 | - | - | 28,000 | 107,500 | 7,130 | 0.01 | 0.01 | 0.03 |
| | 1,818,747 | 76,045 | - | - | 344,000 | 1,550,792 | 44,322 | 0.05 | 0.06 | |
| Technology & Communication | | | | | | | | | | |
| Avanceon Limited | 112 | - | - | - | 111 | 1 | 0 | 0.00 | 0.00 | - |
| Systems Limited | 58,019 | 9,300 | - | - | 2,400 | 64,919 | 25,018 | 0.03 | 0.03 | 0.05 |
| | 58,131 | 9,300 | - | - | 2,511 | 64,920 | 25,019 | 0.03 | 0.03 | |
| Engineering | | | | | | | | | | |
| Aisha Steel Ltd (Refer 4.1.2) | 230,500 | - | - | - | - | 230,500 | 1,556 | 0.00 | 0.00 | 0.03 |
| International Industries Limited | 200 | - | - | - | 200 | - | - | - | - | - |
| Mughal Iron & Steel Industries (Refer 4.1.2) | 332,488 | 40,500 | - | - | 83,172 | 289,816 | 18,279 | 0.02 | 0.02 | 0.12 |
| | 563,188 | 40,500 | - | - | 83,372 | 520,316 | 19,835 | 0.02 | 0.03 | |
| Power Generation & Distribution | | | | | | | | | | |
| Lalpir Power Limited | 212,000 | - | - | - | 94,500 | 117,500 | 2,331 | 0.00 | 0.00 | 0.03 |
| The Hub Power Company Limited | 130,715 | 5,500 | - | - | 22,200 | 114,015 | 13,827 | 0.02 | 0.02 | 0.01 |
| | 342,715 | 5,500 | - | - | 116,700 | 231,515 | 16,158 | 0.02 | 0.02 | |
| Commercial Banks | | | | | | | | | | |
| Allied Bank Limited (Refer 4.1.2) | 7,475 | 680,000 | - | - | 110,500 | 576,975 | 11,915 | - | - | - |
| Askari Bank Limited | 758,301 | 46,000 | - | - | 366,500 | 437,801 | 22,928 | 0.01 | 0.02 | 0.05 |
| Bank Al-falah Limited | 320,200 | 16,000 | - | - | 103,300 | 232,900 | 19,799 | 0.03 | 0.03 | 0.04 |
| Bank Al-Habib Limited (Refer 4.1.2) | 320,200 | 16,000 | - | - | 103,300 | 232,900 | 19,799 | 0.02 | 0.03 | 0.01 |
| Bank of Punjab | 1 | - | - | - | - | 1 | 0 | 0.00 | 0.00 | - |
| Faysal Bank Limited | 104,838 | 134,500 | - | - | 1,500 | 237,838 | 8,098 | 0.01 | 0.01 | 0.02 |
| Habib Bank Limited (Refer 4.1.2) | 198,680 | 37,400 | - | - | 93,900 | 142,180 | 14,846 | 0.02 | 0.02 | 0.01 |
| MCB Bank Limited (Refer 4.1.2) | 28,500 | 44,450 | - | - | 8,100 | 64,850 | 13,181 | 0.01 | 0.02 | 0.01 |
| Meezan Bank Limited | 4,717 | 35,700 | - | - | 1,300 | 39,117 | 8,356 | 0.01 | 0.01 | - |
| United Bank Limited (Refer 4.1.2) | 132,791 | - | - | - | 100,199 | 32,592 | 5,941 | 0.01 | 0.01 | - |
| | 1,555,503 | 994,050 | - | - | 785,299 | 1,764,254 | 105,064 | 0.12 | 0.14 | |
| Glass and Ceramics | | | | | | | | | | |
| Tariq Glass Industries Limited | 99,540 | 13,000 | - | - | 36,400 | 76,140 | 8,190 | 0.01 | 0.01 | 0.02 |
| Shabbir Tiles & Ceramics Ltd | 837,000 | 407,500 | - | - | 85,500 | 1,159,000 | 16,458 | 0.02 | 0.02 | 0.35 |
| | 936,540 | 420,500 | - | - | 121,900 | 1,235,140 | 24,647 | 0.03 | 0.03 | |

