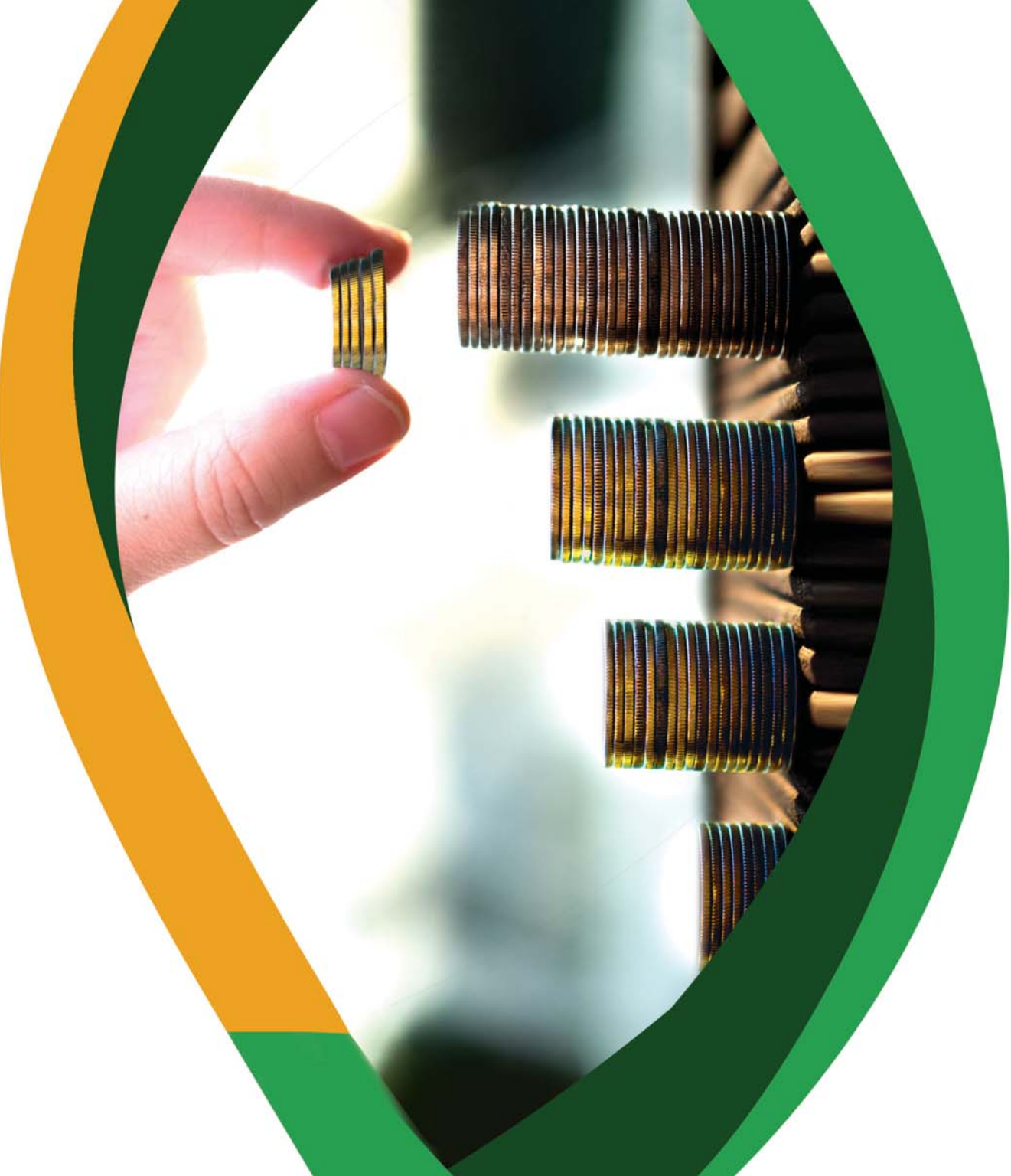


NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



HALF YEARLY REPORT
DECEMBER 31, 2020



MISSION STATEMENT

To rank in the top quartile
in performance of
NBP FUNDS
relative to the competition,
and to consistently offer
Superior risk-adjusted returns to investors.



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FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Ms. Mehnaz Salar	Director
Syed Hasan Irtiza Kazmi	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Humayun Bashir	Director
Mr. Saad Amanullah Khan	Director

Company Secretary & COO

Mr. Muhammad Murataz Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Saad Amanullah Khan	Chairman
Syed Hasan Irtiza Kazmi	Member
Mr. Imran Zaffar	Member
Mr. Humayun Bashir	Member

Human Resource Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Humayun Bashir	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Ms. Mehnaz Salar	Director
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	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
Bank Islami Pakistan Limited
Bank Al Habib Limited
Faysal Bank Limited
Soneri Bank Limited
Dubai Islamic Bank Pakistan Limited
Habib Bank Limited
JS Bank Limited
United Bank Limited

Auditor

KPMG Taseer Hadi & Co.
Sheikh Sultan Trust Buildings,
Ground No. 2 Shaheed Chaudary Aslam Rd,
Civil Lines, Karachi, 75530

Legal Advisor

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

Head Office

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

Lahore Office

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

Islamabad Office

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

Peshawar Office

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

Multan Office

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



DIRECTORS' REPORT

The Board of Directors of **NBP Fund Management Limited** is pleased to present the reviewed condensed financial statements of **NAFA Islamic Active Allocation Fund - II** (NIAAF- II) for the half year ended December 31, 2020.

NAFA Islamic Active Allocation Fund-II has been constituted in the form of a Trust Scheme that shall invest in following Collective Investment Schemes through five (5) Allocation Plans including NAFA Islamic Active Allocation Plan-VI (NIAAP-VI), NAFA Islamic Active Allocation Plan-VII (NIAAP-VII), NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII), NAFA Islamic Capital Preservation Plan-I & NAFA Islamic Capital Preservation Plan-II

Islamic Income Fund:

NBP Active Allocation Riba Free Savings Fund

Islamic Equity Fund:

NBP Islamic Active Allocation Equity Fund

Islamic Money Market Fund:

NBP Islamic Money Market Fund

During 1HFY2021, riding on the positive momentum, the stock market delivered robust returns as the benchmark KMI-30 Index surged by around 29%. To recall, the market staged a sharp recovery after Coronavirus-induced sell-off of equities in March 2020. The rally at the local bourse is attributable to the unprecedented monetary and fiscal policy response; gradual lifting of the lockdown; and earlier than expected arrival of the effective vaccines.

The unprecedented policy measures on the fiscal and monetary fronts cushioned the economy from the Coronavirus shock. The SBP slashed the Policy Rate by a cumulative 6.25% and emended prudential regulations to provide relief for loan repayments and the government launched a massive stimulus package of Rs. 1.2 trillion. On the healthcare front, active cases of Covid-19 declined significantly after peaking in July; the fatality rate fell sharply; and infection ratios also dropped to a low single-digit. Improvement on the pandemic front allowed re-opening of the economy, which gathered steam as evidenced by the frequently released economic data such as cement dispatches, retail fuel sales, and sale of automobiles. SBP-IBA survey shows that business confidence also reached at a two year high after bottoming in April 2020. External account also remained beneficiary of the Coronavirus pandemic as workers' remittances have shown a hefty 25% growth in 1HFY21 on a year-on-year basis. Resultantly, the country has posted a current account surplus of USD 1.1 billion in the 1HFY2021 versus a current account deficit of USD 2.0 billion in corresponding period last year. Despite elevated food prices, average inflation also eased off somewhat. The encouraging development on the healthcare front, improving economic activity, promising corporate earnings prospects, and attractive market valuations buoyed market sentiments.

Looking at the sector wise performance of the market, Automobiles, Cable & Elec. Goods, Cements, Engineering, Glass & Ceramics, Paper & Board, Refineries, Technology and Textiles outperformed the market, while Fertilizers, Food & Personal Care, Insurance, Oil & Gas Exploration, Pharmaceuticals, Power Generation and Distribution, Sugar, and Transport sectors lagged behind. In terms of participant-wise activity, Individuals remained the largest buyers during the period under review with net inflows of USD 159 million. Alongside, Companies and Insurance were also large net buyers, adding positions worth USD 91 million and USD 83 million, respectively. On the other hand, Foreigners and Banks/DFIs were the largest sellers in the market with net outflows amounting to USD 279 million and USD 69 million, respectively.

During 1HFY21, the SBP held two Monetary Policy Committee (MPC) meetings wherein it left the Policy Rate unchanged at 7%, citing the prevailing accommodative monetary policy stance appropriate for the nascent economic recovery. Inflation as measured by the CPI clocked-in at 8% for December 2020, owing to supply side issues and rise in prices of perishable food items.

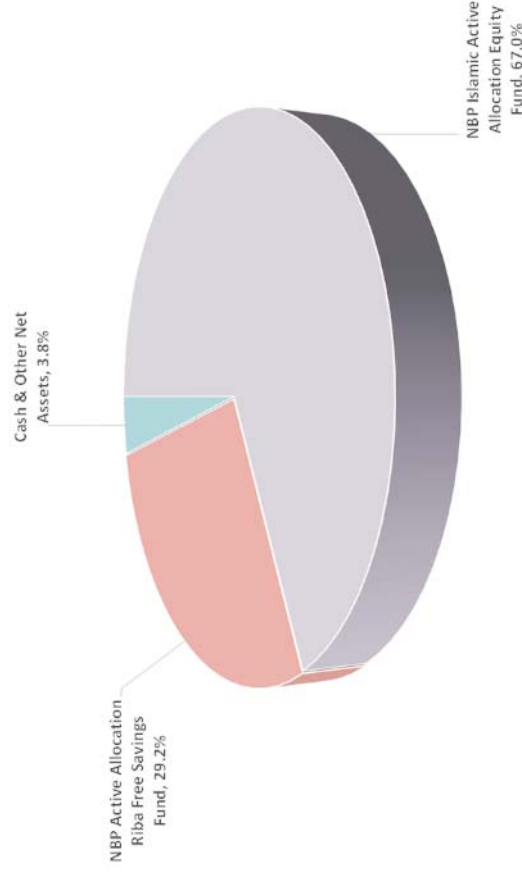
The market saw a decent increase in the issuance of debt securities in the primary market, although it remained under-supplied against the large and growing demand. In the secondary market, the trading activity improved in the Corporate Sukuks with cumulative traded value of around Rs. 10.9 billion compared to Rs. 3.9 billion in the same period last year.

NAFA Islamic Active Allocation Plan-VI (NIAAP-VI)

Plan's Performance

During the period, the unit price of NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) has increased from Rs. 80.2002 on June 30, 2020 to Rs. 97.2577 on December 31, 2020, thus showing an increase of 21.3%. The Benchmark increased by 21.8%. Thus, the Fund has underperformed its Benchmark by 0.5%. Since inception, the unit price of NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) has increased from Rs.89.3374 (Ex-Div) on May 26, 2017 to Rs. 97.2577 on December 31, 2020, thus showing an increase of 8.9%. The Benchmark increased during the same period was 8.0%. Thus, the Fund has outperformed its Benchmark by 0.9%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.153 million.

NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) has earned a total income of Rs. 30.219 million during the period. After deducting for total expenses of Rs. 0.976 million, the net income is Rs. 29.243 million. The asset allocation of the Plan as on December 31, 2020 is as follows:



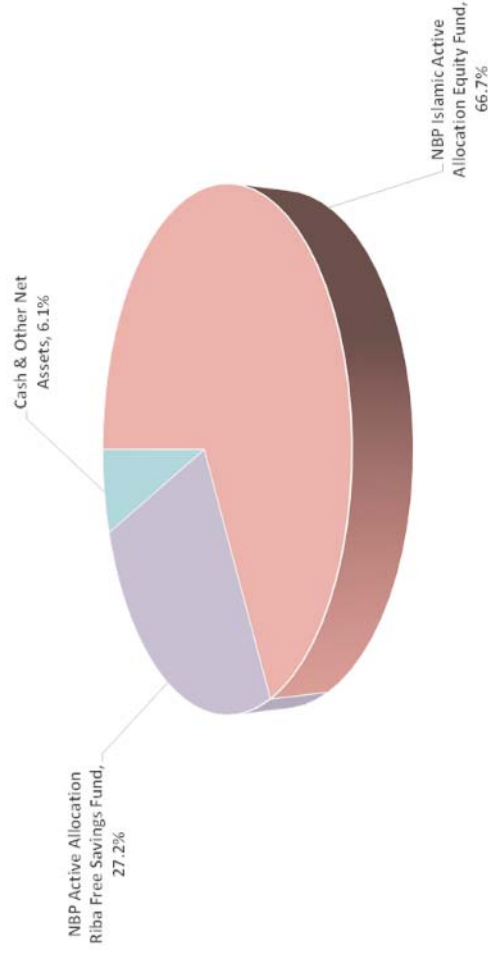
NAFA Islamic Active Allocation Plan-VII (NIAAP-VII)

Plan's Performance

During the period, the unit price of NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) has increased from Rs. 84.6286 on June 30, 2020 to Rs. 101.9346 on December 31, 2020, thus showing an increase of 20.4%. The Benchmark increased by 21.6%. Thus, the Fund has underperformed its Benchmark by 1.2%. Since inception, the unit price of NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) has increased from Rs.93.2102 on June 29, 2017 to Rs. 101.9346 on December 31, 2020, thus showing an increase of 9.4%. The Benchmark increased during the same period was 10.7%. Thus, the Fund has underperformed its Benchmark by 1.3%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.35 million.



NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) has earned a total income of Rs. 7.153 million during the period. After deducting for total expenses of Rs. 0.417 million, the net income is Rs. 6.736 million. The asset allocation of the Plan as on December 31, 2020 is as follows:

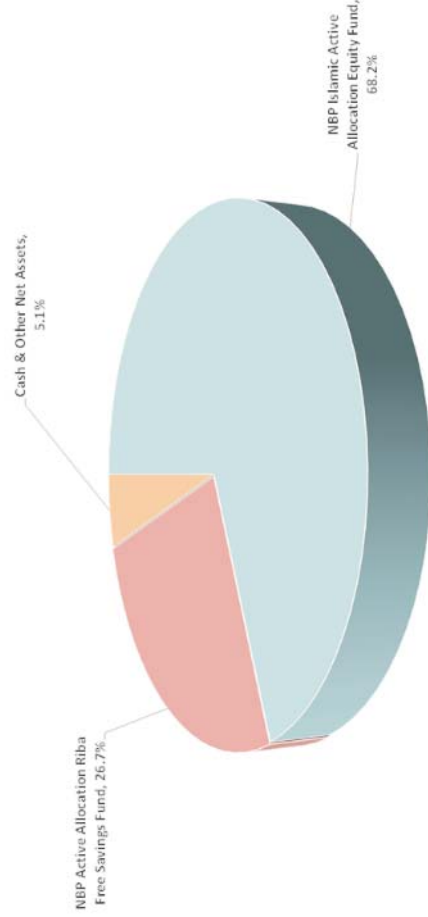


NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII)

Plan's Performance

During the period, the unit price of NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) has increased from Rs. 96.9868 on June 30, 2020 to Rs. 117.4894 on December 31, 2020, thus showing an increase of 21.1%. The Benchmark increased by 21.8%. Thus, the Fund has underperformed its Benchmark by 0.7%. Since inception, the unit price of NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) has increased from Rs.93.2660 (Ex-Div) on November 03, 2017 to Rs. 117.4894 on December 31, 2020, thus showing an increase of 26.0%. The Benchmark increased during the same period was 22.9%. Thus, the Fund has outperformed its Benchmark by 3.1%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.71 million.

NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) has earned a total income of Rs. 21.858 million during the period. After deducting for total expenses of Rs. 0.787 million, the net income is Rs. 21.071 million. The asset allocation of the Plan as on December 31, 2020 is as follows:



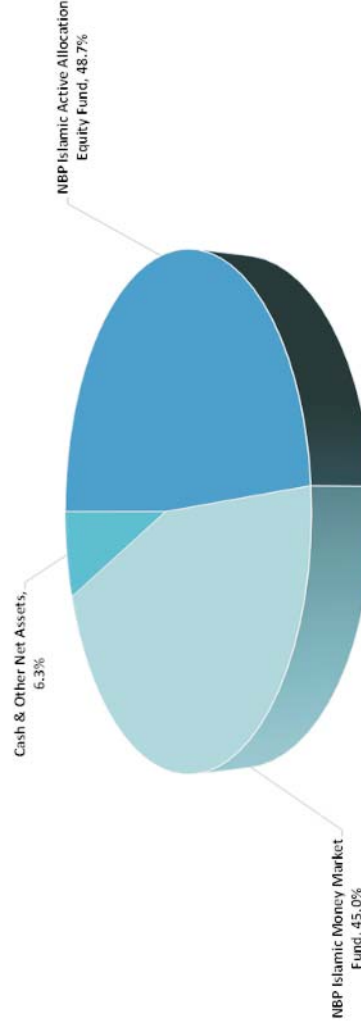


NAFA Islamic Capital Preservation Plan-I (NICPP-I)

Plan's Performance

During the period, the unit price of NAFA Islamic Capital Preservation Plan-I (NICPP-I) has increased from Rs. 100.2984 on June 30, 2020 to Rs. 112.2235 on December 31, 2020, thus showing an increase of 11.9%. The Benchmark increased by 12.3%. Thus, the Fund has underperformed its Benchmark by 0.4%. Since inception, the unit price of NAFA Islamic Capital Preservation Plan-I (NICPP-I) has increased from Rs.92.0190 (EX-Div) on February 28, 2018 to Rs. 112.2235 on December 31, 2020, thus showing an increase of 22.0%. The Benchmark increased during the same period was 17.1%. Thus, the Fund has outperformed its Benchmark by 4.9%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.149 million.

NAFA Islamic Capital Preservation Plan-I (NICPP-I) has earned a total income of Rs. 20.656 million during the period. After deducting for total expenses of Rs. 0.826 million, the net income is Rs. 19.830 million. The asset allocation of the Plan as on December 31, 2020 is as follows:

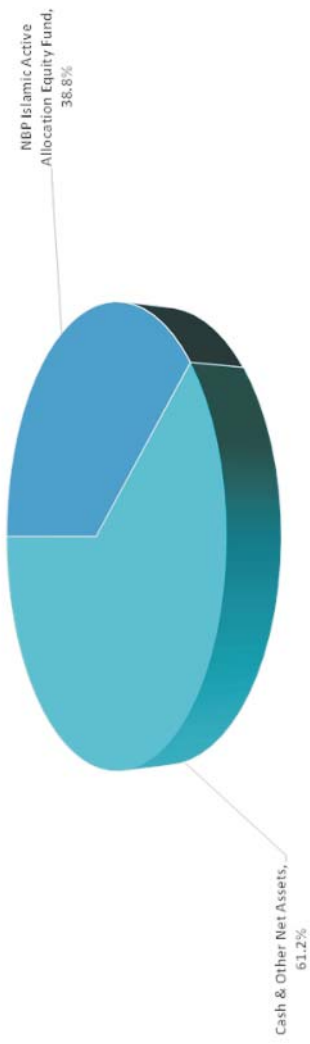


NAFA Islamic Capital Preservation Plan-II (NICPP-II)

Plan's Performance

During the period, the unit price of NAFA Islamic Capital Preservation Plan-II (NICPP-II) has increased from Rs. 100.1578 (EX-Div) on June 30, 2020 to Rs. 107.7663 on December 31, 2020, thus showing an increase of 7.6%. The Benchmark increased by 8.1%. Thus, the Fund has underperformed its Benchmark by 0.5%. Since inception, the unit price of NAFA Islamic Capital Preservation Plan-II (NICPP-II) has increased from Rs.94.0762 (EX-Div) on April 27, 2018 to Rs. 107.7663 on December 31, 2020, thus showing an increase of 14.6%. The Benchmark increased during the same period was 9.4%. Thus, the Fund has outperformed its Benchmark by 5.2%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.128 million.

NAFA Islamic Capital Preservation Plan-II (NICPP-II) has earned a total income of Rs. 11.944 million during the period. After deducting for total expenses of Rs. 1.151 million, the net income is Rs. 10.793 million. The asset allocation of the Plan as on December 31, 2020 is as follows:



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

Date: **February 26, 2021**
Place: Karachi.

Director

ڈائریکٹرز رپورٹ

NBP فنڈ منجمنٹ کمیٹی کے بورڈ آف ڈائریکٹرز ہمد مسرت 31 دسمبر 2020 کو ختم ہونے والی ششماہی کے لئے NAFA اسلامک ایکٹو ایکلیشن فنڈ -II (NIAAF-II) کے جائزہ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی
NAFA اسلامک ایکٹو ایکلیشن فنڈ -II (NIAAF-II) ایک ٹرسٹ اسکیم میں تشکیل دیا گیا ہے، جس کا پانچ (5) ایکلیشن پلانز کے ذریعے مجموعی سرمایہ کاری اسکیموں میں سرمایہ کاری کریں گے، یہ پلانز NAFA اسلامک ایکٹو ایکلیشن پلان -VI (NIAAP-VI)، NAFA اسلامک ایکٹو ایکلیشن پلان -VII (NIAAP-VII)، NAFA اسلامک ایکٹو ایکلیشن پلان -VIII (NIAAP-VIII)، NAFA اسلامک ایکٹو ایکلیشن پلان -I اور NAFA اسلامک ایکٹو ایکلیشن پلان -II ہیں۔

اسلامک انکم فنڈ: NBP ایکٹو ایکلیشن، ہافری سیونگز فنڈ
اسلامک ایکٹیوٹیٹی فنڈ: NBP اسلامک ایکٹو ایکلیشن، ایکٹیوٹیٹی فنڈ
اسلامک سٹی مارکیٹ فنڈ: NBP اسلامک سٹی مارکیٹ فنڈ

اسٹاک مارکیٹ نے مالی سال 2021 کی پہلی ششماہی کے دوران مضبوط کارکردگی کا تاثر دیا، جیسا کہ شیخہ ایم کی 30-KMI انڈیکس میں 29 فیصد کا اضافہ ہوا، اور وائٹس کے تناظر میں مارچ 2020 میں ایکٹیوٹیٹی فنڈ کے بعد مارکیٹے تیزی سے بحال کا مظاہرہ کیا۔ مقامی سطح پر ہونے والی بحالی غیر معمولی مالیاتی اور مالی ایسی کے رد عمل، ایک ڈاؤن کو ہنڈریج اٹھانے، اور موثر ویکسٹیوں کی توقع سے قبل آمد کے باعث پیدا ہوا ہے۔

مالی اور مالیاتی محاذوں پر غیر معمولی پالیسی اقدامات نے معیشت کو وائٹس کے خطرات سے محفوظ رکھا۔ ایف ایم کے پالیسی شرح میں مجموعی طور پر 6.25 فیصد کی کمی اور قرضوں کی ادائیگیوں میں مدد دینے کے لئے اضافی مصلحتوں میں ترمیم کی اور حکومت نے 2.1 ٹریلین روپے کے ایک محرک کیلج کا آغاز کیا۔ صحت کی دیکھ بھال کے حوالے سے، جولائی میں بلندی پر پہنچنے کے بعد کوویڈ-19 کے فعال کیسوں میں نمایاں کمی واقع ہوئی، اموات کی شرح میں تیزی سے کمی آئی اور انفیکشن کا تناسب بھی کم ہو کر واحد ہندسے پر آ گیا۔ وہابی مذاہب پر پھرتی نے معیشت کو دوبارہ کھولنے کی اجازت دی، سینٹ کی تریل، خوردہ ایندھن کی فروخت اور آٹوموبائل کی فروخت کے لئے جاری کردہ معاشی امداد و شراکت کا مثبت دیتے ہیں۔ SBP-IBA سروسے ظاہر کرتا ہے کہ اپریل 2020 میں عملی سطح پہنچنے کے بعد کاروبار کی اجتماعی دوسال کی بلند ترین سطح پہنچ گیا۔ ہورنی کا ڈاؤنٹ ایک کور وائٹس میں فائدہ مند رہا ہے کیونکہ کارکنوں کی تریلات زرت نے سالانہ بنیاد پر مالی سال 2021 کی پہلی ششماہی میں 25 فیصد کا نمایاں اضافہ ظاہر کیا ہے۔ نتیجتاً ملک نے مالی سال 2021 کی پہلی ششماہی میں 1.1 ٹریلین امریکی ڈالر کا ڈنٹ کا ذریعہ سروسے درج کر لیا ہے، جس کی گولڈ سٹوڈ سال کے ہی عمر سے قبل ڈنٹ کا ڈنٹ شمارہ 2.0 ٹریلین امریکی ڈالر تھا۔ خوراک کی بلند ترین قیمتوں کے باوجود اوسطاً فرط زر میں بھی کمی ہوئی کیونکہ بھال کے معاذ پر حوصلہ افزاء بہتری، معاشی سرگرمیوں میں بہتری، کارپوریٹ آمدنی کے استحکام کا وعدہ اور مارکیٹ کی برکشش قیمتوں نے مارکیٹ کے برصغیر کو فروغ دیا۔

