



NBP ISLAMIC INCOME FUND

QUARTERLY REPORT
SEPTEMBER 30, 2025

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
Ms. Mehnaz Salar	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Tahir Jawaid	Director
Mr. Saad Muzaffar Waraich	Director
Mr. Faisal Ahmed	Director
Mr. Umar Ahsan Khan	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Zaheer Iqbal

Audit & Risk Committee

Mr. Umar Ahsan Khan	Chairman
Ms. Mehnaz Salar	Member
Mr. Imran Zaffar	Member
Mr. Saad Muzaffar Waraich	Member

Human Resource & Remuneration Committee

Mr. Tahir Jawaid	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Faisal Ahmed	Member
Mr. Umar Ahsan Khan	Member

Business Strategy & IT Committee

Mr. Saad Muzaffar Waraich	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Faisal Ahmed	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Tahir Jawaid	Member

Trustee

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

Bankers to the Fund

Bank Islami Pakistan Limited	MCB Bank Limited
United Bank Limited (Islamic)	Bank Alfalah Limited (Islamic)
Dubai Islamic Bank Pakistan Limited	Habib Metropolitan Bank Limited
Meezan Bank Limited	Soneri Bank Limited
Silk Bank Limited (Emaan Islamic)	JS Bank Limited
AlBaraka Bank (Pakistan) Limited	Faysal Bank Limited
National Bank of Pakistan (Islamic Banking)	
Habib Bank Limited (Islamic)	

Auditors

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

Legal Advisor

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

Head Office:

7th Floor Clifton Diamond Building, Block No. 4,
Scheme No. 5, Clifton Karachi.
UAN: 021 (111-111-632),
(Toll Free): 0800-20002,
Fax: (021) 35825329
Website: www.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 unaudited Condensed Interim financial statements of **NBP Islamic Income Fund (NBP-IIF)** for the quarter ended September 30, 2025.

Fund's Performance

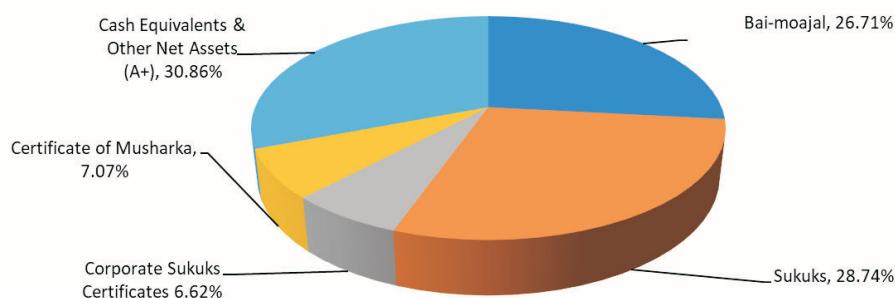
During the July-September 2025 quarter, the State Bank of Pakistan (SBP) maintained the policy rate at 11% to contain inflation, prioritizing price stability amid evolving macroeconomic conditions. Headline inflation rose to 5.6% in September from 3.0% in August, however, the average inflation for Q1 eased to 4.2%, down from 9.2% last year. Core inflation continued its downward trajectory, although recent floods have disrupted food supply chains, causing prices to rise. Average inflation for FY26 is projected to remain within the SBP's 5%-7% target range, though a mild uptick is expected during later half of the year due to the base effect. The real GDP growth for FY26 is projected between 3.0% and 3.5%, lower than government's target due to the impact of flood-related agricultural losses and inflationary pressures. Nonetheless, the economy remains resilient, supported by policy reforms, improved fiscal discipline, and external sector stability. The current account deficit was USD 624 million for July-August. Foreign exchange reserves stood at USD 14.4 billion on September 26th and are projected to reach USD 17 billion by June-26. Fiscal performance improved, with a primary surplus expected in Q1 FY26, aided by a Rs. 2.4 trillion SBP profit transfer and higher petroleum levies. The Ministry of Finance conducted three Ijarah Sukuk auctions through Pakistan Stock Exchange, realizing a total of Rs. 566 billion. Besides, in the corporate debt market, long-term sukuk issuances remained infrequent with limited secondary trading, while short-term sukuk saw notable activity with fresh issuance, driven by rising working capital needs. Overall, the macroeconomic landscape is stabilizing, with coordinated monetary and fiscal policies helping to manage inflation, support recovery, and build resilience against future shocks.