| Name of the investee company | As at 1 July 2023 | Purchases during the period | Bonus issue during the period | Right shares purchased/subscribed during the period | Sales during the period | As at 31 March 2024 | Market value / carrying value as at 31 March 2024 | Market value as a percentage of net assets | Market value as a percentage of investments | Market value as Percentage of paid-up capital of the investee company held | |
|---|--------------------|-----------------------------|-------------------------------|---|-------------------------|---------------------|---|--|---|--|--|
| | (Number of Shares) | | | | | (Rupees in '000) | | (%) | | | |
| Paper & Board | | | | | | | | | | | |
| Roshan Packages Limited | - | 340,000 | - | - | 164,000 | 176,000 | 2,075 | 0.00 | 0.00 | 0.12 | |
| | - | 340,000 | - | - | 164,000 | 176,000 | 2,075 | 0.00 | 0.00 | | |
| Food and Personal Care Products | | | | | | | | | | | |
| Shezan International Limited | 6,930 | 64,000 | - | - | 6,500 | 64,430 | 7,293 | 0.01 | 0.01 | 0.01 | |
| Automobile Assembler | | | | | | | | | | | |
| Millat Tractors Ltd | 5 | - | - | - | - | 6 | 3 | 0.00 | 0.00 | - | |
| | 5 | - | - | - | - | 6 | 3 | 0.00 | 0.00 | | |
| Pharma And Biotech | | | | | | | | | | | |
| AGP Limited | 36,500 | - | - | - | 7,400 | 29,100 | 2,160 | 0.00 | 0.00 | 0.01 | |
| IBL HealthCare Ltd | 40,056 | - | 2,711 | - | 40,056 | 2,711 | 82 | 0.00 | 0.00 | 0.01 | |
| Hignoon Laboratories Limited | 13,186 | - | - | - | 1,300 | 11,886 | 6,055 | 0.01 | 0.01 | 0.01 | |
| Abbott Laboratories Pak Ltd | 100 | - | - | - | 100 | - | - | - | - | - | |
| Citi Pharma Limited | 40,098 | - | - | - | 12,000 | 28,098 | 652 | 0.00 | 0.00 | | |
| The Searle Company Limited | 23,895 | 5,000 | - | 6,473 | 19,300 | 16,068 | 840 | 0.00 | 0.00 | 0.01 | |
| | 153,835 | 5,000 | 2,711 | 6,473 | 80,156 | 87,863 | 9,789 | 0.01 | 0.01 | | |
| Transport | | | | | | | | | | | |
| Pakistan National Shipping Co. | 104,000 | 19,200 | - | - | 19,900 | 103,300 | 30,800 | 0.03 | 0.04 | 0.44 | |
| Pakistan Intl. Bulk Terminal Ltd. | 63,500 | 1,500 | - | - | 3,000 | 62,000 | 354 | 0.00 | 0.00 | 0.01 | |
| | 167,500 | 20,700 | - | - | 22,900 | 165,300 | 31,154 | 0 | 0 | | |
| Miscellaneous | | | | | | | | | | | |
| Service Global Footwear Limited | - | - | - | - | - | - | - | - | - | - | |
| Pakistan Hotels Developers Limited | - | 3,500 | - | - | - | 3,500 | 1,680 | - | - | - | |
| Service Industries Ltd. | 2,300 | - | - | - | - | 2,300 | 1,334 | 0.00 | 0.00 | 0.51 | |
| | 2,300 | 3,500 | - | - | - | 5,800 | 3,014 | 0.00 | - | | |
| Total - 31 March 2024 | 7,574,388 | 2,164,298 | 2,711 | 6,473 | 2,197,256 | 7,550,615 | 550,721 | 1 | 1 | | |
| Carrying value before fair value adjustment as at 31 March 2024 | | | | | | | <u>389,520</u> | | | | |

4.1.2 Investments include shares with market value of Rs. 85.120 million (30 June 2023: Rs. 63.183 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with circular no.11 dated 23 October 2007 issued by the SECP.