مارکیٹ کی سیکٹر وائز کارکردگی کے تناظر میں، آٹوموبائل، کیبل اور ایکٹریک کا سامان، سینٹ، انجینئرنگ، شیشہ اور سراسرکس، کاغذ اور پورڈ، ریفاٹریز، ٹیکنالوجی اور ٹیکسٹائل نے مارکیٹ سے بہتر کارکردگی مظاہرہ کیا جبکہ کھاد، خوراک اور ذاتی گھبراشت، انشورنس، آئل اینڈ گیس، ایکسپلوریشن، دواسازی، بجلی پیداوار اور کیم کرنے، چینی اور ٹرانسپورٹ کے شعبے پیچھے رہے۔ شریک وائٹس گری کے لحاظ سے، زریہ جائزہ مدت کے دوران انفرادی سرمایہ کار 159 ٹریلین امریکی ڈالر کی خاص نفلوز کے ساتھ بڑے خریدار رہے۔ اس کے علاوہ کینیڈا اور انشورنس بھی خاص خریدار تھے، جنہوں نے باتریب 91 ٹریلین امریکی ڈالر اور 83 ٹریلین امریکی ڈالر کا اضافہ کیا۔ دوسری طرف، غیر ملکی اور بینک (DFIs) مارکیٹ میں باتریب 279 ٹریلین امریکی ڈالر اور 69 ٹریلین امریکی ڈالر کے خاص آؤٹ نفلوز کے ساتھ بڑے خریدار گنندگان رہے۔

مالی سال 2021 کی پہلی ششماہی میں سٹیٹ بینک آف پاکستان نے ماہی پالیسی کمیٹی (MPC) کے دو اجلاس طلب کئے جس میں موجودہ معاشی بحالی کے لئے موزوں ماہی پالیسی کا حوالہ دیتے ہوئے، باتریب شرح 7% کو تھریل نہیں کیا۔ خراب ہونے والی ایشیا کے خورد و نوش کی قیمتوں میں اضافے اور سڈ کی فراہمی کے مسئلے کے باعث سٹیٹ بینک نے اپنی افراط زر کی شرح دسمبر 2020 میں 8 فیصد رہی۔

بنیادی مارکیٹ میں سٹیٹ سیکورٹیز کے اجراء میں کافی اضافہ ہوا، اگرچہ مارکیٹ کی زیادہ طلب کے مقابلہ میں سڈ کم رہی۔ ٹائون مارکیٹ میں کارپوریٹ سٹاک کا تجارتی سرگرمی کی جانب زیادہ جھکاؤ بحال کی مجموعی تجارتی قدر گولڈ سٹوڈ سال کی مدت میں 3.9 ٹریلین روپے کے مقابلہ میں 10.9 ٹریلین روپے رہی۔

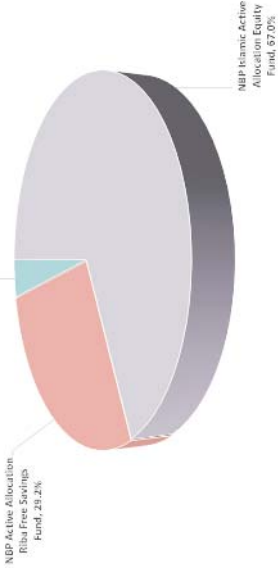
NAFA اسلامک ایکٹیو ایکلیکشن پلان - (NIAAP-VI)

پلان کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک ایکٹیو ایکلیکشن پلان - (NIAAP-VI) VI کے پورٹ کی قیمت 30 جون 2020 کو 80.202 روپے سے بڑھ کر 31 دسمبر 2020 کو 97.2577 روپے ہو چکی ہے اور اس طرح %21.3 کا اضافہ ظاہر کیا ہے۔ مثلاً کارڈ بڑھ کر %21.8 ہو گیا۔ لہذا فنڈ نے اپنے مثلاً کارڈ سے %0.5 بہتر کارکردگی کا مظاہرہ کیا ہے۔ 26 مئی 2017 کو اپنے قیام کے وقت NAFA اسلامک ایکٹیو ایکلیکشن پلان - (NIAAP-VI) VI کے پورٹ کی قیمت 89.3374 روپے (Ex-Div) سے بڑھ کر 31 دسمبر 2020 کو 97.2577 روپے ہو گئی، لہذا %8.9 کا اضافہ ظاہر کیا۔ اسی مدت کے دوران مثلاً کارڈ کا اضافہ %8.0 تھا۔ لہذا فنڈ کی کارکردگی اپنے مثلاً کارڈ سے %0.9 بہتر رہی۔ فنڈ کی یہ کارکردگی منجست فیس اور دیگر تمام اخراجات کے بعد خاص ہے۔ فنڈ کا ساٹھ ماہ 153 ملین روپے ہے۔

NAFA اسلامک ایکٹیو ایکلیکشن پلان - VI کو اس مدت کے دوران 30.219 ملین روپے کی کل آمدنی ہوئی۔ 0.976 ملین روپے کے اخراجات منہا کرنے کے بعد خاص آمدنی 29.243 ملین روپے ہے۔

31 دسمبر 2020 کو فنڈ کی ایسٹ ایکلیکشن ورث ذیل ہے:



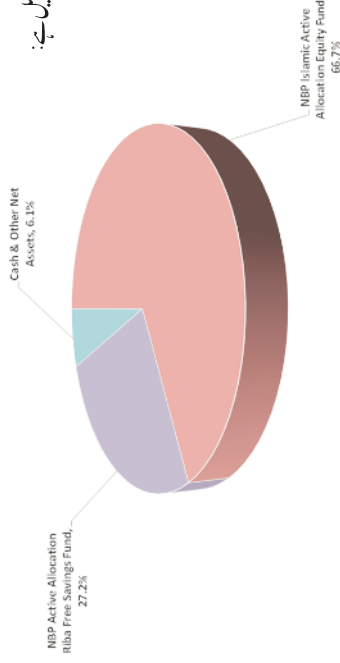
NAFA اسلامک ایکٹیو ایکلیکشن پلان - (NIAAP-VII)

فنڈ کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک ایکٹیو ایکلیکشن پلان - (NIAAP-VII) VII کے پورٹ کی قیمت 30 جون 2020 کو 84.6286 روپے سے بڑھ کر 31 دسمبر 2020 کو 101.9346 روپے ہو چکی ہے اور اس طرح %20.4 کا اضافہ ظاہر کیا ہے۔ مثلاً کارڈ بڑھ کر %21.6 ہو گیا۔ لہذا فنڈ نے اپنے مثلاً کارڈ سے %1.2 بہتر کارکردگی کا مظاہرہ کیا ہے۔ 29 جون 2017 کو اپنے قیام کے وقت NAFA اسلامک ایکٹیو ایکلیکشن پلان - (NIAAP-VII) VII کے پورٹ کی قیمت 93.2102 روپے (Ex-Div) سے بڑھ کر 31 دسمبر 2020 کو 101.9346 روپے ہو گئی، لہذا %9.4 کا اضافہ ظاہر کیا۔ اسی مدت کے دوران مثلاً کارڈ کا اضافہ %10.7 تھا۔ لہذا فنڈ کی کارکردگی اپنے مثلاً کارڈ سے %1.3 بہتر رہی۔ فنڈ کی یہ کارکردگی منجست فیس اور دیگر تمام اخراجات کے بعد خاص ہے۔ فنڈ کا ساٹھ ماہ 153 ملین روپے ہے۔

NAFA اسلامک ایکٹیو ایکلیکشن پلان - (NIAAP-VII) VII کو اس مدت کے دوران 7.153 ملین روپے کی آمدنی ہوئی۔ 0.417 ملین روپے کے اخراجات منہا کرنے کے بعد خاص آمدنی 6.736 ملین روپے ہے۔

31 دسمبر 2020 کو فنڈ کی ایسٹ ایکلیکشن ورث ذیل ہے:



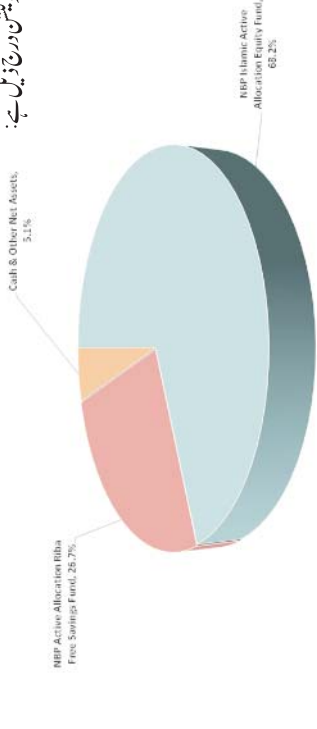
NAFA اسلامک ایکٹو ایکٹویشن پلان - VIII (NIAAP-VIII)

پلان کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک ایکٹو ایکٹویشن پلان - VIII (NIAAP-VIII) کے پورٹ کی قیمت 30 جون 2020 کو 96.9868 روپے سے بڑھ کر 31 دسمبر 2020 کو 117.4894 روپے ہوگئی ہے اور اس طرح 21.1% کا اضافہ دکھایا ہے۔ بٹھارک بڑھ کر 21.8% ہو گیا۔ لہذا فنڈ نے اپنے بٹھارک سے 10.7% کا تفرقہ کر دگی کا مظاہرہ کیا ہے۔ 03 نومبر 2017 کو اپنے قیام کے وقت NAFA اسلامک ایکٹو ایکٹویشن پلان - VIII (NIAAP-VIII) کے پورٹ کی قیمت 93.2660 روپے (Ex-Div) سے بڑھ کر 31 دسمبر 2020 کو 117.4894 روپے ہوگئی، لہذا 26.0% کا اضافہ دکھایا گیا۔ اسی مدت کے دوران بٹھارک اضافہ 22.9% تھا۔ لہذا فنڈ کی کارکردگی اپنے بٹھارک سے 3.1% بہتر رہی۔ فنڈ کی پیکر کردگی منجسٹ فیس اور دیگر تمام اخراجات کے بعد خاص ہے۔ فنڈ کا ساٹھ 71 ملین روپے ہے۔

NAFA اسلامک ایکٹو ایکٹویشن پلان - VIII (NIAAP-VIII) کو اس مدت کے دوران 21.858 ملین روپے مجموعی آمدنی ہوئی۔ 0787 ملین روپے کے اخراجات منہا کرنے کے بعد خاص آمدنی 21.071 ملین روپے ہے۔

31 دسمبر 2020 کو فنڈ کی ایسٹ ایکٹویشن درج ذیل ہے:



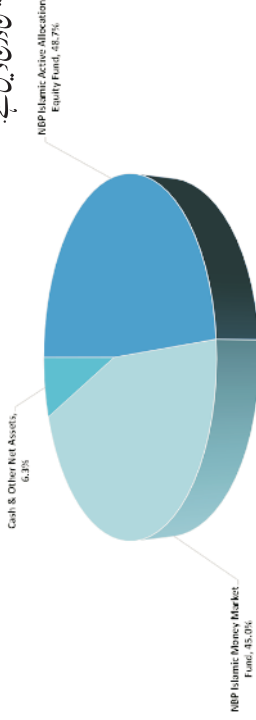
NAFA اسلامک ایکٹو پریزرویشن پلان - I (NICPP-I)

فنڈ کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک ایکٹو پریزرویشن پلان - I (NICPP-I) کے پورٹ کی قیمت 30 جون 2020 کو 100.2984 روپے سے بڑھ کر 31 دسمبر 2020 کو 112.2235 روپے ہوگئی ہے اور اس طرح 11.9% کا اضافہ دکھایا ہے۔ بٹھارک بڑھ کر 12.3% ہو گیا۔ لہذا فنڈ نے اپنے بٹھارک سے 0.4% کا تفرقہ کر دگی کا مظاہرہ کیا ہے۔ 28 فروری 2018 کو اپنے قیام کے وقت NAFA اسلامک ایکٹو پریزرویشن پلان - I (NICPP-I) کے پورٹ کی قیمت 92.0190 روپے (EX-DIV) سے بڑھ کر 31 دسمبر 2020 کو 112.2235 روپے ہوگئی، لہذا 22.0% کا اضافہ دکھایا گیا۔ اسی مدت کے دوران بٹھارک میں 17.1% کا اضافہ ہوا۔ لہذا فنڈ نے اپنے بٹھارک سے 4.9% کی بہتر کارکردگی کا مظاہرہ کیا۔ فنڈ کی پیکر کردگی منجسٹ فیس اور دیگر تمام اخراجات کے بعد خاص ہے۔ فنڈ کا ساٹھ 149 ملین روپے ہے۔