NBP-IIF is categorized as a Shariah Compliant Income Fund. The stability rating of the Fund by PACRA is 'A+ (f)', which denotes a strong capacity to maintain relative stability in returns and very low exposure to risks. The fund aims to provide competitive returns by investing in Shariah compliant debt securities and money market instruments. The Fund is allowed to invest with A- or above rated Islamic Banks, Islamic branches / windows of conventional banks providing easy liquidity. The Fund is allowed to invest in Shariah Compliant Money Market instruments & debt securities rated A or better. The Fund is not authorized to invest in Equities. The weighted average time to maturity of the Fund cannot exceed 4 years excluding government securities.

The size of NBP Islamic Income Fund decreased by 16% from Rs. 13,489 million to Rs. 11,321 million. The unit price of the Fund has increased from Rs. 10.1348 on June 30, 2025 to Rs. 10.3483 on September 30, 2025, thus showing return of 8.4% p.a. as compared to its benchmark return of 9.5% p.a. for the same period. The performance of the Fund is net of management fee and other expenses.

The Fund has earned a total income of Rs. 294.22 million during the period. After deducting total expenses of Rs. 52.96 million, the net income is Rs. 241.26 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NBP-IIF.

The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NBP-IIF.



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 **October 30, 2025**

Place: Karachi.

