



*Managing Your Savings*

**NBP Fund Management Limited**



# **NBP PAKISTAN GROWTH EXCHANGE TRADED FUND**

**QUARTERLY** REPORT  
MARCH 31, 2023

**AM1**  
Rated by PACRA

# MISSION STATEMENT

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



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## FUND'S INFORMATION

### Management Company

**NBP Fund Management Limited - Management Company**

### Board of Directors of Management Company

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

### Company Secretary & COO

Mr. Muhammad Murtaza Ali

### Chief Financial Officer

Mr. Khalid Mehmood

### Audit & Risk Committee

Mr. Ruhail Muhammad	Chairman
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

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](http://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, 2023.

### Fund's Performance

The equity market performance during 9MFY23 remained subdued, as the Benchmark KSE-100 Index fell by 1,540 points, translating into a decline of 3.7%. However, during the period, the market remained very choppy and the Index exhibited large swings on both sides shaped by the news-flow.

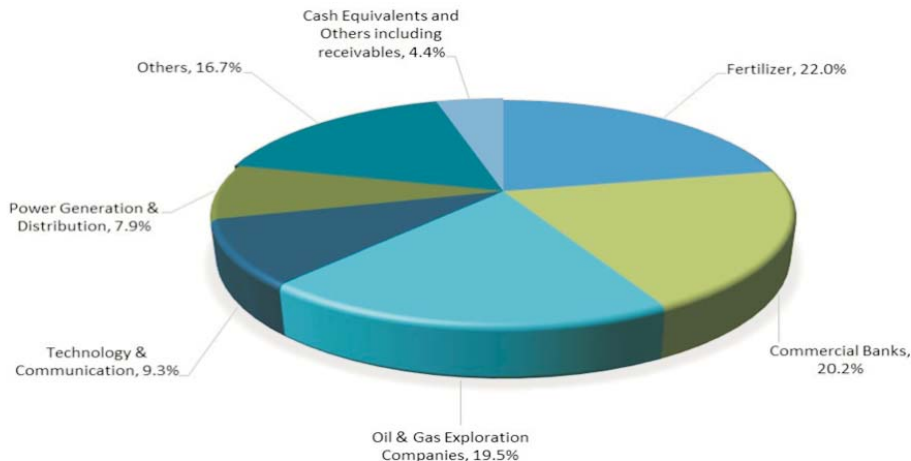
The robust corporate profitability exhibited by the listed companies during September and December periods failed to excite investors. Rather, their focus remained on the state of economy which faced multi-faceted challenges continuing into this year, especially the precarious situation on the balance of payment (BOP) front held their attention. Compared to the previous year, though the current account deficit (CAD) was brought under control due to various administrative measures by the authorities, however, this year, the BOP was adversely affected by the elevated external debt repayments. Due to delay in meeting conditions of IMF, the program remained in abeyance and the external inflows dried up. Hence, SBP's FX reserves slipped from USD 9.8 billion to USD 4.2 billion on account of contractual loan repayments. Amid dwindling FX reserves, PKR witnessed steep devaluation (an unprecedented drop of 39% to settle at 283.8 against USD) at March-23 end, which also dented sentiments. Unprecedented rains led to massive floods in the country that not only caused massive devastation but further worsened economic outlook as GDP estimates were trimmed down in successive revisions. 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 27.3% in 9MFY23 with highest ever monthly inflation of 35.4% recorded in March-23. This prompted the central bank to aggressively increase Policy Rate to 20% from 13.75% at the start of the period. Political uncertainty also remained elevated during the period and weighed on investors' sentiments after provincial assemblies in Punjab and KPK were dissolved and the opposition, government and the apex court engaged in a face-off.