NAFA اسلامک ایکٹو پریزرویشن پلان - I (NICPP-I) کو اس مدت کے دوران 20.656 ملین روپے کی آمدنی ہوئی۔ 0.826 ملین روپے کے اخراجات منہا کرنے کے بعد کل آمدنی 19.830 ملین روپے ہے۔

31 دسمبر 2020 کو فنڈ کی ایسٹ ایکٹویشن درج ذیل ہے:

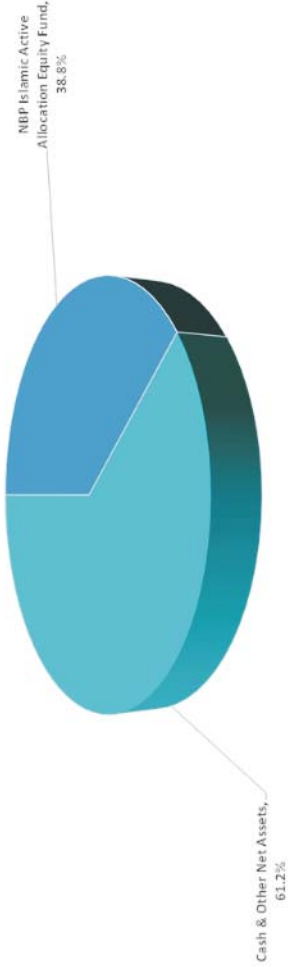


NAFA اسلامک ایکٹیو پوزیشن پلان-II (NICPP-II) کی فنڈ کی کارکردگی

موجودہ مدت کے دوران NAFA اسلامک ایکٹیو پوزیشن پلان-II (NICPP-II) کے یونٹ کی قیمت 30 جون 2020 کو 100.1578 روپے سے بڑھ کر 31 دسمبر 2020 کو 107.7663 روپے ہو گئی ہے اور اس طرح 7.6% کا اضافہ دکھایا ہے۔ شیئرز کا بڑھ کر 8.1% ہو گیا۔ لہذا فنڈ نے اپنے شیئرز سے 0.5% بہتر کارکردگی کا مظاہرہ کیا ہے۔ 27 اپریل 2018 کو اپنے قیام کے وقت NAFA اسلامک ایکٹیو پوزیشن پلان-II (NICPP-II) کے یونٹ کی قیمت 94.0762 روپے (EX-DIV) سے بڑھ کر 31 دسمبر 2020 کو 107.7663 روپے ہو گئی، لہذا 14.6% کا اضافہ دکھایا۔ اسی مدت کے دوران شیئرز کا بڑھ کر 9.4% کا اضافہ ہوا۔ لہذا فنڈ نے اپنے شیئرز سے 5.2% کی بہتر کارکردگی کا مظاہرہ کیا۔ فنڈ کی پیکریج منجمنٹ میں اور دیگر تمام اخراجات کے بعد خاص ہے۔ فنڈ کا سائز 128 ملین روپے ہے۔

NAFA اسلامک ایکٹیو پوزیشن پلان-II (NICPP-II) کو اس مدت کے دوران 11.944 ملین روپے کی آمدنی ہوئی۔ 1.151 ملین روپے کے اخراجات منہا کرنے کے بعد خاص آمدنی 10.793 ملین روپے ہے۔

31 دسمبر 2020 کو فنڈ کی ایکٹیو درج ذیل ہے:



الٹھانکر
 بورڈ اس موقع سے فائدہ اٹھاتے ہوئے منجمنٹ کو اپنا اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ ہیکریٹیز اپنا آپریٹنگ 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 اسٹاٹس اور فنڈ کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ کرنا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز
NBP منجمنٹ لیڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 26 فروری 2021ء

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 NAFA Islamic Active Allocation Fund-II (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, 2020 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; and
- (iii) 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 26, 2021



INDEPENDENT AUDITORS' REVIEW REPORT TO THE UNITHOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NAFA Islamic Active Allocation Fund - II** ("the Fund") as at 31 December 2020 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the condensed interim financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management Company is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for Interim Financial Reporting. Our responsibility is to express a conclusion on these 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 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 interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for Interim Financial Reporting.

Other matter

The figures for the three months period ended 31 December 2020 and 31 December 2019 in the interim financial statements have not been reviewed and we do not express a conclusion on them.

The engagement partner on the engagement resulting in this independent auditors' review report is **Amyyn Malik**.

Date: February 26, 2021

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2020

	31 December 2020 (Un-audited)						30 June 2020 (Audited)						
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP - I	NICPP - II	Total	
ASSETS													
Bank balances	6	7,288	2,788	4,721	11,759	78,284	104,840	15,513	3,636	12,118	10,730	145,111	187,108
Investments	7	146,876	32,587	66,978	139,721	49,664	435,826	128,235	32,135	111,587	183,312	21,796	477,065
Profit receivable on bank deposits		272	82	165	61	797	1,377	141	37	159	144	891	1,372
Advance and other receivable		40	6	6	115	1,523	1,690	40	8	6	115	1,523	1,692
Prepayments		2	6	3	3	3	17	-	-	-	-	-	-
Total assets		154,478	35,469	71,873	151,659	130,271	543,750	143,929	35,816	123,870	194,301	169,321	667,237
LIABILITIES													
Payable to NBP Fund Management Company Limited	9	553	378	78	387	1,067	2,463	557	380	109	413	1,103	2,562
Payable to Central Depository Company of Pakistan Limited - Trustee	10	10	2	5	10	14	41	9	2	9	14	10	44
Payable to Securities and Exchange Commission of Pakistan	11	15	4	9	17	14	59	36	9	38	83	51	217
Payable against redemption of units		-	-	-	-	26	26	-	-	-	-	2,065	2,065
Accrued expenses and other liabilities	12	1,213	395	1,197	2,118	1,188	6,111	3,323	708	2,391	4,009	3,011	13,442
Total liabilities		1,791	779	1,289	2,532	2,309	8,700	3,925	1,099	2,547	4,519	6,240	18,330
Net assets		152,687	34,690	70,584	149,127	127,962	535,050	140,004	34,717	121,323	189,782	163,081	648,907
Unit holders' fund (as per statement attached)		152,687	34,690	70,584	149,127	127,962	535,050	140,004	34,717	121,323	189,782	163,081	648,907
Contingency and commitment	13												
		(Number of units)											
Number of units in issue		1,569,932	340,321	600,767	1,328,836	1,187,404		1,745,686	410,231	1,250,919	1,892,169	1,628,237	
		(Rupees)											
Net assets value per unit		97.2577	101.9346	117.4894	112.2235	107.7663		80.2002	84.6286	96.9868	100.2984	100.1578	

The annexed notes 1 to 18 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 SIX MONTHS PERIOD ENDED 31 DECEMBER 2020

Note	Six months period ended 31 December 2020						Six months period ended 31 December 2019						
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	
	(Rupees in 000)												
Income													
Gain / (loss) on sale of investments - net	6,052	1,756	10,446	2,971	1,130	22,355	2,975	(1,535)	7,510	16,427	(1,549)	23,828	
Profit on bank deposits	549	140	297	397	3,328	4,711	1,042	265	1,194	2,237	15,364	20,102	
Net unrealised appreciation / (diminution) on re-measurement as 'financial assets at fair value through profit or loss'	7.2	23,618	5,257	11,115	17,288	7,486	64,764	29,498	5,691	15,853	38,739	18,186	107,967
Total income	30,219	7,153	21,858	20,656	11,944	91,830	33,515	4,421	24,557	57,403	32,001	151,897	
Expenses													
Remuneration to NBP Fund Management Limited - Management Company	9.1	65	13	35	48	519	680	94	20	101	169	1,186	1,570
Sindh Sales Tax on remuneration to the Management Company	9.2	8	2	5	6	67	88	12	3	13	22	154	204
Remuneration to Central Depository Company of Pakistan Limited - Trustee	10.1	54	12	31	59	50	206	68	16	82	190	106	462
Sindh Sales Tax on remuneration to the Trustee	10.2	7	2	4	8	6	27	9	2	11	25	14	61
Annual fee - Securities and Exchange Commission of Pakistan	11	15	4	9	17	14	59	20	5	23	54	30	132
Settlement and bank charges		-	-	-	19	39	58	9	9	5	43	18	84
Auditors' remuneration		110	121	134	80	68	513	113	119	121	134	141	628
Allocation of expenses related to registrar services, accounting, operation and valuation services	9.3	77	18	45	85	71	296	98	23	117	271	152	661
Legal and professional charges		18	28	32	66	60	204	17	20	16	20	23	96
Listing fee		3	3	3	3	3	15	3	3	3	3	3	15
Shariah advisor fee		9	49	11	12	18	99	17	6	19	53	25	120
Amortisation of preliminary expenses and floatation costs	8	-	-	-	-	-	-	-	-	36	126	59	221
Printing charges		13	28	48	18	16	123	7	10	11	16	16	60
Total expenses	379	280	357	421	931	2,368	467	236	558	1,126	1,927	4,314	
Net income from Operating activities	29,840	6,873	21,501	20,235	11,013	89,462	33,048	4,185	23,999	56,277	30,074	147,583	
Provision for Sindh Worker's Welfare Fund	12.1	(597)	(137)	(430)	(405)	(220)	(1,789)	(661)	(84)	(480)	(1,126)	(601)	(2,952)
Net income for the period before taxation	29,243	6,736	21,071	19,830	10,793	87,673	32,387	4,101	23,519	55,151	29,473	144,631	
Taxation	14	-	-	-	-	-	-	-	-	-	-	-	
Net income for the period after taxation	29,243	6,736	21,071	19,830	10,793	87,673	32,387	4,101	23,519	55,151	29,473	144,631	
Allocation of net income for the period													
Net income for the period		29,243	6,736	21,071	19,830	10,793		32,387	4,101	23,519	55,151	29,473	
Income already paid on units redeemed		(2,464)	(846)	(8,754)	(3,984)	(1,759)		(1,000)	(190)	(3,913)	(7,429)	(2,749)	
		26,779	5,890	12,317	15,846	9,034		31,387	3,911	19,606	47,722	26,724	
Accounting income available for distribution:													
- Relating to capital gains		27,174	6,148	12,641	16,184	7,126		31,418	5,451	19,572	47,678	16,997	
- Excluding capital gains		(395)	(258)	(324)	(338)	(1,908)		(31)	(1,540)	34	44	9,727	
		26,779	5,890	12,317	15,846	9,034		31,387	3,911	19,606	47,722	26,724	

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 DECEMBER 2020

Note	Three months period ended 31 December 2020						Three months period ended 31 December 2019					
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total
	(Rupees in 000)											
Income												
Gain / (loss) on sale of investments - net	1,013	246	513	1,910	637	4,319	3,051	409	6,144	14,022	73	23,699
Profit on bank deposits	206	70	112	243	1,528	2,159	546	119	440	1,350	5,945	8,400
Net unrealised appreciation / (diminution) on re-measurement as financial assets at fair value through profit or loss ¹	7,851	1,655	3,602	4,545	2,407	20,060	34,251	5,629	10,907	28,462	19,730	98,979
Total income	9,070	1,971	4,227	6,698	4,572	26,538	37,848	6,157	17,491	43,834	25,748	131,078
Expenses												
Remuneration to NBP Fund Management Limited - Management Company	9.1	29	6	13	24	233	51	9	44	97	468	669
Sindh Sales Tax on remuneration to the Management Company	9.2	3	1	2	3	30	6	2	6	13	61	88
Remuneration to Central Depository Company of Pakistan Limited - Trustee	10.1	27	6	13	27	24	35	7	34	77	48	201
Sindh Sales Tax on remuneration to the Trustee	10.2	3	1	2	4	2	5	1	5	10	7	28
Annual fee - Securities and Exchange Commission of Pakistan	11	7	2	4	8	6	10	3	9	22	14	58
Settlement and bank charges		-	-	-	19	12	-	-	-	8	9	17
Auditors' remuneration		79	82	95	40	34	57	76	72	63	69	337
Allocation of expenses related to registrar services, accounting, operation and valuation services	9.3	38	9	19	39	33	50	11	48	109	70	288
Legal and professional charges		9	14	16	52	30	8	14	11	7	14	54
Listing fee		2	2	2	2	2	2	2	2	2	2	10
Shariah advisor fee		1	47	1	1	7	8	4	1	19	9	41
Amortisation of preliminary expenses and floatation costs	8	-	-	-	-	-	-	-	33	54	27	114
Printing charges		1	24	-	9	8	4	5	2	8	8	27
Total expenses		199	194	205	228	421	236	134	267	489	806	1,932
Net income for the period before taxation		8,871	1,777	4,022	6,470	4,151	37,612	6,023	17,224	43,345	24,942	129,146
Provision for Sindh Worker's Welfare Fund	12.1	(178)	(35)	(80)	(130)	(83)	(661)	(84)	(345)	(859)	(498)	(2,447)
Net income for the period before taxation		8,693	1,742	3,942	6,340	4,068	36,951	5,939	16,879	42,486	24,444	126,699
Taxation	14	-	-	-	-	-	-	-	-	-	-	-
Net income for the period after taxation		8,693	1,742	3,942	6,340	4,068	36,951	5,939	16,879	42,486	24,444	126,699
Allocation of net income for the period												
Net income for the period		8,693	1,742	3,942	6,340	4,068	36,951	5,939	16,879	42,486	34,502	
Income already paid on units redeemed		(1,029)	(6)	(809)	(1,169)	(2,898)	(1,000)	(190)	(2,443)	(7,174)	(2,567)	
		7,664	1,736	3,133	5,171	1,170	35,951	5,749	14,436	35,312	31,935	
Accounting income available for distribution:												
- Relating to capital gains		27,174	6,148	6,329	3,502	7,126	31,418	5,451	13,260	34,996	16,997	
- Excluding capital gains		(19,510)	(4,412)	(3,196)	1,669	(5,956)	4,533	298	1,176	316	14,938	
		7,664	1,736	3,133	5,171	1,170	35,951	5,749	14,436	35,312	31,935	

