

NBP Pakistan Growth Exchange Traded Fund



**QUARTERLY REPORT
MARCH 31, 2021**

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 Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Saad Amanullah Khan	Chairman
Ms. Mehnaz Salar	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
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Syed Hasan Irtiza Kazmi	Member
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 Shahra-e-Faisal, Karachi.

Bankers to the Fund

Habib Metropolitan Bank Limited
JS Bank Limited

Auditors

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

Legal Advisor

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

Head Office:

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

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited financial statements of **NBP Pakistan Growth Exchange Traded Fund (NBP-GETF)** for the period ended March 31, 2021.

Fund's Performance

Since inception, the unit price of NBP Pakistan Growth Exchange Traded Fund has increased from Rs.10.00 on October 06, 2020 to Rs.11.1909 on March 31, 2021, thus showing an increase of 11.9%. The Benchmark Index for the same period increased by 14.5%. Thus, the Fund has underperformed its Benchmark by 2.6% during the period under review. This performance is net of management fee and all other expenses. The size of the Fund is Rs.63 million.

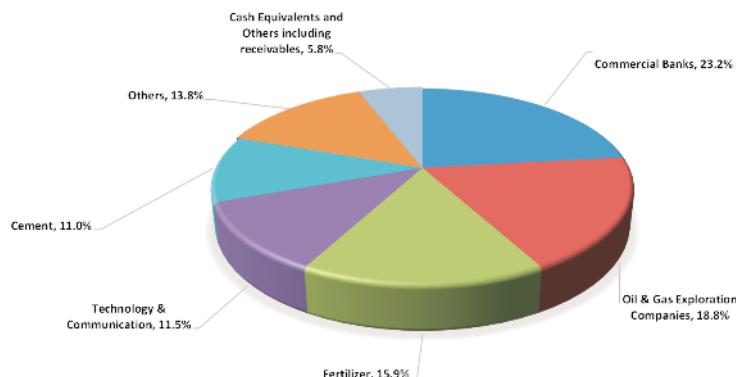
During 9MFY21, the stock market (KSE-100 Index) delivered robust return of 29.5%. This sharp market recovery was driven by attractive stock market valuations; earlier than expected lifting of business restrictions and the resultant sharp economic recovery; development of effective vaccines; and well-coordinated and decisive policy response by the monetary and fiscal authorities.

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 that allowed re-opening of the economy. The economic recovery picked-up steam as reflected by the frequently released economic data such as cement dispatches, retail fuels sales and automobile sales volume. On the policy response fronts, SBP slashed the Policy Rate by a cumulative 6.25% in a short span of time and government announced a Rs. 1.2 trillion stimulus package, equivalent to 2.8% of the GDP, which included relief for all sectors of the society including the under privileged, businesses, and the industries. External account also remained beneficiary of the Coronavirus pandemic thanks to a robust 24% growth in remittances during 8MFY21. The country posted a current account surplus of USD 881 million during 8MFY21 versus a Current Account Deficit (CAD) of USD 2.7 billion in the comparative period last year. The Extended Fund Facility (EFF) with the International Monetary Fund (IMF) that was put on hold in April last year, finally resumed, and as a result the central bank secured the IMF tranche of around USD 500 million. The resumption of IMF program allowed the country to borrow USD 2.5 billion by issuing Eurobonds in the international debt market.