In terms of sector performance, Cements, Banks, Fertilizer, Oil & Gas Exploration Companies, Power Generation & Distribution, Sugar & Allied Industries, Technology & Communication, and Transport sectors outperformed the market. On the contrary, Auto Assemblers, Auto Parts & Accessories, Cable & Electrical Goods, Chemicals, Engineering, Food & Personal Care, Glass & Ceramics, Insurance, Leather & Tanneries, Oil & Gas Marketing, Paper & Board, Pharmaceutical, Refinery & Textile Composite sectors lagged the market. On participants-wise market activity, Companies, Banks/DFIs and Individual emerged the largest net buyers with inflows of around USD 82 million, USD 60 and USD 58 million, respectively. On the contrary, Mutual Funds & Insurance lowered their net holdings by around USD 111 million & USD 105 million, respectively.

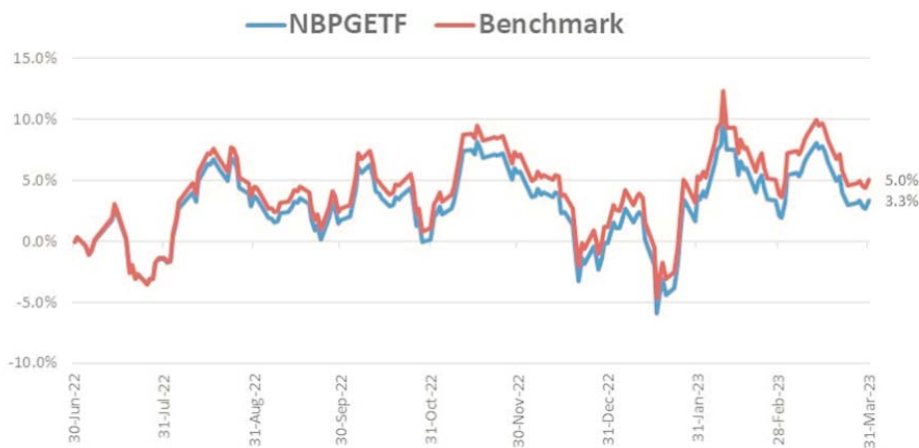
The size of NBP Pakistan Growth Exchange Traded Fund stood at Rs. 53 million during the period. During the period, the unit price of NBP Pakistan Growth Exchange Traded Fund (NBPGETF) has increased from Rs. 9.4530 on June 30, 2022 to Rs 9.7673 on March 31, 2023, thus showing an increase of 3.3%. The Benchmark for the same period increased by 5.0%. Thus, the Fund has underperformed its Benchmark by 1.7% during the period under review. Tracking error for the period was 0.04%. Since inception the NAV of the Fund has increased from Rs. 9.3234 (Ex-Div) on October 06, 2020 to Rs 9.7673 on March 31, 2023, thus showing an increase of 4.8%. During the said period, the Benchmark increased by 10.8%, translating into underperformance of 6.0%. This performance is net of management fee and all other expenses.

The Fund has earned a total income of Rs. 2.63 million during the period. After deducting total expenses of Rs. 0.91 million, the net income is Rs. 1.72 million

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



## NBPGETF 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 April 29, 2023  
Place: Karachi.

## ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 مارچ 2023ء کو ختم ہونے والی نو ماہی کے لئے NBP پاکستان گروتھ ایکسچینج ٹریڈڈ فنڈ (NBP-GETF) کے غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

9MFY23 کے دوران ایکویٹی مارکیٹ کی کارکردگی سست رہی، کیونکہ شیئ مارک KSE-100 انڈیکس 1,540 پوائنٹس گر گیا، جس کے نتیجے میں 3.7 فیصد کمی واقع ہوئی۔ تاہم، اس عرصے کے دوران، مارکیٹ بہت اتار چڑھاؤ کا شکار رہی اور انڈیکس خبروں کے باعث دونوں اطراف گھومتا رہا۔