ڈائریکٹر رپورٹ

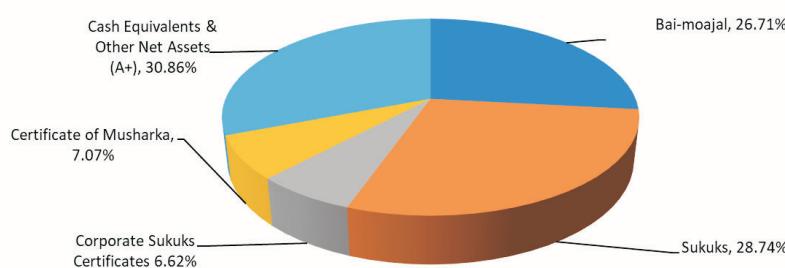
NBP فنڈ میجنٹ لائیڈ کے بورڈ آف ڈائریکٹر برصغیر 30 ستمبر 2025ء کو ختم ہونے والی پہلی سہ ماہی کے لئے NBP اسلامک اکٹم فنڈ (NBP-IIF) کے غیر جانچ شدہ کنڈنیڈ عبوری مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی جولائی ۔ ستمبر 2025 کی سہ ماہی کے دوران، اسٹیٹ میک آف پاکستان (SBP) نے مہنگائی پر قابو پانے کے لیے پالیسی ریٹ کو 11 فیصد پر رکارکھا، ترقی پر یونکرو اکتاکم حالت کے درمیان قیمتیں کے انتظام کو ترجیح دی۔ ہبہ لائئن افراط از ریست میں 3.0 فیصد سے بڑھ کر تجہیز میں 5.6 فیصد ہو گئی، پہلی سہ ماہی کے لیے اوسط مہنگائی گزشتہ سال سے 9.9 فیصد کم ہو کر 4.2 فیصد ہو گئی۔ نیادی افراط از ریست اپنی گرتی ہوئی رفتار کو جاری رکھا، حالانکہ حالیہ سیالاب نے خوراک کی فراہمی کے سلسلہ کو متاثر کیا ہے، جس کی وجہ سے قیمتیں بڑھ رہی ہیں۔ مالی سال 26 کے لیے اوسط افراط از ریست SBP کے ہدف 5% کی حد میں رہنے کا امکان ہے، حالانکہ بنیادی اثر کی وجہ سے سال کی آخری شش ماہی میں معمولی اضافہ متوقع ہے۔ مالی سال 26 کے لیے حقیقی ہی ڈی پی نمو 3.0 فیصد اور 3.5 فیصد کے درمیان متوقع ہے، جو کہ سیالاب سے متعلقہ زرعی تقدیمات اور افراط از ریست کے دباؤ کی وجہ سے حکومت کے ہدف سے کم ہے۔ ہر حال، معیشت پالیسی اصلاحات، بہتر مالیاتی نظم و ضبط، اور ہر ونی شعبجے کے انتظام کی مدد سے مٹکم ہے۔ جولائی ۔ تا اگست تک کرنٹ اکاؤنٹ خسارہ 624 ملین امریکی ڈالر تھا۔ غیر ملکی زمبابوے کے غارہ 26 ستمبر کو 14.4 ملین امریکی ڈالر تھے اور 26 جون تک 17 ملین امریکی ڈالر تک پہنچنے کا امکان ہے۔ مالی سال 26 کی پہلی سہ ماہی میں متوقع پرائمری سرپلس کے ساتھ، 2.4 ڈالر ملین روپے تک SBP منافع کی منتقلی اور زیادہ پروٹولیم یوپر کی مدد سے مالیاتی کارکردگی، بہتر ہوتی۔ وزارت خزانہ نے پاکستان اسٹاک اسٹکچن کے توسیع سے تین اجراہ سکوک کی بیان میامی منعقد کیں جس سے مجموعی طور پر 566 ملین روپے کی مددی ہوتی ہے۔ اس کے علاوہ، کارپوریٹ ٹیکنالوگی مارکیٹ میں، بڑھتی ہوئی ورکگ لیپٹاپ کی ضروریات کی وجہ سے قابل مدتی سکوکس نے نئے اجراء کے ساتھ قابل ذکر سرگرمی دیکھی ہے۔ مجموعی طور پر، بنیادی اکتاکم مظہر نامہ مٹکم ہو رہا ہے، جو ربوط مائیشی اور مالیاتی پالیسیاں مہنگائی پر قابو پانے، بھالی میں مدد دینے اور مستقبل کے شاکس کے خلاف پک پیدا کرنے میں مددگار ہیں۔

NBP-IIF کی درجہ بندی بطور شریعہ کمپلائیٹ اکٹم فنڈ کی گئی ہے۔ اس فنڈ کا مقصود شریعت کے مطابق قرضوں کی سکیوریٹیز اور منی مارکیٹ کے آلات میں سرمایہ کاری کر کے مالیاتی منافع فراہم کرنا ہے۔ فنڈ اسلامک بینکوں، رواجی بینکوں کی اسلامک برائج اور بندوز میں آسانی سے لکبیٹی میں فراہم کرنے والے A- یا بالا درجہ کے اسلامک بینکوں کے ساتھ سرمایہ کاری کی اجازت دیتا ہے۔ فنڈ کو شریعت کے مطابق A یا اس سے بالا درجہ بندی کے منی مارکیٹ کے آلات اور ذیبیٹ سکیوریٹیز میں سرمایہ کاری کرنے کی اجازت ہے۔ فنڈ کی میکوئی میں مارکیٹ کے آلات اور ذیبیٹ سکوکس نے کام جائز ہیں ہے۔ گورنمنٹ سکیوریٹیز کے علاوہ فنڈ کی میپورٹ کی اوسط مدت 4 سال سے زیادہ نہیں ہو سکتی ہے۔

