



Managing Your Savings

NBP Fund Management Limited



NBP STOCK FUND

HALF YEARLY REPORT
DECEMBER 31, 2022

AM1
Rated by PACRA



MISSION STATEMENT

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



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FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Tauqeer Mazhar	Director
Ms. Mehnaz Salar	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Saad Amanullah Khan	Director
Mr. Ruhail Muhammad	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Saad Amanullah Khan	Member

Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Mr. Tauqeer Mazhar	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Khalid Mansoor	Member

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block "B" S.M.C.H.S.,
Main Shakra-e-Faisal, Karachi.

Bankers to the Fund

MCB Bank Limited
JS Bank Limited
Meezan Bank Limited
Habib Bank Limited
United Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Askari Bank Limited
Habib Metropolitan Bank Limited
Allied Bank Limited
National Bank of Pakistan
Samba Bank Limited
Zarai Taraqiati Bank Limited



Auditors

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

Legal Advisor

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

Head Office:

7th Floor Clifton Diamond Building, Block No. 4,
Scheme No. 5, Clifton Karachi.
UAN: 021 (111-111-632),
(Toll Free): 0800-20002,
Fax: (021) 35825329
Website: www.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
Fax: 051-4859031

Peshawar Office:

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

Multan Office:

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



DIRECTORS' REPORT

The Board of Directors of **NBP Fund Management Limited** is pleased to present the reviewed financial statements of **NBP Stock Fund (NSF)** for the half year ended December 31, 2022.

Fund's Performance

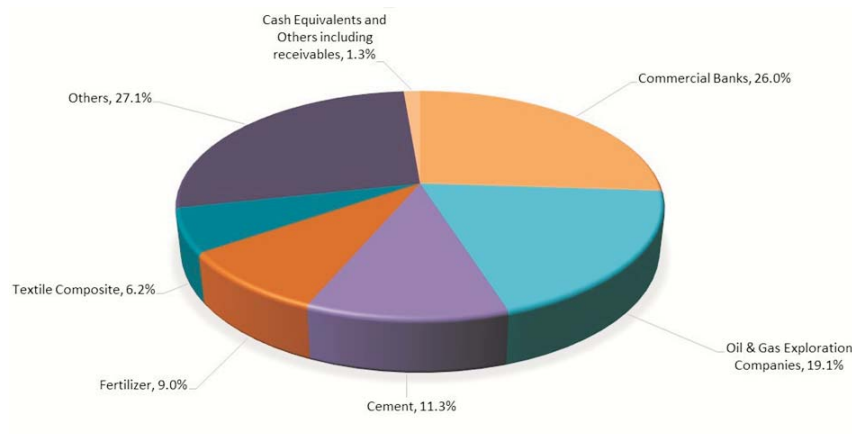
During 1HFY23, the equity market performance remained lackluster, as the benchmark KSE-100 Index fell by 1,120 points, translating into a modest decline of 2.7% for the period. During the period, the market remained jittery and the Index exhibited large swings on both sides driven by the news-flow.

Notwithstanding the strong set of pre-tax results declared by listed corporate space for June & September period, stock market performance remained muted due to frail investor confidence. Although current account was brought under control as Current Account Deficit (CAD) stood at merely USD 3.7 billion down from USD 9.1 billion a year ago, the burgeoning foreign debt repayments took a toll on external account. Since IMF program faced delays & external inflows dried up significantly; SBP's FX reserves nose-dived from USD 9.8 billion to USD 5.6 billion on account of contractual loan repayments. Amid dwindling FX reserves, PKR continued to depreciate as it fell by PKR 21.6 to settle at 226.43 (drop of 10.5%) at December-22 end, which also dented sentiments. Unprecedented rains led to flash floods in the country and resulted in massive devastation that further worsened economic outlook. GDP estimates were trimmed down to 2% from 3-4% and inflation expectations were also revised upwards by the central bank. Inflation which was already on an ascent due to commodity upcycle and retail fuel & power prices adjustments, further ratcheted up as acute supply disruptions & shortages put more pressure on prices. Average inflation clocked in at around 25% in 1HFY23 that prompted the central bank to further raise Policy Rates by 225 basis points during the period. Political uncertainty also remained elevated during the period, due to the long march by PTI during which a failed assassination attempt was made on PTI chief. Furthermore, indications were made to dissolve provincial assemblies where PTI was in power, which further amplified political noise and stirred uncertainty.

In terms of sector wise performance, Cements, Oil & Gas Exploration Companies, Oil & Gas Marketing Companies, Power Generation & Distribution, Sugar & Allied Industries, Technology & Communication, and Transport sectors outperformed the market. On the other hand, Auto Assemblers, Auto Parts & Accessories, Cable & Electrical Goods, Chemicals, Engineering, Food & Personal Care, Glass & Ceramics, Paper & Board, Pharmaceutical, Refinery & Textile Composite sectors lagged the market. On participants-wise market activity, Banks/DFIs and Individual emerged the largest net buyers with inflows of around USD 50 million and USD 48 million, respectively. On the contrary, Mutual Funds & Insurance lowered their net holdings by around USD 64 million and USD 63 million, respectively.

The size of NBP Stock Fund has decreased from Rs. 13,668 million to Rs 10,768 million during the period, i.e., a decrease of 21%. During the period, the unit price of NBP Stock Fund (NSF) has decreased from Rs. 13.7966 on June 30, 2022 to Rs. 13.0205 on December 31, 2022, thus showing a decrease of 5.6%. The Benchmark for the same period decreases by 0.9%. Thus, the Fund has underperformed its Benchmark by 4.7% during the period under review. Since inception the NAV of the Fund has increased from Rs. 2.6860 (Ex-Div) on January 19, 2007 to Rs 13.0205 on December 31, 2022, thus showing an increase of 384.8%. During the said period, the Benchmark increased by 97.3%, translating into outperformance of 287.5%. This performance is net of management fee and all other expenses.

NBP Stock Fund has incurred a loss of Rs. 393.16 million during the period. After incurring total expenses of Rs. 317.86 million, the net loss is Rs. 711.02 million. The asset allocation of the Fund as on December 31, 2022 is as follows:



NSF Performance versus Benchmark



Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive Officer

Director

Date: February 21, 2023
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ میجمنٹ کمیٹی کے بورڈ آف ڈائریکٹرز بصد مسرت 31 دسمبر 2022ء کو ختم ہونے والی ششماہی کے لئے NBP اسٹاک فنڈ (NSF) کے جائزہ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

مالی سال 2023 کی پہلی ششماہی کے دوران ایکویٹی مارکیٹ کی کارکردگی سست رہی، جیسا کہ بیچ مارک KSE-100 انڈیکس میں 1,120 پوائنٹس کمی واقع ہوئی، جس کے نتیجے میں اسی مدت کے لیے 2.7 فیصد کمی معمولی کمی واقع ہوئی۔ مدت کے دوران، مارکیٹ اتار چڑھاؤ کا شکار رہی اور انڈیکس خروں کے باعث دونوں اطراف میں ہی گھومتا رہا۔