ستمبر اور دسمبر کے دوران لٹھ کپینوں کی طرف سے پیش کردہ مضبوط کارپوریٹ منافع سرمایہ کاروں کو پُر جوش کرنے میں ناکام رہا۔ جبکہ، ان کی توجہ معیشت پر مرکوز رہی جس نے اس سال تک جاری رہنے والے کثیر الجہتی چیلنجز کا سامنا کیا، خاص طور پر ادائیگی کے توازن (BOP) پر غیر یقینی صورتحال ان کی توجہ کا مرکز رہی۔ گزشتہ سال کے مقابلے میں، اگرچہ حکام کی جانب سے مختلف انتظامی اقدامات کے باعث کرنٹ اکاؤنٹ خسارہ (CAD) کو کنٹرول میں لایا گیا، تاہم، اس سال، بیرونی قرضوں کی ادائیگیوں میں اضافہ سے BOP بُری طرح متاثر ہوا۔ آئی ایم ایف کی شرائط پوری کرنے میں تاخیر کی وجہ سے پروگرام نقل کا شکار ہوا اور بیرونی قوم کا بہاؤ کم ہو گیا۔ لہذا، معاہدے کے تحت قرض کی ادائیگیوں کی وجہ سے اسٹیٹ بینک پاکستان کے FX ذخائر 9.8 بلین امریکی ڈالر سے کم ہو کر 4.2 بلین امریکی ڈالر رہ گئے۔ کم ہوتے FX کے ذخائر کے ساتھ ساتھ پاکستانی روپیہ میں مارچ-23 کے آخر میں زبردست گراؤٹ (ایک امریکی ڈالر کے مقابلے میں 283.8 روپے یعنی 39 فیصد کی غیر معمولی کمی) دیکھی، جس نے معاشی جذبات کو بھی نقصان پہنچایا۔ غیر معمولی بارشوں کے نتیجے میں ملک میں تباہ کن سیلاب آیا جس نے نہ صرف بڑے پیمانے کی تباہی پجائی بلکہ اقتصادی نقطہ نظر کو مزید خراب کر دیا کیونکہ GDP کے تخمینے لگانا نظر ثانی میں کمی کی گئی تھی۔ مہنگائی، جو کہ تجارتی اشیاء کو دوبارہ کارآمد بنانا اور خوردہ ایندھن اور بجلی کی قیمتوں میں مطابقت کی وجہ سے پہلے ہی عروج پر تھی، مزید بڑھ گئی کیونکہ رسد میں شدید رکاوٹ اور قلت نے قیمتوں پر مزید باؤ ڈالا۔ مارچ-23 میں ریکارڈ کی گئی اب تک کی سب سے زیادہ ماہانہ افراط زر 35.4 فیصد کے ساتھ 9MFY23 میں اوسط مہنگائی تقریباً 27.3 فیصد تک پہنچ گئی۔ اس نے مرکزی بینک کو جارحانہ انداز میں پالیسی ریٹ کو 13.75 فیصد سے بڑھا کر 20 فیصد کرنے پر آمادہ کیا۔ اس عرصہ کے دوران سیاسی غیر یقینی صورتحال کا بھی سامنا رہا پنجاب اور KPK میں صوبائی اسمبلیاں تحلیل ہونے اور اپوزیشن، حکومت اور سپریم کورٹ کے آمنے سامنے ہونے کے بعد سرمایہ کاروں کے جذبات بُری طرح متاثر ہوئے۔