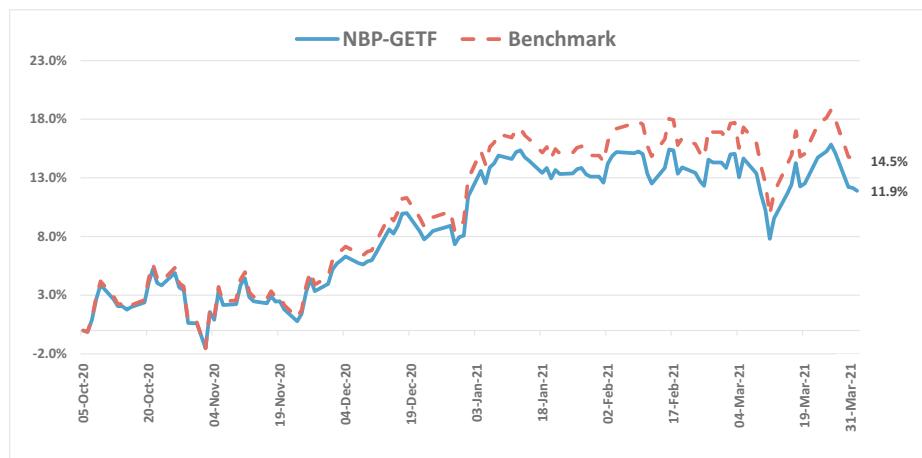
The rally at the local bourse picked up steam during 1QFY21 as value money entered the stock market. Robust economic recovery and strong earnings growth also lifted market sentiment. However, rising noise in the domestic politics surrounding the senate elections led to elevated market volatility and subdued market performance during 3QFY21. Overall, the market (KSE-100) delivered a robust 29.5% return during 9MFY21. In terms of sectoral performance, Auto Assemblers, Cements, Chemicals, Engineering, Glass & Ceramics, Oil & Gas Marketing Companies, Paper & Board, Power Generation & Distribution, Refinery, Technology, and Textile Composite sectors performed better than the market. On the contrary, Auto Parts & Accessories, Commercial Banks, Fertilizers, Food & Personal Care, Insurance, Oil & Gas Exploration, and Pharmaceuticals sectors lagged behind. On participants-wise market activity, Individuals, Companies, and Insurance Companies stood as main buyers in the market, with net inflows amounting to USD 248 million, USD 118 million and USD 53 million, respectively. On the other hand, Foreign Investors and Banks/DFIs were large sellers with net outflows of around USD 295 million and USD 91 million, respectively.

NBP Pakistan Growth Exchange Traded Fund has earned a total income of Rs. 7.431 million during the period. After incurring total expenses of Rs. 0.726 million, the net income is Rs. 6.705 million.

The asset allocation of the Fund as on March 31, 2021 is as follows:



NBP-GETF Performance versus Benchmark (Since Inception)



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive

Date: **April 30, 2021**

Place: Karachi.

Director

ڈائریکٹر رپورٹ

NBP فنڈ میجنٹ لمبیٹ کے بورڈ آف ڈائریکٹر بھی نو مارچ 2021ء کو ختم ہونے والی نوماہی کے لئے NBP پاکستان گروچا پچھنچ ٹریڈ فنڈ (NBP-GETF) کے غیر جانشی شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کا کارکردگی

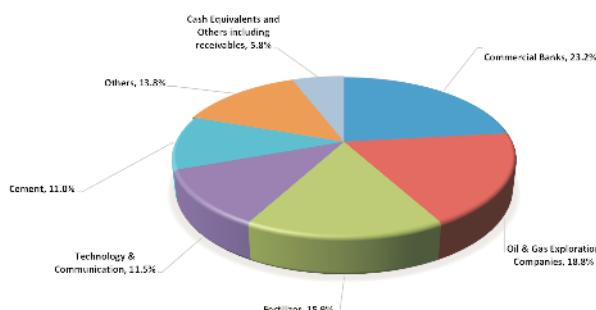
اپنے آغاز سے، NBP پاکستان گروچا پچھنچ ٹریڈ فنڈ کے یونٹ کی قیمت 06 اکتوبر 2020 کو 10.00 روپے سے 11.90 روپے تک 13 مارچ 2021 کو 11.19 روپے تک 11.9% کا اضافہ ہوا۔ اسی مدت کے لئے ٹنچ مارک اٹنڈیکس 14.5% کا اضافہ ہوا۔ لہذا، زیرِ جائزہ مدت کے دوران فنڈ نے اپنے ٹنچ مارک سے 2.6% کی ایکٹر کارکردگی دکھائی۔ فنڈ کی یکارکردگی میجنٹ فنڈ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کا سائز 63 ملین روپے ہے۔