اگرچہ لٹھ کارپوریٹ نے جون اور ستمبر کی مدت کے لیے قبل از ٹیکس مستحکم نتائج کا اعلان کیا، لیکن سرمایہ کاروں کے کمزور اعتماد کی وجہ سے اسٹاک مارکیٹ کی کارکردگی ساکن رہی۔ اگرچہ کرنٹ اکاؤنٹ کو کنٹرول کر لیا گیا کیونکہ کرنٹ اکاؤنٹ خسارہ (CAD) ایک سال پہلے 9.1 بلین امریکی ڈالر سے کم ہو کر محض 3.7 بلین امریکی ڈالر رہ گیا، غیر ملکی قرضوں کی بڑھتی ہوئی ادائیگیوں نے بیرونی اکاؤنٹ پر اثر ڈالا۔ چونکہ آئی ایم ایف پروگرام کو تازہ کرنا پڑا اور بیرونی رقم کی آمد نمایاں طور پر کم ہو گئیں۔ معاہدے کے تحت قرض کی ادائیگیوں کی وجہ سے اسٹیٹ بینک پاکستان کے FX ذخائر 9.8 بلین امریکی ڈالر سے کم ہو کر 5.6 بلین امریکی ڈالر تک رہ گئے۔ کم ہوتے ذخائر کے ساتھ ساتھ، پاکستانی روپیہ مسلسل گرتا رہا، اور 21.6 پاکستانی روپیہ سے گر کر 226.43 (10.5 فیصد کمی) پر آ گیا، جس سے معاشی جذبات کو بھی نقصان پہنچا۔ غیر معمولی بارشوں کی وجہ سے ملک میں سیلاب آیا، جس کے نتیجے میں بڑے پیمانے پر تباہی ہوئی اور تقریباً 30 بلین امریکی ڈالر کا اقتصادی نقصان ہوا۔ اس نے معاشی نقطہ نظر کو مزید خراب کر دیا، کیونکہ GDP کے تخمینے کو 3-4 فیصد سے کم کر کے 2 فیصد کر دیا گیا تھا اور مرکزی بینک کی طرف سے افراط زر کی توقعات پر بھی نظر ثانی کی گئی۔ مہنگائی جو کہ اجناس کی قیمتوں میں اضافے کی وجہ سے پہلے ہی عروج پر تھی، سپلائی میں شدید رکاوٹ اور نقلت کی وجہ سے قیمتوں پر مزید دباؤ بڑھ گیا۔ اوسط مہنگائی تقریباً 25 فیصد تک پہنچ گئی جو کہ دہائیوں کی بلند ترین سطح پر تھی جس نے مرکزی بینک کو اس مدت کے دوران پالیسی ریٹ میں مزید 225 ہیز پوائنٹس کا اضافہ کرنے پر مجبور کر دیا۔ پی ٹی آئی کی جانب سے لانگ مارچ کے اعلان جس میں پی ٹی آئی کے سربراہ چاقا تھانہ حملے کا کام کو شش کی گئی، اس عرصے کے دوران سیاسی بے یقینی بھی برقرار رہی۔ مزید برآں، ان صوبائی اسمبلیوں کو تحلیل کرنے کے اشارے دیے گئے جہاں پی ٹی آئی کی حکومت تھی، جس نے سیاسی گہما گہمی کو مزید بڑھا دیا اور غیر یقینی صورتحال کو ختم دیا۔

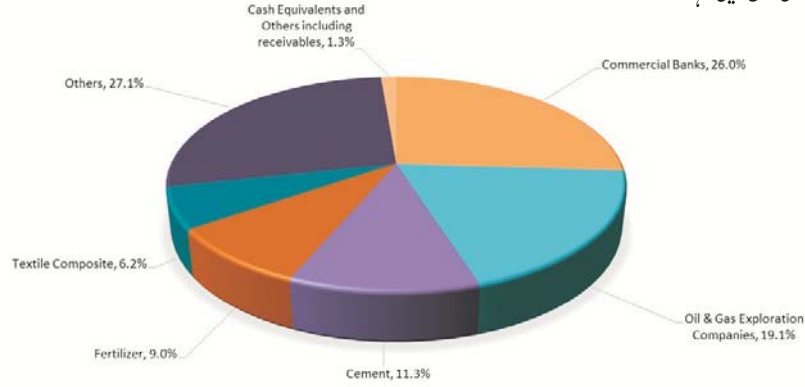
سیکٹرز اور کارکردگی کے لحاظ سے سیمینٹس، آئل اینڈ گیس ایکسپلوریشن کمپنیاں، آئل اینڈ گیس مارکیٹنگ کمپنیاں، پاور جنریشن اور ڈسٹری بیوشن، شوگر اینڈ الیٹھ اینڈ سٹریز، بیکننا لوجی اور کمیونیکیشن اور ٹرانسپورٹ کے شعبوں نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ دوسری جانب آٹو اسمبلرز، آٹو پارٹس اینڈ سیپریز، کیبل اینڈ الیکٹریکل اشیا، کمپیوٹرز، انجینئرنگ، خوراک اور ذاتی نگہداشت، گلاس اینڈ سٹراکس، پیپر اینڈ بورڈ، فارماسیوٹیکل، ریفرنسز اور ٹیکسٹائل کمپوزٹ کے شعبے مارکیٹ میں پیچھے رہے۔ شرکاء کے لحاظ سے مارکیٹ کی سرگرمیوں پر پینکس / DFIs اور انفرادی سرمایہ کار بالترتیب 50 بلین امریکی ڈالر اور 48 بلین امریکی ڈالر کی آمد کے ساتھ سب بڑے خالص خریدار رہے۔ اس کے برعکس، میویو جیل فنڈز اور انشورنس نے اپنی خالص ہولڈنگز کو بالترتیب 64 بلین امریکی ڈالر اور 63 بلین امریکی ڈالر سے کم کیا۔

اس مدت کے دوران NBP اسٹاک فنڈ (NSF) کا سائز 13,668 ملین روپے سے کم ہو کر 10,768 ملین روپے ہو گیا ہے، یعنی 21% کمی ہوئی۔ اس مدت کے دوران NBP اسٹاک فنڈ (NSF) کے یونٹ کی قیمت 30 جون 2022 کو 13.7966 روپے سے کم ہو کر 31 دسمبر 2022 کو 13.0205 روپے تک پہنچ چکی ہے، لہذا 5.6% کمی ہوئی۔ اسی مدت کے دوران بیچ مارک 0.9% سے کم ہوا۔ لہذا فنڈ نے زیر جائزہ مدت کے دوران اپنے بیچ مارک سے 4.7% کی اتار کارکردگی کا مظاہرہ کیا۔ اپنے قیام کے وقت سے لے کر اب تک اس فنڈ کی NAV 19 جنوری 2007 کو 2.6860 روپے (Ex-Div) سے بڑھ کر 31 دسمبر 2022 کو 13.0205 روپے ہو گئی، یعنی 384.8% کا اضافہ ہوا۔ مذکورہ بالا مدت کے دوران بیچ مارک 97.3% سے بڑھا، لہذا اب تک فنڈ نے 287.5% کی بہتر کارکردگی کا مظاہرہ کیا۔ یہ کارکردگی میجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