NBP اسلامک اکٹم فنڈ کا سائز 913,489 ملین روپے سے کم ہو کر اس مدت کے دوران 11,321 ملین روپے ہو گیا یعنی 16 فیصد کی کمی ہوئی ہے۔ فنڈ کے یونٹ کی قیمت 30 جون 2025 کو 10.1348 روپے سے بڑھ کر 30 ستمبر 2025 کو 10.3483 روپے ہو گئی، ابھذ اسی مدت میں پیچ مارک منافع درج کیا۔ فنڈ کی یکارکردگی میجنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ کو اس سہ ماہی کے دوران 294.22 ملین روپے کی مجموعی آمدی ہوئی۔ 52.96 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدی 241.26 ملین روپے ہے۔ درج ذیل چارٹ NBP-IIF کی ہر ایک ذیلی ایسٹ کلاسوں کی ایسٹ ایلوکیشن اور اوسط کریٹ ریٹنگ کی نمائندگی کرتا ہے۔



اٹھار تھکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے میجنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولدرز کا شکر یاد کرتا ہے۔ یہ یکورٹیز اینڈ آئچیشن آف پاکستان اور اسٹائھ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے ملخص رویہ کا بھی اعتراف کرتا ہے۔
 بورڈ اپنے اشاف اور رٹری کی طرف سے ختنت محنت، لگن اور عزم کے مظاہرے پر اپنا خزان تھیں بھی ریکارڈ پر لانا چاہتا ہے۔

من جانب بورڈ آف ڈائریکٹر
 فاؤنڈیشن لائبرٹی
NBP

ڈائریکٹر

چیف ایگزیکیوٹیو فیسر

تاریخ: 30 اکتوبر 2025ء

مقام: کراچی

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2025

		(Un-audited) September 30, 2025	(Audited) June 30, 2025
	Note	-----Rupees in '000-----	
ASSETS			
Bank balances	4	3,415,165	7,519,920
Investments	5	7,826,180	3,882,661
Profit receivable		158,181	85,342
Deposits and other receivables		443	443
Receivable against transfer of units		430	4,700,001
Preliminary expenses and floatation costs		-	19
Total assets		11,400,399	16,188,386
LIABILITIES			
Payable to NBP Fund Management Limited - the Management Company		16,737	18,996
Payable to Central Depository Company of Pakistan Limited - the Trustee		766	567
Payable to the Securities and Exchange Commission of Pakistan		666	493
Payable against redemption of units		45,579	2,558,021
Accrued expenses and other liabilities		15,865	121,576
Total liabilities		79,613	2,699,653
NET ASSETS		11,320,785	13,488,733
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		11,320,785	13,488,733
CONTINGENCIES AND COMMITMENTS	6		
NUMBER OF UNITS IN ISSUE		Number of units	
		1,093,974,427	1,330,937,637
NET ASSET VALUE PER UNIT		Rupees	Rupees
		10.3483	10.1348

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2025

	Note	Quarter ended September 30, 2025	Quarter ended September 30, 2024
INCOME		-----Rupees in '000-----	
Profit on bank balances		154,478	100,160
Income on Term Deposit Receipts		-	12,226
Income on corporate sukus and government securities		101,401	216,015
Income on certificate of musharika		11,882	13,033
Income on bai muajjal receivable		35,548	15,386
Gain / (loss) on sale of investments - net		(1,447)	109
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'		(7,640)	38,285
Total income		294,222	395,214
EXPENSES			
Remuneration of NBP Fund Management Limited - Management Company		41,337	20,850
Sindh sales tax on remuneration of the Management Company		6,201	3,127
Reimbursement of allocated expenses		-	1,921
Reimbursement of selling and marketing expenses		-	5,571
Remuneration of Central Depository Company of Pakistan Limited - Trustee		2,183	1,441
Securities and transaction cost		139	41
Sindh sales tax on Reimbursement of allocated expenses		-	288
Sindh sales tax on Reimbursement of selling and marketing expenses		-	836
Sindh sales tax on remuneration of the Trustee		327	216
Annual fee of the Securities and Exchange Commission of Pakistan		2,183	1,441
Amortisation of preliminary expenses and floatation costs		20	39
Auditors' remuneration		126	126
Legal and professional charges		45	45
Annual listing fee		8	8
Shariah advisor fee		204	204
Settlement and bank charges		126	126
Printing expenses		-	20
Fund rating fee		63	63
Total operating expenses		52,962	36,363
Net income for the period before taxation		241,260	358,851
Taxation	8	-	-
Net income for the period after taxation		<u>241,260</u>	<u>358,851</u>
Allocation of net income for the period			
- Net income for the period		241,260	358,851
- Income already paid on units redeemed		(44,455)	(38,774)
		<u>196,805</u>	<u>320,077</u>
Accounting income available for distribution:			
- Relating to capital gains		-	38,394
- Excluding capital gains		196,805	281,683
		<u>196,805</u>	<u>320,077</u>