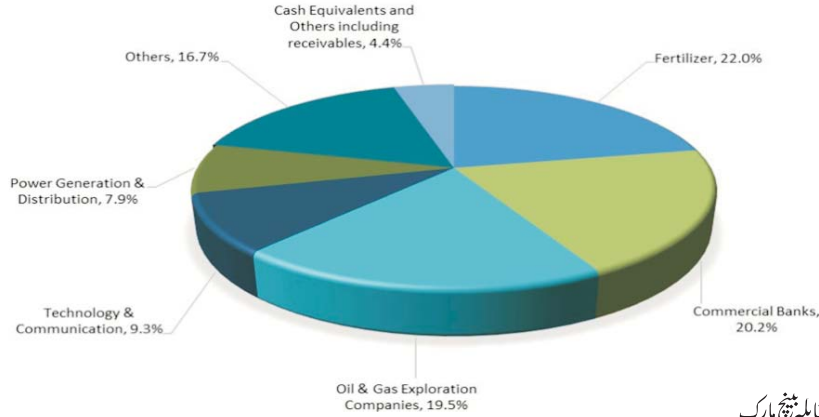
سکوائر کارکردگی کے لحاظ سے سیمنٹ، بینک، فریٹ لائزر، آئل اینڈ گیس ایکسپلوریشن کمپنیاں، پاور جنریشن اینڈ ڈسٹری بیوٹن، شوگر اینڈ الائیڈ انڈسٹریز، ٹیکنالوجی اور کمیونیکیشن، اور ٹرانسپورٹ سیکٹرز نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ اس کے برعکس، آٹو اسمبلرز، آٹو پارٹس اور ایسیریز، کیمیل اور الیکٹریکل سامان، کیمیکل، انجینئرنگ، فوڈ اینڈ پرسنل کیئر، گلاس اینڈ سیرامکس، انشورنس، لیڈ اینڈ ٹینرز، آئل اینڈ گیس مارکیٹنگ، سپر اینڈ بورڈ، فارماسیوٹیکل، ریفائنری اور ٹیکسٹائل کمپوزٹ سیکٹرز مارکیٹ میں پیچھے رہ گئے۔ شرکاء کے لحاظ سے مارکیٹ کی سرگرمیوں پر، کمپنیاں، بینک/DFIs اور انفرادی سرمایہ کار بالترتیب 82 بلین امریکی ڈالر، 60 بلین امریکی ڈالر اور 58 بلین امریکی ڈالر کی آمد کے ساتھ بڑے خالص خریدار رہے۔ اس کے برعکس، میوچل فنڈز اور انشورنس نے اپنی خالص ہولڈنگ میں بالترتیب 111 بلین امریکی ڈالر اور 105 بلین امریکی ڈالر کی کمی ظاہر کی۔

موجودہ مدت کے دوران NBP پاکستان گروتھ ایکسچینج ٹریڈڈ فنڈ کا سائز 53 بلین روپے پر قائم رہا۔ زیر جائزہ مدت کے دوران، NBP پاکستان گروتھ ایکسچینج ٹریڈڈ فنڈ (NBP-GETF) کے یونٹ کی قیمت 30 جون 2022 کو 9.4530 روپے سے بڑھ کر 31 مارچ 2023 کو 9.7673 روپے ہو گئی، لہذا 3.3% کا اضافہ دیکھنے میں آیا۔ اسی مدت میں شیئ مارک 5.0 فیصد زیادہ ہوا۔ لہذا فنڈ نے زیر جائزہ مدت کے دوران اپنے شیئ مارک سے 1.7% اہتر کارکردگی ظاہر کی، مدت کے لئے ٹریڈنگ ایر 0.04% تھا۔ اپنے آغاز سے فنڈ کا NAV 06 اکتوبر 2020 کو 9.3234 (Ex-Div) روپے سے بڑھ کر 31 مارچ 2023 کو 9.7673 روپے ہو گیا، لہذا 4.8% کا اضافہ ظاہر کیا۔ موجودہ مدت کے دوران، شیئ مارک 10.8% سے بڑھا، لہذا 6.0% کی اہتر کارکردگی کا مظاہرہ کیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