4.1.3 Investment in government securities - Market Treasury bills

| ISSUE DATE | Tenor | Face Value | | | | Investment as a percentage of | | |
|--|-----------|---------------------|-----------------------------|----------------------------------|----------------------|-----------------------------------|--|---------------------------------|
| | | As at July 01, 2023 | Purchases during the period | Sales/ matured during the period | As at March 31, 2024 | Market value as at March 31, 2024 | Market value as percentage of net assets | Percentage of total investments |
| Rupees in '000' | | | | | | | | |
| October 5, 2023 | 3 months | - | 150,000 | 150,000 | - | - | - | - |
| October 5, 2023 | 3 months | - | 150,000 | 150,000 | - | - | - | - |
| October 19, 2023 | 12 months | - | 180,000 | - | 180,000 | 161,083 | 18.07 | 21.59 |
| | | - | - | - | - | - | - | - |
| | | | | | 180,000 | 161,083 | | |
| Carrying Value as at March 31, 2024 | | | | | 162,248 | | | |

4.1.4 Term finance certificates

All term finance certificates have a face value of Rs 5,000 each unless stated otherwise

| Name of the investee company | Number of certificates / bonds | | | | Market value as at March 31, 2024 | Investment as a percentage of | | |
|--|--------------------------------|-----------------------------|-------------------------|----------------------|-----------------------------------|-------------------------------|---|--|
| | As at July 1, 2023 | Purchases during the period | Sales during the period | As at March 31, 2024 | | Net assets | Market value as a percentage of investments | |
| Rupees in '000' | | | | | | | | |
| Sonerl Bank limited | 200 | - | - | 200 | 19,988 | 2.24 | 2.68 | |
| | 200 | - | - | 200 | 19,988 | | | |
| Carrying value as at March 31, 2024 | | | | | 19,585 | | | |

4.1.5 Sukuk Bonds - unlisted

| Name of investee company | Number of certificates / bonds | | | | Market value as at March 31, 2024 | Investment as a percentage of | | |
|--|--------------------------------|-----------------------------|---------------------------------|----------------------|-----------------------------------|-------------------------------|--|--|
| | As at July 1, 2023 | Purchases during the period | Sales/Matured during the period | As at March 31, 2024 | | Net assets | Market value as a percentage of investment | |
| Rupees in '000' | | | | | | | | |
| New Allied Electronics Industries (Private) Limited (note 4.2.2) | 32,000 | - | - | 32,000 | - | - | - | |
| Eden Housing Limited (note 4.2.3) | 10,000 | - | - | 10,000 | - | - | - | |
| Mughal Suk 02-MAR-21 02-MAR-26 | 15 | - | - | 15 | 7,511 | 0.84 | 1.01 | |
| Shakarganj Food Products Limited | 30 | - | - | 30 | 6,603 | 0.74 | 0.89 | |
| | 42,045 | - | - | 42,045 | 14,114 | | | |
| Carrying value as at March 31, 2024 | | | | | 21,000 | | | |
| Provision for impairment loss as at March 31, 2023 | | | | | 19,844 | | | |

4.1.6 GOP Ijara Sukuk Certificate

| Name of Security | Maturity date | As at July 01, 2023 | Purchased during the period | Sold during the period | As at March 31, 2024 | Market value As at March 31, 2024 | Market value as a percentage of net assets | Market value as a percentage of total investments |
|------------------------|---------------|---------------------|-----------------------------|------------------------|----------------------|-----------------------------------|--|---|
| GOP Ijara Sukuk -01 1y | 12/9/2024 | - | 90,000 | | 90,000 | 80.00 | 0.0001 | 0.0001 |
| | | | 90,000 | | 90,000 | 80.00 | | |
| | | | | | | 78.00 | | |

Carrying value as at March 31, 2024 (Un-audited)

5 REIMBURSEMENT OF SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 1.10% per annum of the net assets of the Fund.

6 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 4.85% (March 31, 2023: 4.87%) which includes 0.44% (March 31, 2023: 0.37%) representing Government Levy, and the SECP Fee. The prescribed limit for the ratio is 4.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme.