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2025

Quarter ended September 30, 2025	Quarter ended September 30, 2024
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-----Rupees in '000-----

Net income for the period after taxation	241,260	358,851
Other comprehensive income for the period	-	-
Total comprehensive income for the period	241,260	358,851

The annexed notes 1 to 12 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 MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2025

	Quarter ended September 30, 2025			Quarter ended September 30, 2024		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
----- Rupees in '000 -----						
Net assets at beginning of the year	13,414,596	74,137	13,488,733	6,323,316	62,827	6,386,143

Issuance of 381,465,655 units (2024: 440,818,620)						
- Capital value	3,866,078	-	3,866,078	4,462,186	-	4,462,186
- Element of income	43,983	-	43,983	124,689	-	124,689
Total proceeds on issuance of units	3,910,061	-	3,910,061	4,586,875	-	4,586,875

Redemption of 618,428,865 units (2024: 229,284,120)						
- Capital value	(6,267,653)	-	(6,267,653)	(2,320,929)	-	(2,320,929)
- Element of (loss)	(7,161)	(44,455)	(51,616)	(31,965)	(38,774)	(70,739)
Total payments on redemption of units	(6,274,814)	(44,455)	(6,319,269)	(2,352,894)	(38,774)	(2,391,668)

Total comprehensive income/ (loss) for the period	-	241,260	241,260	-	358,851	358,851

Distribution during the period	-	-	-	-	-	-

Net assets at end of the period	11,049,843	270,942	11,320,785	8,557,297	382,904	8,940,201

Undistributed income brought forward:						
- Realised Income	45,064				68,727	
- Unrealised gain / (loss)	29,073				(5,900)	
	74,137				62,827	

Accounting income available for distribution:						
- Relating to capital gains	-				38,394	
- Excluding capital gains	196,805				281,683	
	196,805				320,077	
	270,942				382,904	

Undistributed income carried forward:						
- Realised income	278,582				344,619	
- Unrealised (loss) / gain	(7,640)				38,285	
	270,942				382,904	

Net assets value per unit at the begining of the period				(Rupees)		(Rupees)
				10.1348		10.1225
Net assets value per unit at end of the period				<u><u>10.3483</u></u>		<u><u>10.6125</u></u>

The annexed notes 1 to 12 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 QUARTER ENDED SEPTEMBER 30, 2025