NBP اسٹاک فنڈ کو اس مدت کے دوران 393.16 ملین روپے کا نقصان ہوا۔ 317.86 ملین روپے کے اخراجات منہا کرنے کے بعد خالص نقصان 711.02 ملین روپے ہے۔



31 دسمبر 2022 کو فنڈ کی ایسٹ ایبلویشن درج ذیل ہے:



NSF کی کارکردگی بمقابلہ بیس مارک



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر ریونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے خلص رویہ کا بھی اعتراف کرتا ہے۔

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

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 21 فروری 2023ء

مقام: کراچی



TRUSTEE REPORT TO THE UNIT HOLDERS

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

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Stock Fund (the Fund) are of the opinion that NBP Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 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 27, 2023



REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of NBP Stock Fund (the Fund) as at December 31, 2022, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim statement of cash flow and notes to and forming part of the condensed interim financial statements for the half year ended December 31, 2022 (here-in-after referred to as the 'condensed interim financial statements'). NBP Fund Management Limited (the Management Company) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

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

Conclusion

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

Other matter

The figures of the condensed interim income statement and condensed interim statement of comprehensive income, for the quarter ended December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2022.

Yousuf Adil
Chartered Accountants

Engagement Partner
Nadeem Yousuf Adil

Place: Karachi
Date: February 27, 2023

UDIN: RR202210091oNG1JShOf



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2022

	Note	(Un-audited) December 31, 2022 ----- (Rupees in '000) -----	(Audited) June 30, 2022
Assets			
Bank balances	4	97,878	461,917
Investments	5	10,753,590	13,322,576
Dividend and profit receivables		877	5,122
Receivable against sale of investments		39,841	18,968
Receivable from funds under management by Management Company against conversion of units		2,056	1,349
Advance, deposits and prepayment		7,204	7,337
Total assets		10,901,446	13,817,269
Liabilities			
Payable to NBP Fund Management Limited - Management Company	6	83,854	98,947
Payable to Central Depository Company of Pakistan Limited - Trustee	7	1,200	1,385
Payable to Securities and Exchange Commission of Pakistan	8	1,319	3,647
Payable against purchase of investment		-	-
Payable against redemption of units		4,736	4,660
Accrued expenses and other liabilities	9	42,100	41,014
Total liabilities		133,209	149,653
Net assets		10,768,237	13,667,616
Unit holders' fund (as per statement attached)		10,768,237	13,667,616
Contingency and commitment	10		
		(Number of units)	
Number of units in issue		827,019,414	990,648,156
		(Rupees)	
Net assets value per unit		13.0205	13.7966

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2022

	Note	Half year ended		Quarter ended	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Rupees in '000					
Income					
Dividend income		583,574	743,728	323,092	443,781
(loss) / gain on sale of investments - net		(8,893)	(215,871)	(29,271)	(202,649)
Income from government securities		36,778	14,394	17,901	5,556
Profit on bank deposits		8,090	8,712	3,890	3,184
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.3	(1,012,705)	(818,014)	(671,153)	378,696
Total (loss) / income		(393,156)	(267,051)	(355,541)	628,568
Expenses					
Remuneration of NBP Fund Management Limited - Management Company	6.1	164,211	152,277	78,738	73,286
Sindh Sales Tax on remuneration of the Management Company	6.2	21,347	19,796	10,235	9,527
Remuneration to Central Depository Company of Pakistan Limited - Trustee	7.1	7,097	10,682	3,414	5,151
Sindh Sales Tax on remuneration of Trustee	7.2	923	1,389	444	670
Annual fee - Securities and Exchange Commission of Pakistan	8	1,319	2,035	633	979
Reimbursement of operational expenses to the Management Company	6.3	13,185	19,625	6,323	9,797
Reimbursement of selling and marketing expenses	6.4	102,184	206,297	49,006	100,415
Auditors' remuneration		520	494	260	256
Securities transaction cost		5,844	10,812	3,546	6,689
Settlement and bank charges		929	892	464	446
Listing fee		14	14	7	7
Professional charges		91	255	46	215
Mutual fund rating fee		147	133	74	66
Printing and other charges		50	50	25	25
Total expenses		317,861	424,751	153,215	207,529
Net (loss) / income from operating activities		(711,017)	(691,802)	(508,756)	421,039
Reversal / (Provision) for Sindh Workers' Welfare Fund	9.1	-	210,624	-	-
Net (loss) / income for the period before taxation		(711,017)	(481,178)	(508,756)	421,039
Taxation	11	-	-	-	-
Net (loss) / income for the period		(711,017)	(481,178)	(508,756)	421,039
Allocation of Net income for the period:					
Net income for the period		-	-	-	-
Income already paid on units redeemed		-	-	-	-
Accounting income available for distribution		-	-	-	-
- Relating to capital gains		-	-	-	-
- Excluding capital gains		-	-	-	-
		-	-	-	-

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

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

Chief Financial Officer

Chief Executive Officer

Director



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2022

	Half year ended		Quarter ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	----- Rupees in '000 -----			
Net (loss) / income for the period	(711,017)	(481,178)	(508,756)	421,039
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	(711,017)	(481,178)	(508,756)	421,039

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Half year ended	
	December 31, 2022	December 31, 2021
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period before taxation	(711,017)	(481,178)
Adjustments for:		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	1,012,705	818,014
	301,688	336,836
Decrease / (increase) in assets		
Investments - net	1,556,281	1,396,412
Dividend and profit receivable	4,245	503
Receivable against sale of investments	(20,873)	(81,115)
Receivable from funds under management by Management Company against conversion of units	(707)	
Advances, deposit and prepayment	133	149,892
	1,539,079	1,465,692
(Decrease) / increase in liabilities		
Payable to NBP Fund Management Limited -Management Company	(15,093)	(2,726)
Payable to Central Depository Company of Pakistan Limited - Trustee	(185)	(238)
Payable to Securities and Exchange Commission of Pakistan	(2,328)	(1,597)
Payable against purchase of investments - net	-	99,752
Payable against redemption of units	76	-
Accrued expenses and other liabilities	1,086	(238,530)
	(16,444)	(143,339)
Net cash generated from operating activities	1,824,323	1,659,189
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received on issue of units	922,103	3,966,499
Payments against redemption of units	(3,110,466)	(5,861,701)
Net cash used in financing activities	(2,188,363)	(1,895,202)
Net (decrease) / increase in cash and cash equivalents during the period	(364,039)	(236,013)
Cash and cash equivalents at beginning of the period	461,917	660,437
Cash and cash equivalents at end of the period	97,878	424,424

4

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The NBP Stock Fund (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 Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on 01 December 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 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 No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is also the member of (MUFAP).
- 1.3 The Fund is an open-ended mutual fund classified as an "equity scheme" by the Management Company as per the criteria for categorization of open end collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP) and other allied matters and is listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.4 The core objective of the Fund, is to provide investors with long term capital growth from an actively managed portfolio invested primarily in listed companies in Pakistan.
- 1.5 The Pakistan Credit Rating Agency Limited (PACRA) has assigned and maintained an asset manager rating of AM1' of Management Company and has assigned performance rating of '4-Star' (2021: '3-Star') to the Fund.
- 1.6 Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.7 During the year ended June 30, 2021 the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on October 18, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

This condensed interim financial information has been prepared, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards 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 ; and
- The requirements of the Trust Deed , the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The "NBFC Regulation") and the directives issued by the SECP.