The annexed notes 1 to 18 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 STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE SIX AND THREE MONTHS PERIOD ENDED 31 DECEMBER 2020

	Six months period ended						Six months period ended					
	31 December 2020						31 December 2019					
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total
	(Rupees in '000)											
Net income for the period	29,243	6,736	21,071	19,830	10,793	87,673	32,387	4,101	23,519	55,151	29,473	144,631
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	29,243	6,736	21,071	19,830	10,793	87,673	32,387	4,101	23,519	55,151	29,473	144,631
	Three months period ended						Three months period ended					
	31 December 2020						31 December 2019					
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total
	(Rupees in '000)											
Net income for the period	8,693	1,742	3,942	6,340	4,068	24,785	36,951	5,939	16,879	42,486	24,444	126,699
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	8,693	1,742	3,942	6,340	4,068	24,785	36,951	5,939	16,879	42,486	24,444	126,699

The annexed notes 1 to 18 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 STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2020

	Six months period ended																	
	31 December 2020																	
	NIAAP-VI			NIAAP-VII			NIAAP-VIII			NICPP-I			NICPP-II			Total		
Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	
(Rupees in '000)																		
Net assets at beginning of the period	280,227	(140,223)	140,004	59,256	(24,539)	34,717	133,952	(12,629)	121,323	188,087	1,695	189,782	163,054	27	163,081	824,576	(175,669)	648,907
Redemption of 175,754 Units in NIAAP-VI, 69,910 Units in NIAAP-VII, 650,152 Units in NIAAP-VIII, 563,333 Units in NICPP-I, 440,833 Units in NICPP-II.																		
- Capital value	(14,096)	-	(14,096)	(5,917)	-	(5,917)	(63,056)	-	(63,056)	(56,501)	-	(56,501)	(44,153)	-	(44,153)	(183,723)	-	(183,723)
- Element of income	-	(2,464)	(2,464)	-	(846)	(846)	-	(8,754)	(8,754)	-	(3,984)	(3,984)	-	(1,759)	(1,759)	-	(17,807)	(17,807)
Total payments on redemption of units	(14,096)	(2,464)	(16,560)	(5,917)	(846)	(6,763)	(63,056)	(8,754)	(71,810)	(56,501)	(3,984)	(60,485)	(44,153)	(1,759)	(45,912)	(183,723)	(17,807)	(201,530)
Total comprehensive income for the period	-	29,243	29,243	-	6,736	6,736	-	21,071	21,071	-	19,830	19,830	-	10,793	10,793	-	87,673	87,673
Net assets at end of the period	266,131	(113,444)	152,687	53,339	(18,649)	34,690	70,896	(312)	70,584	131,586	17,541	149,127	118,901	9,061	127,962	640,853	(105,803)	535,050
Undistributed (loss) / income brought forward																		
- Realised		(137,967)			(24,695)			(6,658)			(3,199)			111			(172,408)	
- Unrealised		(2,256)			156			(5,971)			4,894			(84)			(3,261)	
		(140,223)			(24,539)			(12,629)			1,695			27			(175,669)	
Accounting income available for distribution:																		
- Relating to capital gains		27,174			6,148			12,641			16,184			7,126			69,273	
- Excluding capital gains		(395)			(258)			(324)			(338)			1,908			593	
		26,779			5,890			12,317			15,846			9,034			69,866	
Undistributed (loss) / income carried forward		(113,444)			(18,649)			(312)			17,541			9,061			(105,803)	
Undistributed (loss) / income carried forward																		
- Realised		(137,062)			(23,906)			(11,427)			253			1,575			(170,567)	
- Unrealised		23,618			5,257			11,115			17,288			7,486			64,764	
		(113,444)			(18,649)			(312)			17,541			9,061			(105,803)	
Net assets value per unit at beginning of the period			80.2002			84.6286			96.9868			100.2984			100.1578			
Net assets value per unit at end of the period			97.2577			101.9346			117.4894			112.2235			107.7663			

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2020

	Six months period ended																	
	31 December 2019																	
	NIAAP-VI			NIAAP-VII			NIAAP-VIII			NICPP-I			NICPP-II			Total		
Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	
(Rupees in '000)																		
Net assets at beginning of the period	369,150	(146,056)	223,094	100,645	(24,802)	75,843	415,380	(19,101)	396,279	779,107	13,564	792,671	379,249	69	379,318	2,043,531	(176,326)	1,867,205
Issue of Nil units in NIAAP-VI, NIAAP-VII, NIAAP-VIII, 95,908 units in NICPP-I, Nil units NICPP-II.																		
- Capital value	-	-	-	-	-	-	-	-	-	9,766	-	9,766	-	-	-	9,766	-	9,766
- Element of income	-	-	-	-	-	-	-	-	-	(149)	-	(149)	-	-	-	(149)	-	(149)
Total proceeds on issuance of units	-	-	-	-	-	-	-	-	-	9,617	-	9,617	-	-	-	9,617	-	9,617
Redemption of 596,073 Units in NIAAP-VI, 450,692 Units in NIAAP-VII, 2,449,237 Units in NIAAP-VIII, 4,131,191 Units in NICPP-I, 1,371,930 Units in NICPP-II.																		
- Capital value	(47,158)	-	(47,158)	(38,209)	-	(38,209)	(235,621)	-	(235,621)	(420,682)	-	(420,682)	(137,348)	-	(137,348)	(879,018)	-	(879,018)
- Element of income	1,014	(1,000)	14	374	(190)	184	1	(3,913)	(3,912)	6,128	(7,429)	(1,301)	166	(2,749)	(2,583)	7,683	(15,281)	(7,598)
Total payments on redemption of units	(46,144)	(1,000)	(47,144)	(37,835)	(190)	(38,025)	(235,620)	(3,913)	(239,533)	(414,554)	(7,429)	(421,983)	(137,182)	(2,749)	(139,931)	(871,335)	(15,281)	(886,616)
Total comprehensive income for the period	-	32,387	32,387	-	4,101	4,101	-	23,519	23,519	-	55,151	55,151	-	29,473	29,473	-	144,631	144,631
Final Distribution for the year ended 30 June 2019:	-	-	-	-	-	-	-	-	-	-	(12,000)	(12,000)	-	-	-	-	(12,000)	(12,000)
Net assets at end of the period	323,006	(114,669)	208,337	62,810	(20,891)	41,919	179,760	505	180,265	374,170	49,286	423,456	242,067	26,793	268,860	1,181,813	(58,976)	1,122,837
Undistributed (loss) / income brought forward																		
- Realised		(119,518)			(15,457)			(20,933)			32,928			10,620			(112,360)	
- Unrealised		(26,538)			(9,345)			1,832			(19,364)			(10,551)			(63,968)	
		(146,056)			(24,802)			(19,101)			13,564			69			(176,326)	
Accounting income available for distribution:																		
- Relating to capital gains	31,418			5,451			19,572			47,678			-			104,119		
- Excluding capital gains	(31)			(1,540)			34			44			26,724			25,231		
	31,387			3,911			19,606			47,722			26,724			129,350		
Total comprehensive loss for the period																		
Final Distribution for the year ended 30 June 2019:										(12,000)								(12,000)
Undistributed (loss) / income carried forward		(114,669)			(20,891)			505			49,286			26,793				(58,976)
Undistributed (loss) / income carried forward																		
- Realised		(144,167)			(26,582)			(15,348)			10,547			8,607				(166,943)
- Unrealised		29,498			5,691			15,853			38,739			18,186				107,967
		(114,669)			(20,891)			505			49,286			26,793				(58,976)
		(Rupees)			(Rupees)			(Rupees)			(Rupees)			(Rupees)				(Rupees)
Net assets value per unit at beginning of the period		79.1139			84.7782			96.2016			101.8306			100.1129				
Net assets value per unit at end of the period		93.6835			94.4319			107.9416			112.9540			111.2383				

The annexed notes 1 to 18 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 SIX MONTHS PERIOD ENDED 31 DECEMBER 2020

Note	Six months period ended 31 December 2020						Six months period ended 31 December 2019					
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total
(Rupees in '000)												
CASH FLOW FROM OPERATING ACTIVITIES												
Net income for the period before taxation	29,243	6,736	21,071	19,830	10,793	87,673	32,387	4,101	23,519	55,151	29,473	144,631
Adjustments for:												
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(23,618)	(5,257)	(11,115)	(17,288)	(7,486)	(64,764)	(29,498)	(5,691)	(15,853)	(38,739)	(18,186)	(107,967)
Capital gain / (loss) on sale of investments - net	(6,052)	(1,756)	(10,446)	(2,971)	(1,130)	(22,355)	(2,975)	1,535	(7,510)	(16,427)	1,549	(23,828)
Amortisation of preliminary expenses and floatation costs	-	-	-	-	-	-	-	-	36	126	59	221
	(427)	(277)	(490)	(429)	2,177	554	(86)	(55)	192	111	12,895	13,057
Decrease / (increase) in assets												
Investments	11,029	6,561	66,170	63,850	(19,252)	128,358	47,712	33,316	217,802	415,190	(27,845)	686,175
Profit receivable on bank deposits	(131)	(45)	(6)	83	94	(5)	12	46	145	14	1,635	1,852
Advance and other receivable	-	2	-	-	-	2	-	-	-	-	1	1
Prepayment	(2)	(6)	(3)	(3)	(3)	(17)	(3)	(3)	(3)	(3)	(3)	(15)
Receivable against sale of investments	-	-	-	-	-	-	8,500	3,000	-	-	-	11,500
	10,896	6,512	66,161	63,930	(19,161)	128,338	56,221	36,359	217,944	415,201	(26,212)	699,513
Increase / (decrease) in liabilities												
Payable to NBP Fund Management Limited - Management Company	(4)	(2)	(31)	(26)	(36)	(99)	(94)	(43)	(187)	(382)	(252)	(958)
Payable to Central Depository Company of Pakistan Limited - Trustee	1	-	(4)	(4)	4	(3)	(5)	(3)	(21)	(37)	(16)	(82)
Payable to Securities and Exchange Commission of Pakistan	(21)	(5)	(29)	(66)	(37)	(158)	(320)	(126)	(457)	(1,189)	(582)	(2,674)
Payable against redemption of units	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	(2,110)	(313)	(1,194)	(1,891)	(1,823)	(7,331)	637	64	501	1,337	678	3,217
	(2,134)	(320)	(1,258)	(1,987)	(1,892)	(7,591)	218	(108)	(164)	(271)	(172)	(497)
Net cash generated from / (used in) operating activities	8,335	5,915	64,413	61,514	(18,876)	121,301	56,353	36,196	217,972	415,041	(13,489)	712,073
CASH FLOW FROM FINANCING ACTIVITIES												
Amount received against issuance of units	-	-	-	-	-	-	-	-	-	-	-	-
Payments against redemption of units	(16,560)	(6,763)	(71,810)	(60,485)	(47,951)	(203,569)	(46,576)	(38,025)	(239,063)	(421,874)	(139,931)	(885,469)
Distributions paid	-	-	-	-	-	-	-	-	-	(2,383)	-	(2,383)
Net cash (used in) / generated from financing activities	(16,560)	(6,763)	(71,810)	(60,485)	(47,951)	(203,569)	(46,576)	(38,025)	(239,063)	(424,257)	(139,931)	(887,852)
Net increase / (decrease) in cash and cash equivalents during the period	(8,225)	(848)	(7,397)	1,029	(66,827)	(82,268)	9,777	(1,829)	(21,091)	(9,216)	(153,420)	(175,779)
Cash and cash equivalents at beginning of the period	15,513	3,636	12,118	10,730	145,111	187,108	9,125	5,631	34,159	44,806	305,472	399,193
Cash and cash equivalents at end of the period	6	7,288	2,788	4,721	11,759	78,284	104,840	18,902	3,802	13,068	35,590	152,052
												223,414