7 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 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 provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2023 and June 30, 2024.

9 DETAILS OF NON COMPLIANT INVESTMENT WITH THE INVESTMENT CRITERIA AS DEFINED BY THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

The Securities and Exchange Commission of Pakistan (SECP) vide circular no. 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. The Board has approved the category of the fund as 'Balanced Scheme'.

The SECP vide circular no. 16 dated July 07, 2010, prescribed specific disclosures for the scheme holding investments that are non-compliant either with the minimum investment criteria specified for the category assigned to such schemes or with investment requirements of their constitutive documents.

The following are the details of non-compliant investments:

| Type of Investment | Name of non-compliant investment | Value of investment before provision | Provision held, if any | Value of investment after provision | Percentage of net assets | Percentage of gross assets |
|--------------------------------------|--|--------------------------------------|------------------------|-------------------------------------|--------------------------|----------------------------|
|Rupees in '000'..... | | | | | | |
| Investment in Debt Securities | | | | | | |
| | a) Saudi Pak Leasing Company Limited-TFC | 27,547 | 27,547 | - | - | - |
| | b) Eden Housing Industries Private Limited - Sukuk | 9,844 | 9,844 | - | - | - |
| | C) New Allied Electronics Limited | 10,000 | 10,000 | - | - | - |

* At the time of purchase, these term finance certificates and sukuks bonds were in compliance with the aforementioned circular. However, they subsequently defaulted or were downgraded to non investment grade.

The management is taking steps to ensure compliance with the above requirements.

10 TRANSACTIONS WITH CONNECTED PERSONS

10.1 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, NAFA Pension Fund, NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company and directors and officers of the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund and unit holders holding ten percent or more units of the Fund.

10.2 The transactions with connected persons are at contracted rates.

10.3 Remuneration and front - end load payable to the Management Company and remuneration payable to the Trustee are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

10.4 Transactions during the period

| | ----- (Un-audited) ----- | |
|---|--------------------------|-------------------|
| | Nine Months Ended | |
| | March 31, 2024 | March 31, 2023 |
| | ----Rupees in '000 ---- | |
| NBP Fund Management Limited | | |
| Management fee expense | 14,868 | 14,834 |
| Reimbursement of Accounting and operational charges to the Management Company | 1,189 | 1,187 |
| Sindh Sales Tax on remuneration of the Management Company | 1,933 | 1,928 |
| Reimbursement of Selling and marketing expenses | 6,906 | 7,714 |
| Sales load including SST on sale load | 84 | 84 |
| International Steels Limited - Common Directorship | | |
| Shares purchased Nil shares (March 31, 2023: 4,000 shares) | - | 407 |
| Shares sold: Nil shares (March 31, 2023: 29,600 shares) | - | 2,003 |