	Quarter ended September 30, 2025	Quarter ended September 30, 2024
Note	-----Rupees in '000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	241,260	358,851
Adjustments		
Profit on bank balances	(154,478)	(100,160)
Income on Term Deposit	-	(12,226)
Income on corporate sukuk certificates	(101,401)	(216,015)
Income on certificate of musharika	(11,882)	(13,033)
Income on bai muajjal receivable	(35,548)	(15,386)
Loss / (gain) on sale of investments - net	1,447	(109)
Unrealised diminution / (appreciation) on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	7,640	(38,285)
Amortisation of preliminary expenses and floatation costs	20	39
	(294,202)	(395,175)
(Increase) /Decrease in assets		
Investments - net	(3,952,606)	(2,717,244)
Deposits and other receivables	-	-
	(3,952,606)	(2,717,244)
(Decrease) / Increase in liabilities		
Payable to NBP Fund Management Limited - Management company	(2,259)	16,730
Payable to Central Depository Company of Pakistan Limited - Trustee	199	163
Payable to the Securities and Exchange Commission of Pakistan	173	135
Accrued expenses and other liabilities	(105,711)	(102,934)
	(107,598)	(85,906)
Profit received on bank balances, bai muajjal receivable, term deposit receipts and government & corporate sukuk certificates	230,470	201,027
Net cash flows (used in) from operating activities	(3,882,676)	(2,638,447)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issuance of units	8,609,632	4,755,668
Amount paid against redemption of units	(8,831,711)	(2,347,732)
	(222,079)	2,407,936
Net (decrease) in cash and cash equivalents during the period	(4,104,755)	(230,511)
Cash and cash equivalents at the beginning of the period	7,519,920	1,468,843
Cash and cash equivalents at the end of the period	4	3,415,165
	1,238,332	

The annexed notes 1 to 12 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 THESE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2025

1 **LEGAL STATUS AND NATURE OF BUSINESS**

NBP Islamic Income 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 March 9, 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 is required to be registered under the Sindh Trust Act. Accordingly, on October 15, 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 categorised as an open ended Shariah compliant income fund by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the Securities and Exchange Commission of Pakistan and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from August 13, 2020 and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to provide competitive returns by investing in Shariah compliant debt securities and money market instruments.

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the asset manager rating of the Management Company of AM1 on May 05, 2025 (2024: AM1 on June 21, 2024). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, the Pakistan Credit Rating Agency Limited (PACRA) has maintained the stability rating of the Fund at "A+(f)".

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

2 **BASIS OF PREPARATION**

2.1 **Statement of compliance**

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- 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 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 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, 2025.

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 September 30, 2025.

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 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, 2025.
- 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 and expenses. 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 financial statements as at and for the year ended June 30, 2025. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2025.

(Un-audited)	(Audited)
September 30,	June 30,
2025	2025

---- Rupees in '000'----

4 BANK BALANCES

Current accounts	7,071	7,504,190
Savings accounts	3,408,095	15,730
	3,415,166	7,519,920

- 4.1** These include balance of Rs. 0.584 million (2025: Rs. 0.962 million) maintained with National Bank of Pakistan (a related party), that carry profit at the rate 6% (2025: 6%) per annum respectively. Other savings accounts of the Fund carry profit at the rate ranging from 0.1% to 10.8% (2025: 0.1% to 10.6%) per annum.

5 INVESTMENTS

Note	(Un-audited) September 30, 2025	(Audited) June 30, 2025
	---- Rupees in '000'----	
Government Securities	5.1	3,253,108
Corporate sukuk certificates	5.2	749,358
Certificates of musharakah	5.3	800,000
Bai Muajjal	5.4	3,023,714
		7,826,180
		3,882,661