The annexed notes 1 to 18 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 THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NAFA Islamic Active Allocation Fund - II (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on 24 March 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 13 April 2017 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations 2008).
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).
- 1.3 The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange. By the year ended 30 June 2018 the Fund has offered all five plans and the offer of units was discontinued after the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the SECP after intimation to the Trustee. The maturity of NIAAP - VI, NIAAP - VII, NIAAP - VIII, NICPP - I and NICPP - II is 27 April 2019, 29 June 2019, 04 November 2019, 28 February 2020 and 27 April 2020 respectively. By the period ended 31 December 2020 NIAAP VI, NIAAP VII and NIAAP VIII have completed the initial maturity of two years on 27 April 2019, 29 June 2019 and 04 November 2019 respectively. However, the management has decided to continue the allocation plans after their initial maturity as the duration of allocation plans is perpetual. The units of the plans are transferable and can be categorised as an Open-End "Shariah Compliant Fund of Funds" as per the criteria laid down by the SECP for categorisation of Collective Investment Schemes (CIS).
- 1.4 The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of shariah compliant equity fund, income fund and money market fund. The allocation plan intends to dynamically switch between equity asset class (NAFA Islamic Active Allocation Equity Fund) and moderate risk income asset class (NAFA Active Allocation Riba Free Savings Fund) and low risk asset class (NAFA Islamic Money Market Fund) and Bank Deposits. Investors of the Fund may hold different types of Allocation Plans and may invest in any one or more of the available allocation plans. The Management Company may also invest in any other Collective Investment Schemes available to it with the prior approval of the SECP.
- 1.5 Each allocation plan under the Fund announces separate NAV which ranks pari passu according to the number of units of the respective allocation plans. The books and records of each plan have been maintained separately.
- 1.6 The Pakistan Credit Rating Agency (PACRA) has assigned and maintained an asset manager rating of 'AM1' of Management Company. The Fund has not yet been rated.
- 1.7 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as a Trustee of the Fund. The Fund property of different types of allocations plans are accounted for and maintained separately in books of accounts which collectively constitute the Fund property of the Scheme.

1.8 Impact of COVID- 19 on the condensed interim financial statements

In March 2020, the World Health Organization ("WHO") declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. The rapid spread of the virus has caused governments around the world to implement stringent measures to help control its spread, including, without limitation, quarantines, "stay-at-home" or "shelter-in-place" orders, social-distancing mandates, travel restrictions, and closures or reduced operations for businesses, governmental agencies, schools and other institutions. The industry, along with global economic conditions generally, has been significantly disrupted by the pandemic.

The COVID-19 pandemic and associated impacts on economic activity had certain effect on the operational and financial condition of the Fund for the year ended June 30, 2020 due to increase in overall credit risk pertaining to the corporate debt instruments' portfolios of mutual funds, subdued equity market performance due to overall slowdown in economic activity and continuity of business operations. However, to reduce the impact on the performance of the Fund, regulators / governments across the country have introduced a host of measures on both the fiscal and economic fronts by issuing certain circulars and notifications from time to time.

The management of the Fund is closely monitoring the situation, and in response to the developments, the management has taken action to ensure the safety of its employees and other stakeholders, and initiated a number of initiatives.

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
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

In case where requirements differ, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, and the NBFC Regulations have been followed.

2.1.1 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended 30 June 2020. However, selected explanatory notes are included to explain events and transactions that are significant for understanding changes in the Fund's financial position and performance since the last annual financial statements.

2.1.2 These condensed interim financial statements are being submitted to the unit holders as required under Regulation 38 (2) (f) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations).

2.2 New or Amendments / Interpretations to Existing Standards, Interpretation and Forthcoming Requirements

There are certain amendments which are effective from annual period beginning on or after 1 July 2020. These amendments are not likely to have an impact on the Fund's financial position. Therefore these are not stated in these condensed interim financial statements.

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

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 January 2021:

- COVID-19-Related Rent Concessions (Amendment to IFRS 16) – the International Accounting Standards Board (the Board) has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications. Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:
 - the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
 - any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
 - there is no substantive change to the other terms and conditions of the lease.
- Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 is applicable for annual financial periods beginning on or after 1 January 2021, with earlier application permitted. The amendments introduce a practical expedient to account for modifications of financial assets or financial liabilities if a change results directly from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate. A similar practical expedient will apply under IFRS 16 for lessees when accounting for lease modifications required by IBOR reform. The amendments also allow a series of exemptions from the regular, strict rules around hedge accounting for hedging relationships directly affected by the interest rate benchmark reforms. The amendments apply retrospectively with earlier application permitted. Hedging relationships previously discontinued solely because of changes resulting from the reform will be reinstated if certain conditions are met.
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

- Annual Improvements to IFRS standards 2018-2020:

The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022.

- IFRS 9 - The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per-cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
- IFRS 16 - The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
- IAS 41 - The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the annual period beginning on or after 1 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.
- Reference to the Conceptual Framework (Amendments to IFRS 3) - Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3. An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018.
- Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) - In response to concerns regarding temporary accounting mismatches and volatility, and increased costs and complexity, the Board issued amendments to IFRS 4 Insurance Contracts in 2017. The two optional solutions raised some considerations which required detailed analysis and management judgement. On the issue of IFRS 17 (Revised) Insurance Contracts in June 2020, the end date for applying the two options under the IFRS 4 amendments was extended to 1 January 2023, aligned with the effective date of IFRS 17.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.
- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after 1 January 2022. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.

The above amendments are effective from annual period beginning on or after 01 January 2021 and are not likely to have an impact on Fund's condensed interim financial statements.

2.4 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees, which is the Fund's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to the nearest thousand of rupees except otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund as at and for the year ended 30 June 2020.

4 USE OF JUDGEMENTS AND ESTIMATES

In preparing these condensed interim financial statements, management has made judgement, estimates and assumptions that affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively. Information about judgements made in applying accounting policies that have the most significant effects on the amount recognized in the condensed interim financial statements to the carrying amount of the assets and liabilities and assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment are the same as those that applied to annual financial statements as at and for the year ended 30 June 2020.

5 FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements as at and for the year ended 30 June 2020.

6 BANK BALANCES

	31 December 2020						30 June 2020					
	(Unaudited)						(Audited)					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICCP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICCP - I	NICPP - II	Total
	(Rupees in '000)						(Rupees in '000)					
In current account	6	86	94	45	834	1,065	6	1	27	218	137	389
In savings accounts	7,282	2,702	4,627	11,714	77,450	103,775	15,507	3,635	12,091	10,512	144,974	186,719
	<u>7,288</u>	<u>2,788</u>	<u>4,721</u>	<u>11,759</u>	<u>78,284</u>	<u>104,840</u>	<u>15,513</u>	<u>3,636</u>	<u>12,118</u>	<u>10,730</u>	<u>145,111</u>	<u>187,108</u>

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



- 6.1 These carry profit at the rates ranging from 5.68% to 6.65% (30 June 2020: 7.50% to 12.50%) per annum.
- 6.2 This includes cheques amounting to Rs. 0.05 million, Rs. 0.02 million, Rs. 0.808 million and Rs. 1.1 million (30 June 2020: Rs. Nil, Rs. 3.0200 million, Rs. 0.3401 million and Rs. 0.1431 million of NIAAP VII, NIAAP VIII, NICPP-I and NICPP - II respectively), issued on account of redemption of units as at year / period end.
- 6.3 These includes cheques amounting to Rs. Nil (30 June 2020: Rs. 0.0158 million and Rs. 0.0163 million) issued on account of conversion / switching of units between funds managed by the Management Company as per the instructions of units holders of the respective funds as at period end.

7 INVESTMENTS

	31 December 2020 (Un-audited)						30 June 2020 (Audited)						
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	
	(Rupees in '000)						(Rupees in '000)						
Financial assets 'at fair value through profit or loss'													
Investment in mutual funds													
-related parties	7.1	<u>146,876</u>	<u>32,587</u>	<u>66,978</u>	<u>139,721</u>	<u>49,664</u>	<u>435,826</u>	<u>128,235</u>	<u>32,135</u>	<u>111,587</u>	<u>183,312</u>	<u>21,796</u>	<u>477,065</u>

7.1 Investment in mutual funds - related parties

7.1.1 NAFA Islamic Active Allocation Plan VI

Name of Fund	As at 1 July 2020	Invested during the period	Redeemed during the period	As at 31 December 2020	Market value / carrying value as at 31 December 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	(Number of units)				(Rupees in '000)	(%)	
NBP Islamic Active Allocation Equity Fund	12,752,082	465,932	4,147,042	9,070,972	102,364	67.04	69.69
NBP Islamic Active Allocation Riba Free Savings Fund	1,715,576	4,163,087	1,549,631	4,329,032	44,512	29.15	30.31
Total	<u>14,467,658</u>	<u>4,629,019</u>	<u>5,696,673</u>	<u>13,400,004</u>	<u>146,876</u>	<u>96.19</u>	<u>100.00</u>
Carrying value before fair value adjustment as at 31 December 2020					<u>123,258</u>		

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

7.1.2 NAFA Islamic Active Allocation Plan VII

Name of Fund	As at 1 July 2020	Invested during the period	Redeemed during the period	As at 31 December 2020	Market value / carrying value as at 31 December 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	----- (Number of units) -----			(Rupees in '000)	----- (%) -----		
NBP Islamic Active Allocation Equity Fund	3,153,533	79,947	1,183,341	2,050,139	23,135	66.69	70.99
NBP Islamic Active Allocation Riba Free Savings Fund	466,455	1,188,716	735,951	919,220	9,452	27.25	29.01
Total	3,619,988	1,268,663	1,919,292	2,969,359	32,587	93.94	100.00
Carrying value before fair value adjustment as at 31 December 2020					27,330		

7.1.3 NAFA Islamic Active Allocation Plan VIII

Name of Fund	As at 1 July 2020	Invested during the period	Redeemed during the period	As at 31 December 2020	Market value / carrying value as at 31 December 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	----- (Number of units) -----			(Rupees in '000)	----- (%) -----		
NBP Islamic Active Allocation Equity Fund	10,777,680	143,914	6,658,147	4,263,447	48,112	68.16	71.83
NBP Islamic Active Allocation Riba Free Savings Fund	1,769,370	3,242,571	3,177,125	1,834,816	18,866	26.73	28.17
Total	12,547,050	3,386,485	9,835,272	6,098,263	66,978	94.89	100.00
Carrying value before fair value adjustment as at 31 December 2020					55,863		

7.1.4 NAFA Islamic Capital Preservation Plan - I

Name of Fund	As at 1 July 2020	Invested during the period	Redeemed during the period	As at 31 December 2020	Market value / carrying value as at 31 December 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	----- (Number of units) -----			(Rupees in '000)	----- (%) -----		
NBP Islamic Active Allocation Equity Fund	5,855,898	2,062,701	1,479,964	6,438,635	72,659	48.72	52.00
NBP Islamic Money Market Fund	13,186,397	1,323,783	8,025,289	6,484,891	67,062	44.97	48.00
Total	19,042,295	3,386,484	9,505,253	12,923,526	139,721	93.69	100.00
Carrying value before fair value adjustment as at 31 December 2020					122,433		

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



7.1.5 NAFA Islamic Capital Preservation Plan - II

Name of Fund	As at 1 July 2020	Invested during the period	Redeemed during the period	As at 31 December 2020	Market value / carrying value as at 31 December 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
	----- (Number of units) -----			(Rupees in '000)		----- (%) -----	
NBP Islamic Active Allocation Equity Fund	2,503,669	2,851,561	954,304	4,400,926	49,664	38.81	100.00
Total	2,503,669	2,851,561	954,304	4,400,926	49,664	38.81	100.00
Carrying value before fair value adjustment as at 31 December 2020					42,178		

7.2 Net unrealised gain on re-measurement of investments classified as financial assets at 'fair value through profit or loss'

Note	31 December 2020 (Un-audited)						31 December 2019 (Un-audited)						
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	
	----- (Rupees in '000) -----												
Market value of investments	7.1	146,876	32,587	66,978	139,721	49,664	435,826	191,336	38,755	168,532	390,380	116,134	905,137
Less: Carrying value of investments	7.1	(123,258)	(27,330)	(55,863)	(122,433)	(42,178)	(371,062)	(161,838)	(33,064)	(152,679)	(351,641)	(97,948)	(797,170)
		23,618	5,257	11,115	17,288	7,486	64,764	29,498	5,691	15,853	38,739	18,186	107,967

8 PRELIMINARY EXPENSES AND FLOTATION COSTS

	31 December 2020 (Un-audited)						30 June 2020 (Audited)					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
	----- (Rupees in '000) -----											
Opening Balance	-	-	-	-	-	-	-	-	36	157	108	301
Less: Amortisation for the period	-	-	-	-	-	-	-	-	(36)	(157)	(108)	(301)
Balance at end of the period	-	-	-	-	-	-	-	-	-	-	-	-

8.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund and are being amortised over a period of two years as per the requirements set out in the Trust Deed.