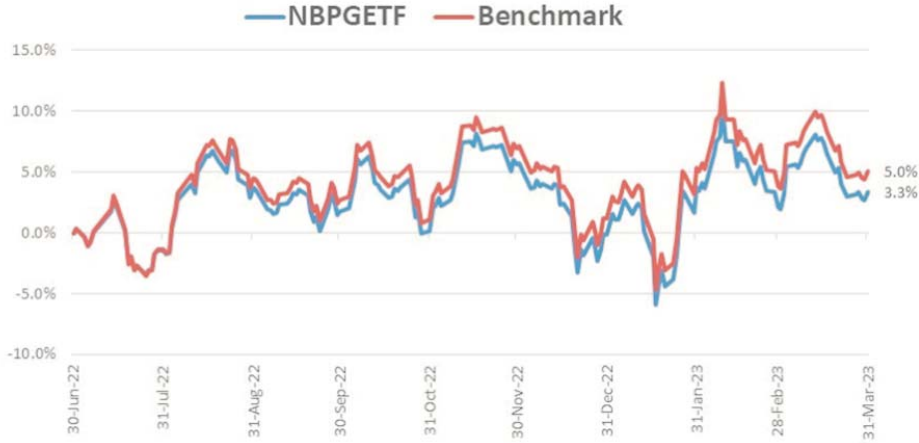
فنڈ کو سال کے دوران 2.63 بلین روپے کی مجموعی آمدنی ہوئی ہے۔ 0.91 بلین روپے کے اخراجات منہا کرنے کے بعد، خالص آمدنی 1.72 بلین روپے ہے۔



31 مارچ 2023 کے مطابق فنڈ کی ایسٹ ایلوکیشن حسب ذیل ہے:



NBPGETF کی کارکردگی بمقابلہ بیچ مارک



اظہار تشکر

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

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

منجانب بورڈ آف ڈائریکٹرز

**NBP فنڈ میٹجمنٹ لمیٹڈ**

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 29 اپریل 2023

مقام: کراچی

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

	Note	(Un-audited) March 31, 2023	(audited) June 30, 2022
(Rupees in '000)			
<b>ASSETS</b>			
Bank balances		1,642	3,487
Investments	4	51,086	48,772
Profit and Dividend receivable		800	10
Other receivables		65	63
<b>Total assets</b>		<b>53,593</b>	<b>52,332</b>
<b>LIABILITIES</b>			
Payable to NBP Fund Management Limited - Management Company		20	57
Payable to Central Depository Company of Pakistan Limited - Trustee		6	5
Payable to the Securities and Exchange Commission of Pakistan		8	12
Accrued expenses and other liabilities		132	266
<b>Total liabilities</b>		<b>166</b>	<b>340</b>
<b>NET ASSETS</b>		<b>53,427</b>	<b>51,992</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>53,427</b>	<b>51,992</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	5		
<b>Number of units</b>			
<b>NUMBER OF UNITS IN ISSUE</b>		<b>5,470,000</b>	<b>5,500,000</b>
<b>Rupees</b>			
<b>NET ASSET VALUE PER UNIT</b>		<b>9.7673</b>	<b>9.4530</b>

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2023

	For the Nine Months Period Ended March 31, 2023	For the Nine Months Period Ended March 31, 2022	Quarter ended March 31, 2023	Quarter ended March 31, 2022
<b>Note</b> -----(Rupees in '000)----				
<b>INCOME</b>				
Profit on bank deposits	189	144	49	94
Dividend income	4,496	3,948	1,551	1,611
	4,685	4,092	1,600	1,705
Gain / (loss) on sale of investments - net	515	(361)	(161)	(355)
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets ' at fair value through profit or loss' - net	(2,575)	(6,881)	563	(1,812)
	(2,060)	(7,242)	402	(2,167)
<b>Total (loss) / income</b>	2,625	(3,150)	2,002	(462)
<b>EXPENSES</b>				
Remuneration of NBP Fund Management Limited - Management Company	197	347	-	113
Sindh Sales Tax on remuneration of the Management Company	26	45	-	15
Remuneration of Central Depository Company of Pakistan Limited - Trustee	40	46	13	15
Sindh Sales Tax on remuneration of the Trustee	5	6	1	2
Annual fee of the Securities and Exchange Commission of Pakistan	8	9	3	3
Securities transaction cost	32	24	32	24
Annual listing fee	9	8	3	2
Auditors' remuneration	344	284	89	83
Legal and professional charges	116	310	38	78
Settlement and bank charges	77	36	-	6
Printing charges	42	50	16	9
<b>Total operating expenses</b>	896	1,165	195	350
<b>Net income from operating activities</b>	1,729	(4,315)	1,807	(812)
Reversal against Sindh Workers' Welfare Fund	-	198	-	-
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	(10)	53	(7)	287
<b>Net income / (loss) for the period before taxation</b>	1,719	(4,064)	1,800	(525)
Taxation	6	-	-	-
<b>Net income / (loss) for the period after taxation</b>	1,719	(4,064)	1,800	(525)
<b>Accounting income available for distribution:</b>				
- Relating to capital gains	-	-	402	-
- Excluding capital gains	1,719	-	1,398	-
	1,719	-	1,800	-