مالی سال 21 کی نوماہی کے دوران، اسٹاک مارکیٹ (KSE-100 انڈیکس) نے 29.5 فیصد مضبوط منافع مہیا کیا۔ مارکیٹ میں یتیز تین بھالی اسٹاک مارکیٹ کی پرکشش قیمتیں، موقع سے قبل کاروباری پاپنڈیوں کے خاتمے اور اس کے نتیجے میں یتیز معاشری بھالی، موتھرے کسیوں کی تیاری، اور مالیاتی حکام کی طرف سے اچھی طرح مر بوط اور فیصلہ کن پالیسی ر عمل کی وجہ سے حاصل ہوئی۔

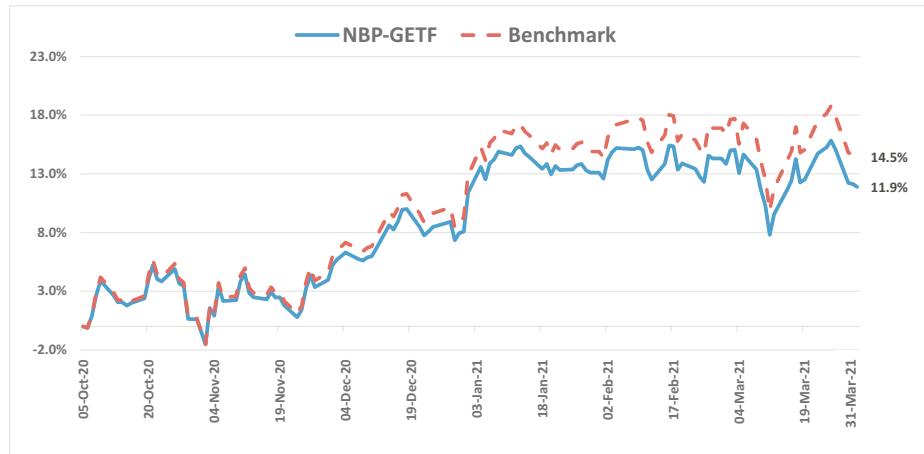
جو لاہی میں بلندی پر پہنچنے کے بعد کو یہ 19 کے فعال کیسز میں نہیاں کی؛ اموات کی شرح میں یتیزی سے کم ہو کر واحد ہندسے پر آگیا جس نے معیشت کو دوبارہ کھو لئے کی اجازت دی۔ معاشری بھالی کی رفتار یعنی تکمیل، خود را یہ صحن کی فروخت اور آٹو موبائل کے فروخت جم کے اکثر جاری کردہ معاشر امن و ثار سے ظاہر ہوتی ہے۔ پالیسی سازی کے ناظر میں، اسٹیٹ بیک آف پاکستان نے قلیل مدت میں پالیسی شرح کو مجموعی طور پر 25.6 فیصد تک کم کر دیا اور حکومت نے ایک 1.2 ٹریلین روپے کے محرك پہنچ کا اعلان کیا، جو جی ڈی پی کے 2.8 فیصد کے مساوی ہے، جس میں معاشرے کے تمام شعبوں کو ریلیف دیا گیا ہے جن میں پسمندہ افراد، کاروبار اور صنعتیں شامل ہیں۔ 8MFY21 کے دوران وباً مرض کرونا ویروس کے بدوات یونیک اکاؤنٹ پر شبت اٹھ ہوا اور تریلسات زر میں 24 فیصد اضافہ ہوا۔ ملک نے گذشتہ سال کے قابلی دورانی میں 2.7 ملین امریکی ڈالر کے کرنٹ اکاؤنٹ خسارہ (CAD) کے مقابلے میں 21 8MFY21 کے دوران 881 ملین امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلٹس درج کیا ہے۔ میں الاقوامی مالیاتی فنڈ (IMF) کے ساتھ تو سیمی فنڈ کی سہولت (EFF) جسے پہلے سال اپریل میں روک دیا گیا تھا، آخر کار دوبارہ شروع ہوئی، اور اس کے نتیجے میں مرکزی بینک نے آئی ایف سے قریباً 500 ملین ڈالر کی رقم حاصل کی۔ آئی ایف پر گرام کے دوبارہ آغاز سے میں الاقوامی ڈیٹ مارکیٹ میں یوروبانڈز جاری کر کے ملک کو 2.5 ارب ڈالر قرض لینے کا موقع ملا۔