Wherever provisions of and directives issued under the Companies Act , 2017 ,the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulation or the directives issued by the SECP differ with the requirements of the IAS 34, the provisions of and directives issued under the Companies Act, 2017, requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

- 2.1.1** The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements does not include all the information and disclosures required in a full set of financial statements and, therefore, should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2022.
- 2.1.2** In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2022.

2.2 Basis of Measurement

'These condensed interim financial statements have been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

2.3 Functional and presentation currency

These condensed interim financial statements has been presented in Pak Rupees, which is the functional and presentation currency of the Fund.

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

The principal accounting policies applied in the preparation of this condensed interim financial statements as set out below:

- 3.1** The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited financial statements of the Fund for the year ended June 30, 2022.
- 3.2** The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires the management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.
- 3.3** There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2022 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in this condensed interim financial information.
- 3.4** The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2022.

	Note	(Un-audited) December 31, 2022 ----- (Rupees in '000) -----	(Audited) June 30, 2022
4 BANK BALANCES			
In current accounts		1,424	1,424
In savings accounts	4.1	96,454	460,493
		<u>97,878</u>	<u>461,917</u>



4.1 These carry a rate of return ranging from 7.00% to 17.65% (30 June 2022: 6.50% to 17.25%) per annum.

5	INVESTMENTS	Note	(Un-audited)	(Audited)
			31 December 2022	30 June 2022
			----- (Rupees in '000) -----	
Financial assets at fair value through profit or loss				
	Listed equity securities	5.1	10,630,621	13,322,576
	Market Treasury Bills	5.2	122,969	-
			10,753,590	13,322,576

5.1 Investment in listed equity securities

All shares have a nominal face value of Rs.10 each except for the shares of Thal Limited, Dynea Pakistan Limited, Shabbir Tiles and Ceramics Limited and Agriauto Industriues Limited which have a face value of Rs.5.

Name of the Investee Company	As at July 01, 2022	Purchases during the period	Bonus Shares issued during the period	Right shares purchased / subscribed during the period	Sales during the period	As at December 31, 2022	Market value /carrying value as at December 31, 2022	Market value as a percentage of net assets	Market value as a percentage of total investment	Percentage of the paid up capital of the investee company held
						(Rupees in '000)		(%)		
Oil and Gas Exploration Company										
Pakistan Oilfields Limited	660,614	14,884	-	-	205,640	459,858	180,655	1.68	1.68	0.16
Pakistan Petroleum Limited	7,495,497	1,649,000	-	-	297,289	8,847,208	602,849	5.60	5.61	0.33
Man Petroleum Company Limited	521,017	-	-	-	61,189	459,828	711,335	6.61	6.61	0.34
Oil & Gas Development Company Limited	6,863,880	936,227	-	-	806,083	6,994,024	557,144	5.17	5.18	0.16
	15,531,008	2,600,111	-	-	1,370,201	16,760,918	2,051,983	19.06	19.06	0.99
Oil and Gas Marketing Company										
Pakistan State Oil Company Limited	2,077,959	124,000	-	-	355,336	1,846,623	265,895	2.47	2.47	0.39
Attock Petroleum Limited	149,470	-	32,648	-	182,117	1	-	-	-	-
Hascol Petroleum Limited	4,073	-	-	-	-	4,073	23	-	-	-
	2,231,502	124,000	32,648	-	537,453	1,850,697	265,918	2.47	2.47	0.39
Fertilizer										
Engro Corporation Limited	1,843,428	205,455	-	-	183,000	1,865,883	488,880	4.54	4.55	0.32
Fauji Fertilizer Bin Qasim Company Limited	12,495,345	-	-	-	5,848,500	6,646,845	101,896	0.95	0.95	0.51
Fauji Fertilizer Company Limited	3,032,447	765,000	-	-	-	3,797,447	374,846	3.48	3.49	0.30
	17,371,220	970,455	-	-	6,031,500	12,310,175	965,622	8.97	8.99	1.13
Chemical										
Engro Polymer & Chemicals Limited	4,108,656	260,226	-	-	2,427,492	1,941,390	82,160	0.76	0.76	0.21
Dynea Pakistan Limited	19,000	-	-	-	-	19,000	2,945	0.03	0.03	0.10
I.C.I. Pakistan Limited	132,400	-	-	-	5,600	126,800	81,474	0.76	0.76	0.14
Lotte Chemical Pakistan Limited	5,862,352	538,125	-	-	5,449,357	951,120	24,634	0.23	0.23	0.06
	10,122,408	798,351	-	-	7,882,449	3,038,310	191,213	1.78	1.78	0.51
Automobile Parts and Accessories										
Agriautos Industries Limited	7,000	4,000	2,750	-	-	13,750	1,180	0.01	0.01	0.05
Thal Limited	294,089	-	-	-	33,500	260,589	50,362	0.47	0.47	0.32
Baluchistan Wheels Limited	87,000	-	-	-	-	87,000	6,162	0.06	0.06	0.65
Panther Tyres Limited	4,478,559	-	-	-	541,500	3,937,059	81,576	0.76	0.76	2.34
	4,866,648	4,000	2,750	-	575,000	4,298,398	139,280	1.30	1.30	3.36
Cement										
D.G. Khan Cement Company Limited	-	-	-	-	-	-	-	-	-	-
Lucky Cement Limited	892,991	38,300	-	-	381,396	549,895	245,572	2.28	2.28	0.17
Maple Leaf Cement Factory Limited	2,895,825	90,000	-	-	2,985,823	2	0	-	-	-
Attock Cement Pakistan Limited	1,958,800	30,500	-	-	-	1,989,300	112,495	1.04	1.05	1.45
Fecio Cement Limited	243,200	-	-	-	-	243,200	4,263	0.04	0.04	0.48
Fauji Cement Company Limited	6,417,000	1,935,500	940,875	-	3,330,000	5,963,375	71,680	0.67	0.67	0.43
Kohat Cement Company Limited	5,135,920	192,154	-	-	23,554	5,304,520	783,478	7.28	7.29	2.64
	17,543,736	2,286,454	940,875	-	6,720,773	14,050,292	1,217,488	11.31	11.33	5.17