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

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

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

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2023

	For the Nine Months Period Ended March 31, 2023	For the Nine Months Period Ended March 31, 2022	Quarter ended March 31, 2023	Quarter ended March 31, 2022
	-----Rupees in '000)-----			
Net income / (loss) for the period after taxation	1,719	(4,064)	1,800	(525)
Other comprehensive income for the period	-	-		
<b>Total comprehensive income / (loss) for the period</b>	<u>1,719</u>	<u>(4,064)</u>	<u>1,800</u>	<u>(525)</u>

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	31/Mar/2023			March 31, 2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)		
<b>Net assets at beginning of the period (audited)</b>	54,871	(2,879)	51,992	56,400	5,229	61,629
Issuance of 10,000 units (2022: 460,000 units)						
- Capital value (at net asset value per unit at the commencement of the Fund)	95	-	95	5,026	-	5,026
- Element of (loss) / income	1	-	1	(229)	-	(229)
Total proceeds on issuance of units	96	-	96	4,797	-	4,797
Redemption of 40,000 units (2022: 440,000 units)						
- Capital value (at net asset value per unit at the commencement of the Fund)	(378)	-	(378)	(4,808)	-	(4,808)
- Element of income / (loss)	(12)	-	(12)	281	-	281
Total payments on redemption of units	(390)	-	(390)	(4,527)	-	(4,527)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	10	-	10	(53)	-	(53)
Total comprehensive income / (loss) for the period	-	1,719	1,719	-	(4,064)	(4,064)
<b>Net assets at end of the period (un-audited)</b>	<b>54,587</b>	<b>(1,160)</b>	<b>53,427</b>	<b>56,618</b>	<b>1,165</b>	<b>57,783</b>
Undistributed income brought forward						
- Realised income		8,580			757	
- Unrealised (loss) / income		(11,459)			4,472	
		(2,879)			5,229	
Accounting income available for distribution:						
- Relating to capital gains		-			-	
- Excluding capital gains		1,719			-	
		1,719			-	
Net income / (loss) for the period after taxation		-			(4,064)	
Undistributed income carried forward		(1,160)			1,165	
Undistributed income carried forward:						
- Realised income		1,415			-	
- Unrealised (loss)		(2,575)			-	
		(1,160)			1,165	
						(Rupees)
Net assets value per unit at beginning of the period		9.4530			10.9271	
Net assets value per unit at end of the period		9.7673			10.2090	