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



9	PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	31 December 2020 (Un-audited)					30 June 2020 (Audited)						
			NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
(Rupees in '000)														
	Remuneration to Management Company	9.1	8	2	4	6	72	92	14	3	17	14	127	175
	Sindh Sales Tax on management remuneration	9.2	1	-	1	1	7	10	2	1	2	2	14	21
	Allocation of expenses related to registrar services, accounting, operation and valuation services	9.3	82	18	58	128	213	499	79	18	75	145	187	504
	Sales and transfer load		391	304	-	201	668	1,564	391	304	-	201	668	1,564
	Sindh Sales Tax on sales load		51	39	-	26	87	203	51	39	-	26	87	203
	Other payable		20	15	15	25	20	95	20	15	15	25	20	95
			553	378	78	387	1,067	2,463	557	380	109	413	1,103	2,562

9.1 Under the Non-Banking Finance Companies & Notified Entities Regulations 2008, the Management Company has charged remuneration at the rate of 1.25% per annum in NIAAP - VI, NIAAP - VII and NIAAP - VIII and 1% per annum in NICPP - I and NICPP - II based on the average daily net assets of the allocation plans after deducting the market value of investment in collective investments, managed by the Management Company of the Fund.

The amount of remuneration is being paid monthly in arrears.

9.2 The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Management Company and sales load through Sindh Sales Tax on Services Act, 2011, effective from 1 July 2011. During the period, Sindh Sales Tax at the rate of 13% (30 June 2020: 13%) was charged on management remuneration and sales load.

9.3 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 from the mutual funds managed by it. Accordingly, such expense has been charged at the rate of 0.1% of average annual net assets of the Fund upto 26 October 2020, thereafter increasing the charges to 0.15%.

10	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	31 December 2020						30 June 2020						
		(Unaudited)						(Audited)						
		NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	
(Rupees in '000)														
	Trustee remuneration	10.1	9	2	4	9	11	35	8	2	8	12	7	37
	Sindh Sales Tax on Trustee remuneration	10.2	1	-	1	1	3	6	1	-	1	2	3	7
			10	2	5	10	14	41	9	2	9	14	10	44

- 10.1** Upto 30 June 2020, the Trustee was entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate 0.07% on the daily net assets value of the Fund.
- 10.2** The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011, effective from 1 July 2015. During the period, Sindh Sales Tax at the rate of 13% (30 June 2020: 13%) was charged on trustee remuneration.

11 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Under the provisions of the NBFC Regulations, a collective investment scheme categorized as an Shariah Compliant Fund of Funds is required to pay an annual fee to Securities and Exchange Commission of Pakistan, an amount equal to 0.02 percent of the average annual net assets of each respective plan. The fee is paid annually in arrears.

	31 December 2020						30 June 2020					
	(Unaudited)						(Audited)					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
	(Rupees in '000)											
Provision for Sindh Workers' Welfare Fund 12.1	1,031	193	881	1,872	819	4,796	435	55	452	1,467	599	3,008
Auditors' remuneration	111	93	113	86	42	445	154	136	142	171	140	743
Bank charges	4	28	24	18	94	168	38	29	20	5	88	180
Printing charges	30	20	58	43	69	220	34	14	26	30	54	158
Legal fee	7	-	32	29	86	154	36	43	48	48	111	286
Shariah advisor fee	19	55	26	36	18	154	39	12	45	96	37	229
Withholding tax	11	6	63	34	60	174	2,587	419	1,625	2,167	1,887	8,685
Capital gain tax	-	-	-	-	-	-	-	-	33	25	95	153
	1,213	395	1,197	2,118	1,188	6,111	3,323	708	2,391	4,009	3,011	13,442

- 12.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act.

In the repealed Companies Ordinance, 1984 and the now applicable Companies Act, 2017, mutual funds have not been included in the definition of financial institutions. The MUFAP has held the view that SWWF is applicable on asset management companies and not on mutual funds.

Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, the MUFAP recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014.

Had the provision for SWWF not been recorded in the financial statements of the Fund for the current period the net asset value of the Fund as at 31 December 2020 would have been higher by Rs. 0.6569, Rs. 0.5667, Rs. 1.4668, Rs. 1.4084 and Rs. 0.6899 per unit of NIAAP - VI, NIAAP - VII, NIAAP - VIII, NICPP - I, NICPP - II respectively (30 June 2020: Rs. 0.2489, Rs. 0.1350, Rs. 0.3607, Rs. 0.7752, Rs. 0.3679 per unit of NIAAP-VI, NIAAP-VII, NIAAP - VIII, NICPP - I, NICPP - II respectively).

13 CONTINGENCY AND COMMITMENT

There were no other contingency and commitment outstanding as at 31 December 2020 (30 June 2020: Nil).

14 TAXATION

- 14.1 The Fund's income is exempt from Income Tax as per 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 its accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders as cash dividend.

Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains / loss to the unit holders. 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. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute in cash at least 90 percent of the Fund's accounting income as per its distribution policy for the year ending 30 June 2021, if required to ensure the compliance of this clause. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

14.2 Income already paid on redemption of units

Distribution of income by collective investment schemes includes (a) the income already distributed upon redemption of units and (b) the amount of income distributed by way of cash dividend.

Open end mutual funds continuously offer issuance and redemption of units at prevailing Net Assets Value (NAV) applicable at the time of offer and redemption. The unit-holder who invests in the open end mutual fund during the year and redeems during the same year has effectively taken his due share of income for the year and the differential amount (proceeds received less original investment) is and should be treated as "distribution of profit". In case of unit holder who existed at the beginning of the year and makes redemption during the year, the amount representing his due share of income from the current year's income is and should be considered as "distribution of profit".

In few mutual funds, the said exemption has been denied by the Additional Commissioner – Audit (AC), on the ground that the amount paid as income on units redeemed by investors during the tax year cannot be treated as distribution of income as per criteria envisaged under Clause 99 of Part 1 of the Second Schedule of the Ordinance and AC due to this, commented that the distribution by the Fund fell short of 90% distribution threshold.

In response to the order, the management filed appeal with Commissioner Appeal office. The Commissioner Appeals upheld Assessment Order passed by AC. The Fund has now initiated appeal in Appellate Tribunal, which is pending adjudication.

Meanwhile, the management filed petition for stay in High Court of Sindh (SHC), and stay order has been granted by SHC. In its judgment, SHC held that since the subject matter is pending before Appellate Tribunal, therefore, the recovery of impugned demand will not be enforced till the final decision of Tribunal.

Further, the issue of distribution of income is also being contested by MUFAP on behalf of the mutual funds industry at various regulatory and Government levels and management is hopeful that the matter will be resolved soon as the matter has merely arisen due to incorrect interpretation by the relevant commissioners as to what construes as distribution of profit by an open end mutual fund. SECP agrees with MUFAP's interpretation and is also actively following up with FBR to resolve the matter at the earliest.

Based on the opinion of the tax advisor, the management believes that the fund has distributed required amount of income to be eligible for tax exemption under clause 99 of Part 1 of the Second Schedule of the Income Tax Ordinance, 2001 and hence, no provision for taxation is required to be made in these condensed interim financial statements.

15 TOTAL EXPENSE RATIO

Total expense ratio (all the expenses, including government levies, incurred during the period divided by average net asset value for the period) is 1.42%, 2.37%, 1.93%, 0.92% and 1.61% per annum of NIAAP-VI, NIAAP-VII, NIAAP-VIII, NICPP-I and NICPP-II respectively. Total expense ratio (excluding government levies) is 0.61%, 1.55%, 0.92%, 0.40% and 1.18% per annum of NIAAP-VI, NIAAP-VII, NIAAP-VIII, NICPP-I and NICPP-II respectively.

16 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

- 16.1 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 10 percent or more units of the Fund.
- 16.2 The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.
- 16.3 Remuneration to the Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.
- 16.4 The details of significant transactions and balances with connected persons at period end except those disclosed elsewhere in these condensed interim financial statements are as follows:

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



16.5 Transactions during the period:

	31 December 2020 (Un-audited)						31 December 2019 (Un-audited)					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
(Rupees in '000)												
NBP Fund Management Limited (Management Company)												
Remuneration to Management Company	65	13	35	48	519	680	94	20	101	169	1,186	1,570
Sindh Sales Tax on remuneration of Management Company	8	2	5	6	67	88	12	3	13	22	154	204
Allocation of expenses related to registrar services, accounting, operation and valuation services	77	18	45	85	71	296	98	23	117	271	152	661
Preliminary expenses and floatation costs	-	-	-	-	-	-	-	-	36	126	59	221
Central Depository Company of Pakistan Limited (Trustee)												
Remuneration to the Trustee	54	12	31	59	50	206	68	16	82	190	106	462
Sindh Sales Tax on remuneration to Trustee	7	2	4	8	6	27	9	2	11	25	14	61
Pakistan Stock Exchange (Common Directorship)												
Listing Fee paid	5	5	5	5	5	25	5	5	5	5	5	25
Employees of the Management Company												
Units redeemed: 110 units [2019: 1,935 units] (NIAAP-VI)	11	-	-	-	-	11	143	-	-	-	-	143
Dividend reinvestment : Nil units [2019: Nil units] (NIAAP-VI)	-	-	-	-	-	-	-	-	-	-	-	-
Dividend reinvestment : Nil units [2019: 130 units] (NICPP-I)	-	-	-	-	-	-	-	-	-	13	-	13
Investment in NBP Islamic Active Allocation Equity Fund												
Units purchased: 465,932 units (2019: 2,313,713 units) (NIAAP-VI)	4,700	-	-	-	-	4,700	19,029	-	-	-	-	19,029
Units purchased: 79,947 units (2019: 833,128 units) (NIAAP-VII)	-	900	-	-	-	900	-	7,031	-	-	-	7,031
Units purchased: 143,914 units (2019: 12,396,614 units) (NIAAP-VIII)	-	-	1,500	-	-	1,500	-	-	121,400	-	-	121,400
Units purchased: 2,062,701 units (2019: 14,497,130 units) (NICPP-I)	-	-	-	19,240	-	19,240	-	-	-	134,256	-	134,256
Units purchased: 2,851,561 units (2019: 7,395,756 units) (NICPP-II)	-	-	-	-	29,052	29,052	-	-	-	-	68,515	68,515
Units redeemed: 4,147,042 units (2019: 2,547,831 units) (NIAAP-VI)	42,058	-	-	-	-	42,058	24,711	-	-	-	-	24,711
Units redeemed: 1,183,341 units (2019: 3,333,743 units) (NIAAP-VII)	-	12,006	-	-	-	12,006	-	28,235	-	-	-	28,235
Units redeemed: 6,658,147 units (2019: Nil units) (NIAAP-VIII)	-	-	68,227	-	-	68,227	-	-	-	-	-	-
Units redeemed: 1,479,964 units (2019: 5,944,851 units) (NICPP-I)	-	-	-	15,200	-	15,200	-	-	-	56,973	-	56,973
Units redeemed: 954,304 units (2019: 4,663,701 units) (NICPP-II)	-	-	-	-	9,800	9,800	-	-	-	-	40,671	40,671
Investment in NBP Islamic Money Market Fund												
Units Purchased: 1,323,783 units [2019: 2,596,311 units] (NICPP - I)	-	-	-	13,500	-	13,500	-	-	-	27,644	-	27,644
Units redeemed: 8,025,289 units [2019: 50,577,179 units] (NICPP - I)	-	-	-	81,390	-	81,390	-	-	-	520,118	-	520,118
Investment in NBP Islamic Active Allocation Riba Free Savings Fund												
Units purchased: 4,163,087 units [2019: 1,530,404 units] (NIAAP VI)	42,058	-	-	-	-	42,058	16,132	-	-	-	-	16,132
Units purchased: 1,188,716 units [2019: 1,144,636 units] (NIAAP - VII)	-	12,006	-	-	-	12,006	-	11,607	-	-	-	11,607
Units purchased: 3,242,571 units [2019: Nil units] (NIAAP - VIII)	-	-	32,727	-	-	32,727	-	-	-	-	-	-
Units redeemed: 1,549,631 units [2019: 5,672,927 units] (NIAAP - VI)	15,730	-	-	-	-	15,730	58,162	-	-	-	-	58,162
Units redeemed: 735,951 units [2019: 2,308,776 units] (NIAAP - VII)	-	7,462	-	-	-	7,462	-	23,718	-	-	-	23,718
Units redeemed: 3,177,125 units [2019: 33,084,549 units] (NIAAP - VIII)	-	-	32,169	-	-	32,169	-	-	339,282	-	-	339,282
BankIslami Pakistan Limited (Common Directorship)												
Mark-up on balances	262	42	38	-	-	342	302	110	390	-	-	802
Persons holding directly or indirectly 10% or more of the units in issue / net assets of the Fund												
Behbud Association												
Units redeemed: 5,542 units [2019: Nil units] (NICPP - I)	-	-	-	593	-	593	-	-	-	-	-	-
PITC Employees Trust (Pension) Fund*												
Dividend reinvestment : 31 Dec 2019: 3,999 units] (NICPP - I)	-	-	-	-	-	-	-	-	-	401	-	401