| | ----- (Un-audited) ----- | |
|---|--------------------------|-------------------|
| | Nine Months Ended | |
| | March 31, 2024 | March 31, 2023 |
| | ----Rupees in '000 ---- | |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration | 1,189 | 1,187 |
| Sindh Sales Tax on remuneration of the Trustee | 155 | 154 |
| CDS charges | 2 | 2 |
| Employees of Management Company | | |
| Units Issued / Transferred in 23,425 units; (March 31, 2023: 220,742 units) | 560 | 3,980 |
| Units Redeemed / Transferred out 23,427 units (March 31, 2023: 222,239 units) | 566 | 3,990 |
| Ronak Iqbal Lakhani* | | |
| (Units holder of 10% or more of units holding) | | |
| Units Redeemed / Transferred out Nil units (March 31, 2023: 4,350,421 units) | - | 78,000 |
| Taurus Securities Limited - Subsidiary of Parent Company | | |
| Brokerage charges | 35 | 17 |
| Portfolios managed by the Management Company | | |
| Units Redeemed / Transferred out Nil units (March 31, 2023: Nil units) | - | - |
| National Clearing Company of Pakistan Limited (common directorship)* | | |
| NCCPL Charges | - | - |
| Fauji Fertilizer Company Limited - (common directorship) | | |
| Purchase of 50,800 shares (March 31, 2023: 55,000) | 6,006 | 5,632 |
| Sell of Nil shares (March 31, 2023: 18,500) | - | 2,021 |
| Dividend Income | 2,711 | 1,644 |
| Gul Ahmed Textile Mills Limited. -(common directorship)* | | |
| Sell of Nil shares (March 31, 2023: 38,500) | - | 816 |
| | Un-audited | Audited |
| | March 31, | June 30, |
| | 2024 | 2023 |
| | ----Rupees in '000 ---- | |
| 10.5 Balances outstanding as at period end | | |
| NBP Fund Management Limited | | |
| Remuneration payable to Management Company | 1,863 | 1,371 |
| Sindh Sales Tax payable to Management Company | 242 | 178 |
| Selling and Marketing Expense | 2,734 | 2,414 |
| Reimbursement of Accounting and operational charges to the Management Company | 434 | 337 |
| Sale and transfer load including SST thereon | 128 | 17 |
| ADC charges and sales tax on ADC | 8 | 1 |
| National Bank of Pakistan - Parent company | | |
| Balance in current account | 186 | 270 |

| | Un-audited March 31, 2024 | Audited June 30, 2023 |
|---|---------------------------------|-----------------------------|
| | ----Rupees in '000 ---- | |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration payable | 151 | 112 |
| Sindh Sales Tax on remuneration of the Trustee | 17 | 12 |
| CDC charges payable | 248 | 268 |
| Security deposit | 100 | 100 |
| NBP Employees Pension Fund | | |
| Units held: 29,597,015 units (June 30, 2022: 29,597,015 units) | 743,584 | 537,467 |
| Ronak Iqbal Lakhani* | | |
| (Units holder of 10% or more of units holding) | | |
| Units held: Nil (June 30, 2023: 2,182,958 units) | - | 39,641 |
| Employees of Management Company | | |
| Units held: 6,386 units (June 30, 2023: 6,388 units) | 160 | 116 |
| Bankislami Pakistan Limited -(common directorship) | | |
| Bank balance in savings account | 3,117 | 2,581 |
| Profit receivable | 1 | 0 |
| National Bank of Pakistan - (Parent of Management company) | | |
| Bank Balance current account | 169 | 354 |
| National Clearing Company of Pakistan Limited (common directorship)* | | |
| NCCPL Charges payable | - | 207 |
| Security deposits | - | 2,750 |
| Taurus Securities Limited - Subsidiary of Parent Company | | |
| Brokerage payable | 14 | - |
| Gul Ahmed Textile Mills Limited. -(common directorship)* | | |
| Shares held: Nil shares (June 30, 2023: 247,632 shares) | - | 4,410 |
| Fauji Fertilizer Company Limited - (common directorship) | | |
| Shares held: 271,001 shares (June 30, 2023: 220,201 shares) | 34,214 | 21,677 |

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

**Prior period balances with these parties have not been disclosed as they were not connected persons and related parties during prior periods.

11 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 at 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.

11.1 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).

12 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorized for issue by the Board of Directors of the Management Company on April 29, 2024

13 GENERAL

13.1 Figures have been rounded off to the nearest thousand rupees.

13.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant reclassifications have been made during the current period.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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