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

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

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

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

\_\_\_\_\_  
Director

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	For the Nine Months Period Ended March 31, 2023	For the Nine Months Period Ended March 31, 2022
<b>Note</b>	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income / (loss) for the period before taxation	1,719	(4,064)
<b>Adjustments</b>		
Profit on bank deposits	(189)	(144)
Dividend income	(4,496)	(3,948)
Unrealised (diminution) on re-measurement of investments classified as financial assets ' at fair value through profit or loss' - net	2,575	6,881
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	10	(53)
(Reversal) against Sindh Workers' Welfare Fund	-	(198)
	(2,100)	2,538
<b>(Increase) in assets</b>		
Prepayments and other receivables	(2)	(4)
Investments - net	(4,889)	(2,177)
	(4,891)	(2,181)
<b>(Decrease) / Increase in liabilities</b>		
Payable to NBP Fund Management Limited - Management Company	(37)	(3)
Payable to Central Depository Company of Pakistan Limited - Trustee	1	-
Payable to the Securities and Exchange Commission of Pakistan	(4)	-
Payable against purchase of investments	-	(211)
Accrued expenses and other liabilities	(134)	(63)
	(174)	(277)
Dividend income received	3,736	3,762
Profit received on bank deposits	159	144
<b>Net cash (used) in operating activities</b>	(1,551)	(78)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount received against issuance of units	96	4,797
Amount paid against redemption of units	(390)	(4,527)
<b>Net cash (used in) / generated from financing activities</b>	(294)	271
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	(1,845)	193
Cash and cash equivalents at the beginning of the period	3,487	2,541
<b>Cash and cash equivalents at the end of the period</b>	1,642	2,734

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

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

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

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

\_\_\_\_\_  
Director

## NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

### 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 approved by the Securities and Exchange Commission of Pakistan (SECP) on June 03, 2020.

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 was required to be registered under the Sindh Trust Act. Accordingly, on November 2, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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 (PACRA) has reaffirmed the asset manager rating of the Management Company of AM1 (June 30, 2021: AM1) on June 22, 2022. 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.

The Fund is an Open Ended Exchange Traded Mutual Fund categorised as "Listed Index Tracking Fund" and is listed on Pakistan Stock Exchange (PSX) Limited.

### 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 and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2022.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at and for the period ended March 31, 2023.

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

<b>4 INVESTMENTS</b>		<b>(Un-audited) March 31, 2023</b>	<b>(Audited) June 30, 2022</b>
<b>At fair value through profit or loss</b>			
Quoted equity securities	4.1	<u>51,086</u>	<u>48,772</u>



## 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 as a percentage of			Holding as a percentage of paid-up capital of investee company
	As at July 1, 2022	Purchased during the period	Bonus / right shares received during the period	Sold during the period	As at March 31, 2023	Market value	net assets of the Fund	total market value of investments	
----- % -----									
<b>OIL AND GAS MARKETING COMPANIES</b>									
Pakistan State Oil Company Limited	16,500	4,962	-	129	21,333	2,515	4.84%	4.92%	5%
						2,515	4.84%	4.92%	
<b>OIL AND GAS EXPLORATION COMPANIES</b>									
Oil and Gas Development Company Limited	51,150	4,477	-	1,474	54,153	4,514	8.69%	8.84%	1%
Pakistan Oilfields Limited	6,050	1,107	-	593	6,564	2,618	5.04%	5.12%	2%
Pakistan Petroleum Limited	39,600	12,132	-	314	51,418	3,289	6.33%	6.44%	2%
						10,421	20.06%	20.40%	
<b>FERTILIZERS</b>									
Engro Corporation Limited	15,400	1,673	-	116	16,957	4,693	9.04%	9.19%	3%
Engro Polymer Chemicals Limited	-	47,740	-	151	47,589	2,226	4.29%	4.36%	5%
Engro Fertilizer Limited	34,100	9,937	-	3,012	41,025	3,480	6.70%	6.81%	3%
Fauji Fertilizer Company Limited	31,900	6,091	-	2,436	35,555	3,554	6.84%	6.96%	3%
						13,953	26.87%	27.32%	
<b>CEMENT</b>									
Lucky Cement Limited	8,250	2,760	-	617	10,393	4,183	8.06%	8.19%	3%
						4,183	8.06%	8.19%	
<b>POWER GENERATION &amp; DISTRIBUTION</b>									
The Hub Power Company Limited	54,450	9,415	-	1,507	62,358	4,211	8.11%	8.24%	5%
						4,211	8.11%	8.24%	
<b>COMMERCIAL BANKS</b>									
Bank Alfalah Limited	46,200	6,660	-	1,442	51,418	1,480	2.85%	2.90%	3%
Habib Bank Limited	41,250	9,400	-	7,437	43,213	3,167	6.10%	6.20%	3%
Meezan Bank Limited	22,000	7,282	2,635	191	31,726	3,020	5.82%	5.91%	2%
MCB Bank Limited	21,450	39	-	21,489	-	-	-	-	-
United Bank Limited	30,800	5,540	-	6,802	29,538	3,148	6.06%	6.16%	2%
						10,815	20.83%	21.17%	
<b>TECHNOLOGY &amp; COMMUNICATION</b>									
TRG Pakistan Limited	63,800	664	-	17,422	47,042	4,988	9.61%	9.76%	9%
						4,988	9.61%	9.76%	
<b>Total - March 31, 2023</b>						<b>51,086</b>	<b>98.38%</b>	<b>100%</b>	
Carrying value as at March 31, 2023						<u>53,661</u>			
Market value as at June 30, 2022						<u>48,772</u>			
Carrying value as at June 30, 2022						<u>60,231</u>			