5.1 Government Securities

Name of the security	Maturity date	Profit rate / Yield	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at September 30, 2025	Carrying value as at September 30, 2025	Market value as at September 30, 2025	Unrealised appreciation / (diminution)	Market value as a percentage of	
										total investments of the Fund	net assets of the Fund
GoP Ijarah sukuk GIS - VRR - XXV (Face value of Rs. 100,000 per certificate)	27-Apr-27	Weighted average 6 months T-Bills	38	-	-	38	3,853	3,835	(18)	0.05%	0.03%
GoP Ijarah sukuk GIS - VRR - XLI (Face value of Rs. 100,000 per certificate)	4-Dec-26	Weighted average 6 months T-Bills	750	-	-	750	75,465	75,420	(45)	0.96%	0.67%
GoP Ijarah sukuk GIS - FRR - XXXII (Face value of Rs. 100,000 per certificate)	4-Dec-26	16.19%	1,500	-	-	1,500	161,385	160,365	(1,020)	2.05%	1.42%
GoP Ijarah sukuk GIS - VRR-XLII (Face value of Rs. 100,000 per certificate)	4-Dec-28	Weighted average 6 months T-Bills	1,000	1,000	1,000	1,000	101,370	101,270	(100)	1.29%	0.89%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	24-Jan-27	Weighted average 6 months T-Bills	35,000	-	-	35,000	177,433	176,488	(945)	2.26%	1.56%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	24-Jan-29	Weighted average 6 months T-Bills	35,000	-	-	35,000	179,883	179,043	(840)	2.29%	1.58%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	28-Jun-27	Weighted average 6 months T-Bills	5,000	-	-	5,000	25,243	25,235	(8)	0.32%	0.22%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	28-Jun-29	Weighted average 6 months T-Bills	5,000	-	-	5,000	25,265	25,088	(178)	0.32%	0.22%
GoP Ijarah sukuk GIS - VRR - XXIII (Face value of Rs. 100,000 per certificate)	6-Oct-26	Weighted average 6 months T-Bills	1,500	4,500	4,500	1,500	151,080	150,870	(210)	1.93%	1.33%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	17-Sep-25	15.00%	150,000	340,000	400,000	90,000	-	-	-	0.00%	0.00%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	23-Jul-26	9.99%	-	212,500	-	212,500	984,485	983,769	(716)	12.57%	8.69%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	18-Sep-27	Weighted average 6 months T-Bills	52,500	-	-	52,500	264,626	263,708	(919)	3.37%	2.33%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	18-Sep-29	Weighted average 6 months T-Bills	12,500	-	-	12,500	63,644	63,106	(538)	0.81%	0.56%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	20-Oct-25	11.75%	25,000	25,000	25,000	25,000	124,349	124,363	14	1.59%	1.10%

Name of the security	Maturity date	Profit rate / Yield	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at September 30, 2025	Carrying value as at September 30, 2025	Market value as at September 30, 2025	Unrealised appreciation / (diminution)	Market value as a percentage of	
										total investments of the Fund	net assets of the Fund
						(Rupees in '000)			%		
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	21-Oct-27	Weighted average 6 months T-Bills	30,000	-	-	30,000	151,245	150,525	(720)	1.92%	1.33%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	21-Oct-29	Weighted average 6 months T-Bills	25,000	-	-	25,000	127,313	126,100	(1,213)	1.61%	1.11%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	July 25, 2025	17.22%	30,000	-	30,000	-	-	-	-	0.00%	0.00%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	August 15, 2025	15.99%	10,000	-	10,000	-	-	-	-	0.00%	0.00%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	6-Nov-25	11.00%	110,200	110,000	110,000	110,200	545,793	545,655	(138)	6.96%	4.81%
GoP Ijarah sukuk GIS - Listed Sukuk (Face value of Rs. 5,000 per certificate)	3-Dec-25	11.00%	20,000	20,000	20,000	20,000	98,303	98,270	(33)	1.26%	0.87%
Total as at September 30, 2025							3,260,733	3,253,108	(7,625)	41.56%	28.73%
Total as at June 30, 2025							3,161,263	3,190,805	29,542	82.18%	23.66%