مالی سال 21 کے دوران مقامی اسٹاک مارکیٹ کی بھالی میں یتیزی آئی کیونکہ اسٹاک مارکیٹ میں قابل قدر قم کا امداد ج ہوا۔ مضبوط معاشری بھالی اور مضبوط آمنی میں اضافے نے بھی مارکیٹ کو سوساہنہ تباہم، سینیٹ انتخابات کے گردمقای سیاست میں بڑھتی ہوئی آوازوں کے باعث مارکیٹ میں اتارچ چڑھا دیا ہوا اور 3QFY21 کے دوران مارکیٹ کی کارکردگی میں کمی واقع ہوئی۔ مجموعی طور پر، 9MFY21 کے دوران مارکیٹ (KSE-100) نے 29.5 فیصد کا مضبوط منافع ظاہر کیا۔ شعبیہ وار کارکردگی کے لحاظ سے، آٹو سیمبلر، یونیکل، یونیکل، انجینئرنگ، گلاس اور سرکس، آئکل اینڈ گیس مارکیٹ کمپنیاں، پیپر اینڈ بورڈ، پاور جزیل بینڈ ڈسٹری یوشن، ریپاکسزی، یونیل اوچی، اور یونیکل کپوزٹ سیمبلر نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ اس کے بر عکس، آٹو پارٹس اور الواس مات، کرشل بینک، کھاد، خوراک اور ذاتی گھبداشت، انٹرونس، تیل اور گیس کی تلاش اور دوسرا سازی کے شعبے پیچھے ہے۔ شرکاء کے لحاظ سے مارکیٹ سرگرمی پر، افراد، کمپنیاں اور انٹرونس کمپنیاں مارکیٹ میں بالترتیب 248 ملین امریکی ڈالر، 118 ملین امریکی ڈالر اور 53 ملین امریکی ڈالر کے ساتھ خالص خریدار رہے۔ دوسری طرف، غیر یکلی سرمایہ کار اور بینک DFIs بالترتیب 295 ملین امریکی ڈالر اور 91 ملین امریکی ڈالر خالص اخراج کے ساتھ ہرے فروخت کنندگان رہے۔

NBP پاکستان گروچا پچھنچ ٹریڈ فنڈ نے اس مدت کے دوران 7.431 ملین روپے کی مجموعی آمنی کمائی۔ 0.726 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمنی 6.705 ملین روپے ہے۔ درج ذیل چارٹ 31 مارچ 2021 کو فنڈ کی ایس ایم کیشن کے تمام درجنوں کی پیمائش شدہ اوسط کریڈٹ رینگ پیش کرتا ہے:



کی کارکردگی م مقابلہ بخش مارک NBP-GETF



امہار تکمیر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے منجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکر یاد کرتا ہے۔ یہ یکورٹیز اینڈ ایچیجن کمیشن آف پاکستان اور ایمیٹ پینک آف پاکستان کی سروپتی اور رہنمائی کے لئے ان کے ملخص روایہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور ٹریکی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج ٹھیں ہیں جیسی ریکارڈ پر لانا چاہتا ہے۔

منجمنٹ بورڈ آف ڈائریکٹر
NBP نیشنل منجمنٹ لیمیٹڈ

ڈائریکٹر

چیف ایگزیکیوٹو

تاریخ: 30 اپریل 2021ء

مقام: کراچی

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2021

	(Un-audited)	
	March 31, 2021	
	Note	(Rupees in '000)
ASSETS		
Bank balances		2,944
Investments		59,362
Dividend receivable		1,003
Other receivables		63
Total assets	4	63,372
LIABILITIES		
Payable to NBP Fund Management Limited - Management Company		66
Payable to Central Depository Company of Pakistan Limited - Trustee		6
Payable to the Securities and Exchange Commission of Pakistan		6
Accrued expenses and other liabilities		289
Total liabilities		367
NET ASSETS		63,005
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		63,005
CONTINGENCIES AND COMMITMENTS	6	
		Number of units
NUMBER OF UNITS IN ISSUE		5,630,000
		Rupees
NET ASSET VALUE PER UNIT		11.1909