NBP STOCK FUND



NBP FUNDS
Managing Your Savings

Name of the Investee Company	As at July 01, 2022	Purchases during the period	Bonus Shares issued during the period	Right shares purchased / subscribed during the period	Sales during the period	As at December 31, 2022	Market value (carrying value as at December 31, 2022)	Market value as a percentage of net assets	Market value as a percentage of total investment	Percentage of the paid up capital of the investee company held
	(Number of shares)					(Rupees in '000)	(%)			
Paper and Board										
Roshan Packages Limited	1,494,500	60,500	-	-	-	1,555,000	17,012	0.16	0.16	1.10
	1,494,500	60,500	-	-	-	1,555,000	17,012	0.16	0.16	1.10
Automobile Assembler										
Al-Ghazi Tractors Limited	6,000	5,900	-	-	-	11,900	3,784	0.04	0.04	-
Honda Atlas Cars (Pakistan) Limited	188,705	-	-	-	188,705	-	-	-	-	-
Milat Tractors Limited	133,815	-	13,428	-	147,240	3	2	-	-	-
	328,520	5,900	13,428	-	335,945	11,903	3,786	0.04	0.04	-
Pharmaceuticals										
Abbot Laboratories (Pakistan) Limited	86,700	-	-	-	14,250	72,450	33,567	0.31	0.31	0.07
AGP Limited	322,034	-	-	-	23,750	298,284	19,385	0.18	0.18	0.11
Citi Pharma Limited	1,857,186	-	-	-	287,000	1,570,186	37,920	0.35	0.35	0.69
GlaxoSmithKline Consumer Healthcare Pakistan Limited	8,600	-	-	-	-	8,600	1,410	0.01	0.01	0.01
The Searle Company Limited	1,286,382	-	321,596	-	158,861	1,449,117	85,310	0.79	0.79	0.46
	3,560,902	-	321,596	-	483,861	3,398,637	177,591	1.64	1.64	1.34
Engineering										
Aisha Steel Mills Limited	6,233,669	-	-	-	390,000	5,843,669	47,977	0.45	0.45	0.76
International Industries Limited	330,800	-	-	-	320,943	9,857	746	0.01	0.01	0.01
International Steels Limited	125,066	-	-	-	125,066	-	-	-	-	-
Mughal Iron and Steel Industries Limited	7,248,469	248,518	-	-	425,399	7,071,588	341,628	3.17	3.18	2.11
	13,938,004	248,518	-	-	1,261,408	12,925,114	390,351	3.63	3.64	2.88
Textile Composite										
Azgard Nine Limited (Non-voting)	806,400	-	-	-	-	806,400	5,645	0.05	0.05	0.16
Crescent Textile Mills Limited	40,000	-	-	-	-	40,000	515	-	-	0.04
Gul Ahmed Textile Mills Limited	5,635,107	1,157,857	-	-	-	6,792,964	167,379	1.55	1.56	1.32
Interloop Limited	2,541,402	-	33,079	-	2,529,143	45,338	2,568	0.02	0.02	0.01
Kohinoor Textile Mills Limited	7,328,019	846,500	-	-	126,500	8,048,019	380,269	3.53	3.54	2.69
Nishat Chunian Limited	1,391,244	-	-	-	1,391,244	-	-	-	-	-
Nishat Mills Limited	2,176,118	120,104	-	-	222,741	2,073,481	114,021	1.06	1.06	0.59
	19,918,290	2,124,461	33,079	-	4,269,628	17,806,202	670,397	6.21	6.23	4.81
Food and Personal Care Products										
Al-Shaheer Corporation Limited	23,475	-	-	-	-	23,475	239	-	-	0.01
At-Tahur Limited	4,920	90,000	9,492	-	-	104,412	1,784	0.02	0.02	0.05
Shezan International Limited	5,830	-	-	-	-	5,830	864	0.01	0.01	0.06
	34,225	90,000	9,492	-	-	133,717	2,888	0.03	0.03	0.12
Technology and Communication										
Avanceon Limited	26,943	-	-	-	-	26,943	1,779	0.02	0.02	0.01
Pakistan Telecommunication Company Limited	2,352,500	-	-	-	2,352,500	-	-	-	-	-
System Limited	1,903,427	-	-	-	665,254	1,238,173	599,169	5.56	5.57	0.90
	4,282,870	-	-	-	3,017,754	1,265,116	600,968	5.58	5.59	0.91
Power Generation and Distribution										
Lalpir Power Limited	5,506,500	-	-	-	1,264,500	4,242,000	64,161	0.60	0.60	1.12
Nishat Chunian Power Limited	1,367,000	765,083	-	-	1,389,500	742,583	10,567	0.10	0.10	0.20
PAKGEN Power Limited	703,500	-	-	-	118,000	585,500	17,565	0.16	0.16	0.16
The Hub Power Company Limited	7,391,275	688,000	-	-	976,875	7,102,400	448,019	4.16	4.17	0.55
	14,968,275	1,453,083	-	-	3,748,875	12,672,483	540,333	5.02	5.03	2.03
Commercial Banks										
Allied Bank Limited	829,601	-	-	-	493,000	336,601	21,532	0.20	0.20	0.03
Askani Bank Limited	1,300,000	4,356,000	-	-	-	5,656,000	113,686	1.06	1.06	0.45
Bank Al-Falah Limited	20,148,865	766,829	-	-	1,579,757	19,335,937	582,785	5.41	5.42	1.09
Bank Al-Habib Limited	10,086,269	314,796	-	-	945,453	9,455,612	522,706	4.85	4.86	0.85
Bank Of Punjab Limited	6,666,188	-	-	-	6,578,500	87,688	401	-	-	-
Faysal Bank Limited	8,771,038	323,000	-	-	5,971,184	3,122,854	80,666	0.75	0.75	0.21
Habib Bank Limited	11,508,233	-	-	-	172,505	11,335,728	722,426	6.71	6.72	0.77
Habib Metropolitan Bank Limited	2,115,500	248,500	-	-	-	2,364,000	80,258	0.75	0.75	0.23
MCB Bank Limited	6,461	-	-	-	-	6,461	751	0.01	0.01	-
United Bank Limited	7,040,355	60,000	-	-	387,387	6,712,968	676,332	6.28	6.29	0.55
	68,472,510	6,069,125	-	-	16,127,786	58,413,849	2,801,542	26.02	26.06	4.18
Insurance										
Adanjee Insurance Company Limited	356,500	-	-	-	-	356,500	10,043	0.09	0.09	0.10
IGI Holdings Limited	321,100	-	-	-	14,300	306,800	29,146	0.27	0.27	0.22
TPL Insurance Limited	2,496,500	-	874,475	-	35,000	3,337,975	55,911	0.52	0.52	2.85
	3,176,100	-	874,475	-	49,300	4,001,275	95,100	0.88	0.88	3.17