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



16.6 Amounts outstanding as at period end:

	31 December 2020 (Un-audited)						30 June 2020 (Audited)					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
	(Rupees in '000)						(Rupees in '000)					
NBP Fund Management Limited (Management Company)												
Management remuneration payable	8	2	4	6	72	92	14	3	17	14	127	175
Sindh Sales Tax payable	1	-	1	1	7	10	2	1	2	2	14	21
Allocation of expenses related to registrar services, accounting, operation and valuation services	82	18	58	128	213	499	79	18	75	145	187	504
Sales load and transfer load payable	391	304	-	201	668	1,564	391	304	-	201	668	1,564
Sindh Sales Tax on sales load	51	39	-	26	87	203	51	39	-	26	87	203
Other payable	20	15	15	25	20	95	20	15	15	25	20	95
Employees of the Management Company												
Units held: Nil units (2020:110 units) (NIAAP-VI)	-	-	-	-	-	-	9	-	-	-	-	9
Central Depository Company of Pakistan Limited (Trustee)												
Remuneration payable	9	2	4	9	11	35	8	2	8	12	7	37
Sindh Sales Tax payable on remuneration to Trustee	1	0	1	1	3	6	1	-	1	2	3	7
NBP Islamic Active Allocation Equity Fund												
Units held: 9,070,972 units (2020: 12,752,082 units) (NIAAP-VI)	102,364	-	-	-	-	102,364	111,016	-	-	-	-	111,016
Units held: 2,050,139 units (2020:3,153,533 units) (NIAAP-VII)	-	23,135	-	-	-	23,135	-	27,453	-	-	-	27,453
Units held: 4,263,447 units (2020: 10,777,680) (NIAAP-VIII)	-	-	48,112	-	-	48,112	-	-	93,828	-	-	93,828
Units held: 6,438,635 units (2020: 5,855,898 units) (NICPP-I)	-	-	-	72,659	-	72,659	-	-	-	50,980	-	50,980
Units held: 4,400,926 units (2020: 2,503,669 units) (NICPP-II)	-	-	-	-	49,664	49,664	-	-	-	-	21,796	21,796
NBP Islamic Active Allocation Riba Free Savings Fund												
Units held: 4,329,032 units (2020: 1,715,576 units) (NIAAP-VI)	44,512	-	-	-	-	44,512	17,219	-	-	-	-	17,219
Units held: 919,220 units (2020: 466,455 units) (NIAAP-VII)	-	9,452	-	-	-	9,452	-	4,682	-	-	-	4,682
Units held: 1,834,816 units (2020: 1,769,370 units) (NIAAP-VIII)	-	-	18,866	-	-	18,866	-	-	17,759	-	-	17,759
NBP Islamic Money Market Fund												
Units held: 6,484,891 units (2020: 13,186,397 units) (NICPP-I)	-	-	-	67,062	-	67,062	-	-	-	132,332	-	132,332
BankIslami Pakistan Limited (Common Directorship)												
Bank balances	1,096	462	617	-	-	2,174	8,808	647	10,293	-	-	19,748
Profit Receivable	202	41	41	-	-	283	115	12	34	-	-	161
Persons holding directly or indirectly 10% or more of the units in issue / net assets of the Fund												
Mohammad Naeem												
Units held : 216,475 units (30 June 2020: 216,475 units) (NIAAP - VI)	21,054	-	-	-	-	21,054	17,361	-	-	-	-	17,361

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



	31 December 2020 (Un-audited)						30 June 2020 (Audited)					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
	(Rupees in '000)						(Rupees in '000)					
Global Technologies & Services												
Units held : 324,787 (30 June 2020: 324,787 units) (NIAAP - VI)	31,588	-	-	-	-	31,588	26,048	-	-	-	-	26,048
Sindh Madressah Board Quaid-e-Azam Public School **												
Units held: 162,100 units (NIAAP - VI)	15,765	-	-	-	-	15,765	-	-	-	-	-	-
Rashida Raza Kazim												
Units held: 273,434 (2020: 273,434) (NIAAP - VI)	26,594	-	-	-	-	26,594	21,929	-	-	-	-	21,929
Mrs. Saba Haleem Siddiqui												
Units held: 215,302 (2020: 215,302 units) (NIAAP - VII)	-	21,947	-	-	-	21,947	-	18,221	-	-	-	18,221
Sheikh Ejaz Masood**												
Units held : 35,525 units	-	3,621	-	-	-	3,621	-	-	-	-	-	-
Fahad Iqbal**												
Units held: 70,824 units (NIAAP - VIII)	-	-	8,321	-	-	8,321	-	-	-	-	-	-
BN Fund Account 3 Commando SSG**												
Units held : 103,689 units (NIAAP - VIII)	-	-	12,182	-	-	12,182	-	-	-	-	-	-
Battalion Fund 4 Baloch Regiment												
Units held: 242,289 units (2020: 242,289 units) (NICPP - I)	-	-	-	27,191	-	27,191	-	-	-	24,301	-	24,301
Behbud Association**												
Units held : 165,091 units	-	-	-	18,527	-	18,527	-	-	-	-	-	-
Ms. Parveen Muzaffar												
Units held : 260,181 units (2020:260,181 units) (NICPP - II)	-	-	-	-	28,039	28,039	-	-	-	-	26,059	26,059
Haseeb Iqbal*												
Units held: 30 June 2020:176,082 units (NIAAP - VIII)	-	-	-	-	-	-	-	-	17,078	-	-	17,078
Brookes Pharma Laboratory - Staff Provident Fund*												
Units held: 30 June 2020: 300,445 units (NIAAP - VIII)	-	-	-	-	-	-	-	-	29,139	-	-	29,139
The Elsaar Trust*												
Units held: 30 June 2020:189,722 units) (NICPP-I)	-	-	-	-	-	-	-	-	-	19,029	-	19,029

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

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

17 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 in 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. Quoted prices (unadjusted) in active markets for identical assets or Liabilities (level 1).

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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- 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 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

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

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



As at 31 December 2020 (Un-audited)								30 June 2020 (Audited)							
NIAAP-VI								NIAAP-VI							
Carrying value				Fair value				Carrying value				Fair value			
At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----															
On-balance sheet financial instruments															
Financial assets measured at fair value															
Investments															
Mutual funds - related parties	146,876	-	-	146,876		146,876		146,876							
Financial assets not measured at fair value															
17.1															
Bank balances	-	7,288	-	7,288				-	15,513	-	15,513				
Profit receivable on bank deposits	-	272	-	272				-	141	-	141				
	-	7,560	-	7,560				-	15,654	-	15,654				
Financial liabilities not measured at fair value															
17.1															
Payable to NBP Fund Management Limited - Management Company	-	-	553	553				-	-	557	557				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	10	10				-	-	9	9				
Accrued expenses and other liabilities	-	-	171	171				-	-	301	301				
	-	-	734	734				-	-	867	867				
As at 31 December 2020 (Un-audited)								30 June 2020 (Audited)							
NIAAP-VII								NIAAP-VII							
At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----															
On-balance sheet financial instruments															
Financial assets measured at fair value															
Investments															
Mutual funds - related parties	32,587	-	-	32,587		32,587		32,587							
Financial assets not measured at fair value															
17.1															
Bank balances	-	2,788	-	2,788				-	3,636	-	3,636				
Profit receivable on bank deposits	-	82	-	82				-	37	-	37				
Other receivable	-	6	-	6				-	8	-	8				
	-	2,876	-	2,876				-	3,681	-	3,681				
Financial liabilities not measured at fair value															
17.1															
Payable to NBP Fund Management Limited - Management Company	-	-	378	378				-	-	380	380				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	2	2				-	-	2	2				
Accrued expenses and other liabilities	-	-	196	196				-	-	234	234				
	-	-	576	576				-	-	616	616				

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



As at 31 December 2020 (Un-audited)								30 June 2020 (Audited)							
NIAAP-VIII								NIAAP-VIII							
Carrying value				Fair value				Carrying value				Fair value			
At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----															
On-balance sheet financial instruments															
Financial assets measured at fair value															
Investments															
Mutual funds - related parties	66,978	-	-	66,978		66,978	66,978	111,587	-	-	11,587		111,587		111,587
Financial assets not measured at fair value	17.1														
Bank balances	-	4,721	-	4,721				-	12,118	-	12,118				
Profit receivable on bank deposits	-	165	-	165				-	159	-	159				
Other receivable	-	6	-	6				-	6	-	6				
	-	4,892	-	4,892				-	12,283	-	12,283				
Financial liabilities not measured at fair value	17.1														
Payable to NBP Fund Management Limited - Management Company	-	-	78	78				-	-	109	109				
Payable to Central Depository Company of Pakistan Limited Trustee	-	-	5	5				-	-	9	9				
Accrued expenses and other liabilities	-	-	253	253				-	-	281	281				
	-	-	336	336				-	-	399	399				

As at 31 December 2020 (Un-audited)								30 June 2020 (Audited)							
NICPP-I								NICPP - I							
Carrying value				Fair value				Carrying value				Fair value			
At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----															
On-balance sheet financial instruments															
Financial assets measured at fair value															
Investments															
Mutual funds - related parties	139,721	-	-	139,721		139,721	139,721	183,312	-	-	183,312		183,312		183,312
Financial assets not measured at fair value	17.1														
Bank balances	-	11,759	-	11,759				-	10,730	-	10,730				
Profit receivable on bank deposits	-	61	-	61				-	144	-	144				
Other receivable	-	-	-	-				-	39	-	39				
	-	11,820	-	11,820				-	10,913	-	10,913				
Financial liabilities not measured at fair value	17.1														
Payable to NBP Fund Management Limited - Management Company	-	-	387	387				-	-	413	413				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	10	10				-	-	14	14				
Payable against redemption of units	-	-	-	-				-	-	-	-				
Accrued expenses and other liabilities	-	-	212	212				-	-	350	350				
	-	-	609	609				-	-	777	777				

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II



	As at 31 December 2020 (Un-audited)							As at 30 June 2020 (Audited)						
	Carrying value			Fair value				Carrying value			Fair value			
	At fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total	At fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----														
On-balance sheet financial instruments														
Financial assets measured at fair value														
Investments														
Mutual funds - related parties	49,664	-	49,664		49,664		49,664	21,796	-	21,796		21,796		21,796
Financial assets not measured at fair value 17.1														
Bank balances	-	78,284	78,284					-	145,111	145,111				
Profit receivable on bank deposits	-	797	797					-	891	891				
	-	79,081	79,081					-	146,002	146,002				
Financial liabilities not measured at fair value 17.1														
Payable to NBP Fund Management Limited														
- Management Company	-	1,067	1,067					-	1,103	1,103				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	14	14					-	10	10				
Payable against redemption of units	-	309	309					-	2,065	2,065				
Accrued expenses and other liabilities	-	309	309					-	430	430				
	-	1,390	1,390					-	3,608	3,608				

- 17.1 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.
- 17.2 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 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.

18 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 26 February, 2021.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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