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE PERIOD FROM OCTOBER 6, 2020 TO MARCH 31, 2021

	For the period from October 06, 2020 to March 31, 2021	Quarter ended March 31, 2021
	Note	----(Rupees in '000)----
INCOME		
Profit on bank deposits	77	45
Dividend income	2,560	1,278
	2,637	1,323
Gain on sale of investments - net	911	864
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	3,847	283
	<u>4,758</u>	<u>1,147</u>
Total income	<u>7,395</u>	<u>2,470</u>
EXPENSES		
Remuneration of NBP Fund Management Limited - Management Company	218	117
Sindh Sales Tax on remuneration of the Management Company	28	15
Remuneration of Central Depository Company of Pakistan Limited - Trustee	29	16
Sindh Sales Tax on remuneration of the Trustee	4	2
Annual fee of the Securities and Exchange Commission of Pakistan	6	3
Securities transaction cost	22	21
Auditors' remuneration	177	90
Legal and professional charges	13	6
Settlement and bank charges	81	28
Printing charges	11	10
Total operating expenses	<u>589</u>	<u>308</u>
Net income from operating activities	<u>6,806</u>	<u>2,162</u>
Provision against Sindh Workers' Welfare Fund	5	(137)
		(46)
Element of income / (losses) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	36	121
Net income for the period before taxation	<u>6,705</u>	<u>2,237</u>
Taxation	7	-
Net income for the period after taxation	<u>6,705</u>	<u>2,237</u>
Accounting income available for distribution:		
- Relating to capital gains	4,758	1,147
- Excluding capital gains	1,947	1,090
	<u>6,705</u>	<u>2,237</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD FROM OCTOBER 6, 2020 TO MARCH 31, 2021

	For the period from October 06, 2020 to March 31, 2021	Quarter ended March 31, 2021
(Rupees in '000)		
Net income for the period after taxation	6,705	2,237
Other comprehensive income for the period	-	-
Total comprehensive income for the period	6,705	2,237

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE PERIOD FROM OCTOBER 6, 2020 TO MARCH 31, 2021

For the period from October 06, 2020 to March 31, 2021		
Capital value	Undistributed income	Total
----- (Rupees in '000) -----		

Issuance of 5,760,000 units

- Capital value (at net asset value per unit at the commencement of the Fund)
- Element of Income

Total proceeds on issuance of units

57,600	-	57,600
198	-	198
57,798	-	57,798

Redemption of 130,000 units

- Capital value (at net asset value per unit at the commencement of the Fund)
- Element of loss

Total payments on redemption of units

(1,300)	-	(1,300)
(162)	-	(162)
(1,462)	-	(1,462)

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

(36) - (36)

Total comprehensive income for the period

- 6,705 6,705

Net assets at end of the period (un-audited)

56,300 6,705 63,005

Accounting income available for distribution:

- Relating to capital gains
- Excluding capital gains

4,758
1,947
6,705

Undistributed income carried forward

6,705

Undistributed income carried forward:

- Realised income
- Unrealised income

2,858
3,847
6,705

Net assets value per unit at end of the period

(Rupees)

11.1909

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD FROM OCTOBER 6, 2020 TO MARCH 31, 2021

For the period
from October 06,
2020 to March
31, 2021

(Rupees in '000)

CASH FLOWS FROM OPERATING ACTIVITIES

Net income for the period before taxation	6,705
Adjustments	
Profit on bank deposits	(77)
Dividend income	(2,560)
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	(3,847)
Element of income / (losses) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	(36)
Provision against Sindh Workers' Welfare Fund	137
	(6,383)
(Increase) in assets	
Prepayments and other receivables	(63)
Investments - net	(55,515)
	(55,578)
Increase in liabilities	
Payable to NBP Fund Management Limited - Management Company	66
Payable to Central Depository Company of Pakistan Limited - Trustee	6
Payable to the Securities and Exchange Commission of Pakistan	6
Accrued expenses and other liabilities	152
	230
Dividend income received	1,557
Profit received on bank deposits	77
Net cash (used) in operating activities	(53,392)