Name of the Investee Company	As at July 01, 2022	Purchases during the period	Bonus Shares issued during the period	Right shares purchased / subscribed during the period	Sales during the period	As at December 31, 2022	Market value (carrying value as at December 31, 2022)	Market value as a percentage of net assets	Market value as a percentage of total investment	Percentage of the paid up capital of the investee company held	
											(Number of shares)
Exchange Traded Funds											
NBP Pakistan Growth Exchange Traded Fund	4,900,000	-	-	-	-	4,900,000	48,656	0.45	0.45	81.40	
Glass and Ceramics											
Ghani Value Glass Limited	11,625	-	-	-	11,625	-	-	-	-	-	
Shabbir Tiles and Ceramics Limited	10,619,000	144,500	-	-	-	10,763,500	92,566	0.86	0.86	4.50	
Tariq Glass Industries Limited	2,193,893	57,000	493,752	-	379,444	2,365,201	154,022	1.43	1.43	1.72	
	12,824,518	201,500	493,752		391,069	13,128,701	246,588	2.29	2.29	6.22	
Cable and Electric Goods											
Pak Elektron Limited	5,732,680	-	-	-	1,644,500	4,088,180	52,942	0.49	0.49	0.82	
Transport											
Pakistan International Bulk Terminal Limited	22,718,500	50,500	-	-	-	22,769,000	107,925	1.00	1.00	1.27	
Leather & Tanneries											
Service Global Footwear Limited	2,439	-	-	-	2,439	-	-	-	-	-	
Shipping Corporation											
PAKISTAN NATIONAL SHIPPING CORPORATION	-	423,000	-	-	-	423,000	43,040	0.40	0.40	0.03	
Total - 31 December 2021	244,018,855	17,509,958	2,722,094		54,449,941	209,800,966	10,630,621	98.73	98.88	121.83	
Carrying value before fair value adjustment as at 31 December 2022							11,643,420				

5.1.1 Investments include shares with market value of Rs. 163.424 million (30 June 2022: Rs. 176.243 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular number 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan.

5.1.2 The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has led a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemption given to mutual funds under clause 47B and 99 of Second Schedule of Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. Accordingly, the investee company(s) has withheld the shares equivalent to 5% of bonus announcement amounting to Rs. 8.988 million (30 June 2022: 8.988 million) and not deposited in CDC account of department of Income Tax.

5.2 Investment in government securities

Issue date	Tenor	Face value				Market value as at December 31, 2022	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2022	Purchases during the period	Sales / matured during the period	As at December 31, 2022			

Market Treasury Bills

28 April 2022	3 Months	-	400,000	400,000	-	-	-	-
10 February 2022	6 Months	-	400,000	400,000	-	-	-	-
02 June 2022	3 Months	-	250,000	250,000	-	-	-	-
10 March 2022	6 Months	-	377,500	377,500	-	-	-	-
10 March 2022	6 Months	-	250,000	250,000	-	-	-	-
10 March 2022	6 Months	-	50,000	50,000	-	-	-	-



Issue date	Tenor	Face value				Market value as at December 31, 2022	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2022	Purchases during the period	Sales / matured during the period	As at December 31, 2022			
30 June 2022	3 Months	-	607,500	607,500	-	-	-	
14 July 2022	3 Months	-	607,500	607,500	-	-	-	
28 July 2022	3 Months	-	535,000	535,000	-	-	-	
28 July 2022	3 Months	-	100,000	100,000	-	-	-	
11 August 2022	3 Months	-	635,000	635,000	-	-	-	
25 August 2022	3 Months	-	160,000	160,000	-	-	-	
25 August 2022	3 Months	-	200,000	200,000	-	-	-	
03 November 2022	3 Months	-	150,000	150,000	-	-	-	
17 November 2022	3 Months	-	500,000	500,000	-	-	-	
17 November 2022	3 Months	-	125,000	-	125,000	122,969	1.16	
						<u>122,969</u>	<u>1.16</u>	<u>1.16</u>
Carrying value before fair value adjustment as at 31 December 2022						<u>122,875</u>		

5.3 Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'

Market value of investments	5.1 & 5.2	10,753,590	17,975,965
Less: carrying value of investments	5.1 & 5.2	(11,766,295)	(18,793,979)
		<u>(1,012,705)</u>	<u>(818,014)</u>

6 PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management remuneration	6.1	24,350	28,514
Sindh Sales Tax on management remuneration	6.2	3,163	3,705
Sales load and others		687	670
Transfer Load Payable		289	-
Reimbursement of operational expenses to the Management Company	6.3	6,323	7,544
Reimbursement of selling and marketing expenses	6.4	49,005	58,464
ADC charges including Sindh Sales Tax		36	50
		<u>83,854</u>	<u>98,947</u>

6.1 As per regulation 61 of the Non-Banking Finance Companies & Notified Entities Regulations 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration 2% of the average annual net assets of the Fund during the period ended December 31, 2022.

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



6.3 In accordance with clause 60(s) of Non-Banking Finance Companies and Notified Entities Regulations, 2008 the management company is allowed to charge "fees and expenses related to registrar services, accounting, operation and valuation services related to CIS maximum up to 0.1% of average annual net assets of the Fund or actual whichever is less" from the mutual funds managed by it. On 20 June 2019 SECP vide S.R.O. 639 (I)/2019 has substitute clause (s) of sub regulation 3 of regulation 60 and accordingly has removed cap charging 0.1% per annum of average daily net asset on account of fee and expenses related to registrar services, accounting, operation and valuation services. During the period ended 31 December, 2021, the Management Company has charged allocated expenses at the rate of 0.15% of average daily net assets till 25 July 2021 and with effect from 26 July 2021, the Management Company has revised its rate to 0.20% of the average annual net assets of the Fund.

6.4 In accordance with circular 11 of 2019 dated 5 July 2019, issued by SECP with respect to charging selling and marketing expense. During the period ended 31 December 2022, the Management Company has charged selling and marketing expenses 1.55% of the average annual net assets of the Fund.

Period	Rate per annum
1 July 2019 to 11 July 2019	0.4% of net assets or actual expenses whichever is lower.
12 July 2019 to 16 December 2019	1.15% of net assets or actual expenses whichever is lower.
17 December 2019 to 10 May 2019	1.35% of net assets or actual expenses whichever is lower.
11 May 2020 to 26 October 2020	1.5% of net assets or actual expenses whichever is lower.
27 October 2020 to 25 January 2021	1.9% of net assets or actual expenses whichever is lower.
1 July 2021 to 19 September 2021	2% of net assets or actual expenses whichever is lower.
20 September 2021 onwards	2.05% of net assets or actual expenses whichever is lower.