## 5 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at March 31, 2023 and as at June 30, 2022.

## 6 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, 2023 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.

## 7 TOTAL EXPENSE RATIO

The annualized total expense ratio (TER) of the Fund based on the current period is 2.24% (March 2022: 2.52%) which includes 0.10% (March 2022: 0.13%) representing Government Levy 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.

## 8 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

**8.1** 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.

**8.2** 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.

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

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

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

	----(Un-audited)----	
	For the Nine Months Period Ended March 31, 2023	For the Nine Months Period Ended March 31, 2022
	(Rupees in '000)	
<b>NBP Fund Management Limited - Management Company</b>		
Remuneration of NBP Fund Management Limited - Management Company	197	347
Sindh Sales Tax on remuneration of the Management Company	26	45
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	40	46
Sindh Sales Tax on remuneration of the Trustee	5	6
Settlement charges	76	18
<b>Fauji Fertilizer Company Limited - common directorship</b>		
6,091 Shares Purchased (2022: 3,225 shares)	627	331
2,436 Shares Sold (2022: 2,545 shares)	254	277
Dividend income	289	368

	----(Un-audited)----	
	For the Nine Months Period Ended March 31, 2023	For the Nine Months Period Ended March 31, 2022
	(Rupees in '000)	
<b>JS Global Capital Limited - unit holder with more than 10% holding</b>		
10,000 Units purchased during the period: (2022: 70,000 units)	96	741
40,000 Units redeemed during the period: (2022: 140,000 units)	390	1,520
<b>MRA Securities Limited - unit holder with more than 10% holding</b>		
Nil Units purchased during the period: (2022: 390,000 units)	-	10,396
Nil Units redeemed during the period: (2022: 300,000 units)	-	3,007
<b>Taurus Securities Limited</b>		
Brokerage for the period	6	2
	(Un-audited) As at March 31, 2023	(Un-audited) As at June 30, 2022
	(Rupees in '000)	
<b>8.6 Amounts / balances outstanding as at period end are as follows</b>		
<b>NBP Fund Management Limited - Management Company</b>		
Remuneration of the Management Company	-	33
Sindh Sales Tax on remuneration of the Management Company	-	4
Other payable to Management Company	20	20
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable to the Trustee	5	4
Sindh Sales Tax payable on Trustee remuneration	1	1
Settlement charges payable	5	4
<b>Fauji Fertilizer Company Limited - common directorship</b>		
Shares held - 35,555 (2022: 31,900 shares)	3,554	3,516
<b>JS Global Capital Limited - unit holder with more than 10% holding</b>		
Units held: 4,970,000 (2022: 5,000,000 units)	48,543	47,265

## 9 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing at the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

### 9.1 Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

## 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 29, 2023.

## 11. GENERAL

- 11.1 Figures have been rounded off the nearest thousand rupees, unless otherwise is specified.
- 11.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation.

For NBP Fund Management Limited  
(Management Company)

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

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

\_\_\_\_\_  
Director

## Head Office

7th Floor, Clifton Diamond Building, Block No.4,  
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