CASH FLOWS FROM FINANCING ACTIVITIES

Amount received against issuance of units	57,798
Amount paid against redemption of units	(1,462)
Net increase in cash and cash equivalents during the period	2,944
Cash and cash equivalents at the end of the period	2,944

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NOTES TO AND FORMING PART OF THIS CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE PERIOD FROM OCTOBER 6, 2020 TO MARCH 31, 2021

1 **LEGAL STATUS AND NATURE OF BUSINESS**

NBP Pakistan Growth Exchange Traded Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on June 8, 2020 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 2, 2020.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorized as an open ended exchange traded mutual fund that aims to provide investors an opportunity to track the performance of NBP Pakistan Growth Index that has been constituted and is maintained by the Management Company and comprises of 15 equity securities selected with high consideration towards market capitalisation and traded value.

The Fund is a hybrid fund having features of both open ended and close ended funds. A new concept of Authorised Participants (APs) has been introduced who will act as market makers. The Management Company will only have contact with the APs for issuance and redemption of units. The units of the Fund are tradeable in the Pakistan Stock Exchange Limited (PSX). The APs to whom the units are issued may either keep the units with themselves or trade in the PSX. Consequently, upon trading, the holders of the units keep on changing. Moreover, on issuance and redemption of units, the basket of shares will be exchanged between APs and Management Company and cash will be paid / received if there is a difference in the market value of shares and net asset value.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM1 as at June 24, 2020 to the Management Company. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.

The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

These are the first condensed interim financial statements of the Fund for the period from October 6, 2020 to March 31, 2021 therefore, comparative figures have not been included.

2 **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 applicable in Pakistan for interim financial reporting comprise of:

- International Financial Reporting Standards (IFRS) 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) and requirements of the Trust Deed.

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2021.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 3.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the half yearly reviewed financial statements of the Fund for the period ended December 31, 2020.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2020 that have a material effect on the financial statements of the Fund.

4 INVESTMENTS

(Unaudited)
March 31, 2021
Note --(Rupees in '000)--

At fair value through profit or loss
Quoted equity securities

4.1 59,362

4.1 Investments in equity securities - listed

Shares of listed companies - fully paid up ordinary shares with a face value of Rs. 10 each unless otherwise stated.

Name of the Investee Company	Number of shares held				Market value	Net assets of the Fund	Total market value of investments	Holding as a percentage of paid-up capital of investee company
	Purchased during the period	Bonus / right shares received during the period	Sold during the period	As at March 31, 2021				
----- % -----								
OIL AND GAS MARKETING COMPANIES								
Pakistan State Oil Company Limited	24,592	-	6,576	18,016	4,155	6.59%	7.00%	0.004%
					4,155	6.59%	7.00%	
OIL AND GAS EXPLORATION COMPANIES								
Oil and Gas Development Company Limited *	50,560	-	5,520	45,040	4,577	7.26%	7.71%	-
Pakistan Oilfields Limited *	6,912	-	156	6,756	2,567	4.07%	4.32%	-
Pakistan Petroleum Limited *	58,656	-	4,608	54,048	4,720	7.49%	7.95%	-
					11,863	18.83%	19.98%	
FERTILIZERS								
Engro Corporation Limited *	17,808	-	2,044	15,764	4,372	6.94%	7.36%	-
Engro Fertilizer Limited *	41,968	-	3,684	38,284	2,389	3.79%	4.02%	-
Fauji Fertilizer Company Limited *	32,240	-	1,275	30,965	3,236	5.14%	5.45%	-
					9,996	15.87%	16.84%	
CEMENT								
Lucky Cement Limited *	9,192	-	747	8,445	6,905	10.96%	11.63%	-
					6,905	10.96%	11.63%	
POWER GENERATION & DISTRIBUTION								
The Hub Power Company Limited *	57,576	-	1,276	56,300	4,568	7.25%	7.70%	-
					4,568	7.25%	7.70%	
COMMERCIAL BANKS								
Meezan Bank Limited *	20,672	-	2,656	18,016	2,039	3.24%	3.43%	-
Habib Bank Limited *	39,736	-	889	38,847	4,513	7.16%	7.60%	-
MCB Bank Limited *	19,536	-	2,083	17,453	3,005	4.77%	5.06%	-
Bank Alfalah Limited *	49,280	-	49,280	-	-	0.00%	0.00%	-
Bank ALHabib Limited *	28,796	-	646	28,150	1,831	2.91%	3.08%	-
United Bank Limited *	29,888	-	2,864	27,024	3,214	5.10%	5.41%	-
					14,602	23.18%	24.60%	
TECHNOLOGY & COMMUNICATION								
TRG Pakistan Limited	49,192	-	774	48,418	7,273	11.54%	12.25%	0.009%
					7,273	11.54%	12.25%	
Total - March 31, 2021					59,362	94.22%	100.00%	
Carrying value as at March 31, 2021					55,515			