	Note	(Un-audited)	(Audited)
		31 December 2022	30 June 2022
		----- (Rupees in '000) -----	
7	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE		
	Trustee remuneration	7.1	1,062
	Sindh Sales Tax on Trustee remuneration	7.2	138
			1,838
			239
		1,200	2,077

7.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund as stated below under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets value of the Fund:

Net assets	Tariff per annum
Upto Rs. 1,000 million	0.20% per annum of net assets
On an amount exceeding Rs. 1,000 million	Rs. 2.0 million plus 0.10% per annum of net assets exceeding Rs. 1,000 million

The remuneration is paid to the Trustee monthly in arrears.

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



8 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Under the provisions of the NBFC Regulations, a collective scheme categorized as an equity scheme is required to pay an annual fee to SECP at an amount equal to 0.02 percent per annum of the average net assets of the Fund. The fee is paid annually in arrears.

		(Un-audited) 31 December 2022	(Audited) 30 June 2022
	Note	----- (Rupees in '000) -----	
9 ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund	9.1	-	-
Federal Excise Duty on management remuneration	9.2	32,183	32,183
Federal Excise Duty on sales load		3,904	3,904
Auditors' remuneration		504	671
NCCPL		109	582
Brokerage fee		2,269	-
Settlement charges		390	164
Withholding tax		134	517
Capital gain tax		203	73
Printing charges		105	600
Legal fees		86	46
Time barred cheques		917	141
Bank charges		81	917
Others		1,216	1,216
		42,100	41,014

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

9.2 The status of Federal Excise Duty (FED) is same as disclosed in annual financial statements for the year ended 30 June 2022. Since the appeal is pending in the Supreme Court of Pakistan, the Management Company as a matter of abundant caution has retained provision for FED on management fee aggregating to Rs. 32.713 million out of which Rs. 0.530 million have been paid to the Management Company (30 June 2022: 32.713 million) . Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Rs. 0.0389 (30 June 2022: Rs. 0.0325) per unit.

10 CONTINGENCY AND COMMITMENT

There were no contingencies and commitments as at December 31, 2022 and June 30, 2022.



11 TAXATION

11.1 The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. Furthermore, regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains 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. Since, the Management Company intends to distribute its accounting income as per its distribution policy for the year ending 30 June 2023 to the unit holders. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

12 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 4.83% (December 31, 2021: 4.18%) which includes 0.36% (December 31, 2021: 0.23%) representing government levy including sales tax and the SECP fee. The prescribed limit for the ratio is 4.5% (December 31, 2021: 4.5%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

13 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS AND RELATED PARTIES

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

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

13.3 Remuneration of the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

13.4 The details of significant transactions carried out by the Fund with connected persons and balances with them at period end are as follows:

13.5 Transactions during the period:	(Unaudited) Half year ended	
	December 31, 2022	December 31, 2021
	Rupees in '000	
NBP Fund Management Limited		
- Management Company		
Remuneration of NBP Fund Management Limited - Management Company	164,211	152,277
Sindh Sales Tax on remuneration to Management Company	21,347	19,796
Reimbursement of operational expenses to the Management Company	13,185	19,625
Reimbursement of selling and marketing expenses	102,184	206,297
Sales load and others	2,560	1,949
ADC charges including sindh sales tax	15	14
Units redeemed / transferred out: 11,483,947 units (2021: Nil units)	151,866	-



	(Unaudited) Half year ended	
	December 31, 2022	December 31, 2021
	Rupees in '000	
Employees of the Management Company		
Units issued / transferred in: 1,325,667 units (2021: 2,913,348 units)	18,732	46,000
Units redeemed / transferred out: 1,309,073 units (2021: 3,321,162 units)	18,648	52,523
Dr. Amjad Waheed - Chief Executive Officer		
Units issued / transferred in: 4,546 units (2021: 429,064 units)	62	7,001
Units redeemed / transferred out: 2,757 units (2021: Nil units)	39	-
Mr. Haider Amjad - Shareholder of Management Company		
Units issued / transferred in: 144,374 units (2021: 124,300 units)	2,101	1,924
Units redeemed / transferred out: 152,090 units (2021: 168,256 units)	2,115	2,685
Mr. Khalid Mehmood - Chief Financial Officer		
Units issued / transferred in: 68 units (2021: 970 units)	1	16
Units redeemed / transferred out: Nil units (2021: 170,173 units)	-	2,669
Mr. Humayun Bashir - Director		
Units issued / transferred in: Nil (2021: 1,644,350 units)	-	26,204
Units redeemed / transferred out: Nil (2021: 599,840 units)	-	9,000
Central Depository Company of Pakistan Limited - Trustee		
Trustee Remuneration	7,097	10,682
Sales tax on remuneration to Trustee	923	1,389
CDC charges	288	288
National Fullerton Asset Management Employee Provident Fund		
Provident Fund of Management Company		
Units issued / transferred in: 696,556 units (2021: 381,469 units)	9,465	6,186
Units redeemed / transferred out: 851,562 units (2021: 359,554 units)	11,677	5,724
Ms. Rohma Amjad- Shareholder of Management Company		
Units issued / transferred in: Nil (2021: 135 units)	-	2
Units redeemed / transferred out: Nil (2021: Nil units)	-	-
Taurus Securities Limited- Subsidiary of Parent Company		
Brokerage charges	516	809
International Steels Limited- Common Directorship		
Shares Purchased : Nil (2021: 340,000 shares)	-	34,513
Shares Sold : Nil (2021: 1,737,199 shares)	-	127,836
Dividend income	-	12,160
Telenor Microfinance Bank Limited- Common Directorship		
Mark-up on bank balances	-	-
Bank Islami Pakistan Limited- Common Directorship		
Mark-up on bank balances	-	20



		(Unaudited) Half year ended	
		December 31, 2022	December 31, 2021
		Rupees in '000	
Khushhali Microfinance Bank Limited- Common directorship			
Mark-up on bank balances		-	-
Portfolio managed by Management Company			
Units issued: 10,502,159 (2021: 62,155,647 units)		145,988	1,010,066
Units redeemed: 14,382,597 (2021: 63,626,169 units)		195,183	1,031,330
**CDC Trustee - Punjab Pension Fund Trust (10% or more unit holding)			
Units issued: 18,136,316 (2021: 18,136,316 units)		291,800	291,800
*The Hub Power Company Limited- Common directorship			
Shares Purchased: Nil shares (2021: Nil shares)		-	-
Shares Sold: Nil shares (2021: Nil shares)		-	-
Dividend income		-	-
Fauji Fertilizer Company Limited- Common directorship			
Shares Purchased: Nil (2021: 940,085 shares)		-	95,283
Shares Sold: Nil (2021: 965,004 shares)		-	97,396
Dividend income		-	23,918
Gul Ahmed Textile Mills Limited- Common Directorship			
Shares Purchased: 530,485 shares (2021: 1,300,000 shares)		7,500	71,356
Shares Sold: 5,754,190 (2021: 911,500 shares)		77,250	47,375
Dividend income		-	-
*National Clearing Company of Pakistan Limited- Common Directorship			
NCCPL Charges		-	540
Units issued: 277,942 units (2021: 277,942 units)		-	4,338
Units redeemed: 584,207 (2021: 548,207 units)		-	9,318
*Pakistan Stock Exchange Limited- Common Directorship			
Listing fee paid		-	-
		(Unaudited)	(Audited)
13.6	Amount outstanding as at period / year end:	31 December	30 June
		2021	2022
		Rupees in '000	
NBP Fund Management Limited - Management Company			
Units held: Nil units (June 30, 2022: 11,483,947 units)		-	158,440
Management remuneration payable		24,350	28,514
Sindh Sales tax payable		3,163	3,705
Sales load payable		687	670
Reimbursement of selling and marketing expenses		49,005	58,464
Reimbursement of operational expenses to the Management Company		6,323	7,544
ADC charges including Sindh Sales Tax		36	50



	(Unaudited) December 31, 2021	(Audited) June 30, 2022
	Rupees in '000	
National Bank of Pakistan - Parent of management company		
Units held: 31,347,445 units (June 30, 2022: 31,347,445 units)	408,159	432,488
Bank Balance	1,431	1,562
Central Depository Company of Pakistan Limited - Trustee		
Units held: 8,229,511 units (2022: 8,229,511 units)	107,152	113,539
Remuneration Payable	1,062	1,226
Sindh Sales Tax on Trustee remuneration	138	159
CDC charges	390	95
Security deposit	100	100
Employees of the Management Company		
Units held: 288,930 (June 30, 2022: 268,695 units)	3,762	3,707
National Fullerton Asset Management Ltd- Emp. Provident Fund - Retirement benefit fund of Management Company		
Units held: 491,831 (June 30, 2022: 646,837 units)	6,404	8,924
Dr. Amjad Waheed - Chief Executive Officer		
Units held: 4,546 (June 30, 2022: 2,757 units)	59	38
Mr. Khalid Mehmood - Chief Financial Officer		
Units held: 273 (June 30, 2022: 205 units)	4	3
Mr. Humayun Bashir - Director		
Units held: Nil (June 30, 2022: 158,352 units)	-	2,185
Mr. Haider Amjad - Shareholder of Management Company		
Units held: Nil (June 30, 2022: 7,716 units)	-	106
Ms. Rohma Amjad - Shareholder of Management Company		
Units held: 1,063 (June 30, 2022: 1,063 units)	14	15
Reeha Amjad - Shareholder of Management Company		
Units held: 2,711 (June 30, 2022: nil)	35	-
NBP Employees Pension Fund - Retirement benefit fund of Parent Company		
Units held: 63,579,353 (June 30, 2022: 63,579,353 units)	827,835	877,179
Gul Ahmed Textile Mills Limited - Common directorship		
Shares held: 4,826,446 (June 30, 2022: 5,635,507 shares)	62,843	190,523
Fauji Fertilizer Company Limited - Common directorship		
Shares held: Nil (June 30, 2021: 3,032,447 shares)	-	334,236
*The Hub Power Company Limited - Common directorship		
Shares held: Nil shares (June 30, 2022: Nil shares)	-	-
International Steels Limited - Common directorship		
Shares held: Nil (June 30, 202: 125,066 shares)	-	7,424



	(Unaudited) December 31, 2021	(Audited) June 30, 2022
	Rupees in '000	
NBP Pakistan Growth Exchange Traded Fund - Fund under Management Company		
Units held: 4,900,000 (June 30, 2022: 4,900,000 units)	50,176	46,109
Taurus Securities Limited - Subsidiary of parent company		
Brokerage payable	82	6
Khushali Bank Limited - Common directorship		
Bank balance	12	223
Profit receivable on bank balance	1	4
Telenor Microfinance Bank Limited - Common directorship		
Bank balance	10	10
Profit receivable on bank balance	2	1
Bank Islami Pakistan Limited - Common directorship		
Bank balance	1,108	1,759
Profit receivable on bank balance	1	7
Portfolios managed by the Management Company		
Units held: 33,174,111 (June 30, 2022: 12,812,690 units)	431,944	176,771
Person holding directly or indirectly 10% or more of the units in issue / net assets of the fund		
**Sindh General Provident Investment Fund		
Units held: 107,795,360 (June 30, 2022: 107,795,360 units)	1,403,549	1,487,209
**CDC Trustee - Punjab Pension Fund Trust)		
Units held: 128,617,380 (June 30, 2022: 128,617,380 units)	1,674,663	1,774,483
Sindh Province Pension Fund		
Units held: 151,377,843 (June 30, 2022: 151,377,843 units)	1,971,015	2,088,500

* National Clearing Company is no more than R.P of NBP Fund during this period.

* 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.

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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



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

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

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

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

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

	Note	Carrying amount			Fair value				
		At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
December 31, 2022		----- Rupees in '000 -----							
Financial assets measured at fair value									
Investments									
		10,630,621	-	-	10,630,621	10,630,621	-	-	10,630,621
		122,969	-	-	122,969	-	122,969	-	122,969
Financial assets not measured at fair value		14.1							
		-	97,878	-	97,878				
		-	877	-	877				
		-	2,056	-	2,056				
		-	39,841	-	39,841				
		-	7,204	-	7,204				
		10,753,590	147,856	-	10,901,446				
Financial liabilities not measured at fair value		14.1							
		-	-	83,854	83,854				
		-	-	1,200	1,200				
		-	-	-	-				
		-	-	4,736	4,736				
		-	-	5,676	5,676				
		-	-	95,466	95,466				



	Note	Carrying amount				Fair value			
		At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
30 June 2022		Rupees in '000							
Financial assets measured at fair value									
Investment									
- Listed equity securities		13,322,576	-	-	13,322,576	13,322,576	-	-	13,322,576
Financial assets not measured at fair value									
	14.1								
Bank balances		-	461,917	-	461,917				
Dividend and profit receivables		-	5,122	-	5,122				
Receivable against sale of investments		-	18,968	-	18,968				
Advances and deposits		-	2,600	-	2,600				
Receivable from funds under management by Management Company against conversion of units		-	1,349	-	1,349				
		13,322,576	489,956	-	13,812,532				
Financial liabilities not measured at fair value									
	14.1								
Payable to NBP Fund Management Limited - Management Company		-	-	98,947	98,947				
Payable to Central Depository Company of Pakistan		-	-	1,385	1,385				
Accrued expenses and other liabilities		-	-	3,810	3,810				
Payable against redemption of units		-	-	4,660	4,660				
		-	-	108,802	108,802				

14.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or reprice periodically.

Therefore, their carrying amounts are reasonable approximation of fair value.

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

15 GENERAL

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



15.2 These condensed interim financial statements are unaudited and have been reviewed by the auditors. Furthermore, the figures for the three months period ended December 31, 2022 in these condensed interim financial statements, wherever appearing, have not been reviewed by the auditors.

16. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on February 21, 2023 by the Board of Directors of the Management Company.

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

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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