* Nil figure due to rounding off difference.

5 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 8.1 to the half yearly reviewed financial statements of the Fund for the period ended December 31, 2020.

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund for the period from October 6, 2020 to March 31, 2021, the net asset value per unit of the Fund as at March 31, 2021 would have been higher by Re 0.024 per unit.

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at March 31, 2021.

7 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realized or unrealized, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the period ending June 30, 2021 to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these condensed interim financial statements during the period.

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

8 TOTAL EXPENSE RATIO

The annualized total expense ratio (TER) of the Fund based on the current period is 1.81% which includes 0.44% representing Government Levy, Sindh Worker's Welfare Fund and the SECP Fee. The prescribed limit for the ratio is 2.5% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorized as an "Index" scheme.

9 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

9.1 Connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, 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, directors and their close family members and key management personnel of the Management Company.

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

9.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

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

9.5 Details of transactions with related parties / connected persons during the period are as follows:

(Un-audited)

For the period from
October 06, 2020 to
March 31, 2021

(Rupees in '000)

NBP Fund Management Limited - Management Company

Remuneration of NBP Fund Management Limited - Management Company	218
Sindh Sales Tax on remuneration of the Management Company	28
Payments made by the Management Company on behalf of Fund	20

Central Depository Company of Pakistan Limited - Trustee

Remuneration of Central Depository Company of Pakistan Limited - Trustee	29
Sindh Sales Tax on remuneration of the Trustee	4
Settlement charges	70

The Hub Power Company Limited - common directorship*

Purchase of 57,576 shares	4,445
Sale of 1,276 shares	110
Dividend income	209

Fauji Fertilizer Company Limited - common directorship*

Purchase of 32,240 shares	3,417
Sale of 1,275 shares	139
Dividend income	185

JS Global Capital Limited - unit holder with more than 10% holding*

Units purchased during the period: 5,180,000	51,968
Units redeemed during the period: 130,000	1,462

9.6 Amounts / balances outstanding as at period end are as follows

(Un-audited)

As at March 31,
2021

(Rupees in '000)

NBP Fund Management Limited - Management Company

Remuneration of the Management Company	41
Sindh Sales Tax on remuneration of the Management Company	5
Other payable to Management Company	20

Central Depository Company of Pakistan Limited - Trustee

Remuneration payable to the Trustee	5
Sindh Sales Tax payable on Trustee remuneration	1
Settlement charges payable	25

The Hub Power Company Limited - common directorship*

Shares held - 38,847 shares	4,513
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Fauji Fertilizer Company Limited - common directorship*

Shares held - 30,965 shares	3,236
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JS Global Capital Limited - unit holder with more than 10% holding*

Units held: 5,050,000 units	56,514
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* These are transactions involving shares of related parties held as part of portfolio of the Fund.

10 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue by the Board of Directors of the Management Company on **April 30, 2021**.

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

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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Scheme No.5, Clifton, Karachi.

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