5.2 Corporate sukuks certificates

Name of the security	Rating	Profit payments / principal payments	Maturity date	As at July 1, 2025	Purchased during the year	Sales / redemptions / maturity during the year	As at September 30, 2025	Carrying value as at September 30, 2025	Market value as at September 30, 2025	Unrealised diminution	Market value as a percentage of	
											total investments of the Fund	net assets of the Fund
						(Rupees in '000)			%			
POWER GENERATION & DISTRIBUTION												
Pakistan Telecommunication company limited STS	A1+, PACRA	Quarterly	18-Mar-26	-	300	-	300	300,000	300,000	-	3.83%	2.65%
Air Link Communication Limited Sukuk (Face value 1,000,000 per certificate)	A1 PACRA	Monthly	23-Mar-26	-	275	-	275	275,000	275,000	-	3.51%	2.43%
K-Electric Limited - Sukuk V (Face value of 2,250 per certificate)	AA+, PACRA	Quarterly	August 3, 2027	11,990	-	-	11,990	24,372	24,208	(165)	0.31%	0.21%
Pakistan Energy Sukuk - II (Face value of Rs 5,000 per certificate)	Not rated	Semi-Annually	May 21, 2030	30,000	-	-	30,000	150,000	150,150	150	1.92%	1.33%
Total as at September 30, 2025							749,372	749,358	(15)	9.58%	6.62%	
Total as at June 30, 2025							177,839	177,370	(469)	4.57%	1.31%	

5.3 Certificates of musharakah

Name of the security	Rating	Maturity date	Profit rate	Face Value				Carrying value as at September 30, 2025	Market value as at September 30, 2025	Market value as a percentage of	
				As at July 1, 2025	Purchased during the year	Matured during the year	As at September 30, 2025			total investments of the Fund	net assets of the Fund
								%			
First Habib Modaraba	AA+, PACRA	July 29, 2025	12.00%	514,486	-	514,486	-	-	-	-	-
First Habib Modaraba	AA+, PACRA	November 21, 2025	10.80%	-	500,000	-	500,000	500,000	500,000	6.39%	4.42%
First Habib Modaraba	AA+, PACRA	December 19, 2025	10.95%	-	300,000	-	300,000	300,000	300,000	3.83%	2.65%
Total as at September 30, 2025							800,000	800,000	10.22%	7.07%	
Total as at June 30, 2025							514,486	514,486	13.25%	3.81%	

5.4 Bai Muajjal

Name of the counterparty	Maturity date	Profit % rate	Total transaction price	Carrying value as at September 30, 2025	Market value as percentage of	
					Net assets of the Fund	Total market value of
			-----(Rupees in '000)-----			
United Bank Limited	26-Jan-26	10.35%	739,463	739,463	6.53%	9.45%
United Bank Limited	7-Nov-25	10.70%	741,188	741,188	6.55%	9.47%
United Bank Limited	12-Nov-25	10.70%	197,870	197,870	1.75%	2.53%
Pakistan Mortgage Refinance Company Limited	18-Feb-26	10.60%	158,206	158,206	1.40%	2.02%
Pakistan Mortgage Refinance Company Limited	26-Feb-26	10.60%	158,594	158,594	1.40%	2.03%
Askari Bank Limited	17-Dec-25	10.80%	263,561	263,561	2.33%	3.37%
Soneri Bank Limited	19-Dec-25	10.80%	764,833	764,833	6.76%	9.77%
Total as at September 30, 2025				3,023,714	26.71%	38.64%
Total as at June 30, 2025				-	-	-

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2025 and June 30, 2025.

7 REIMBURSEMENT SELLING AND MARKETING EXPENSES

The SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, wherein the SECP has excluded the chargeability of selling and marketing expenses from the Schedule.

8 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has intended the required minimum percentage of income earned by the Fund for the year ended June 30, 2026 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed 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.

9 TOTAL EXPENSE RATIO

The Securities and Exchange Commission of Pakistan (SECP), vide S.R.O. 600(I)/2025, has withdrawn the Total Expense Ratio (TER) limit with effect from July 1, 2025. Although the TER is no longer subject to a prescribed cap, the management fee for a Income fund Scheme shall not exceed 1.50% per annum of the average daily net assets.

The TER of the Fund as at September 30, 2025 is 1.82% (September 30, 2024: 1.89%), which includes 0.22% (September 30, 2024: 0.31%) representing government levies.

10 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

- 10.1** Related parties / connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan 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, directors and key management personnel of the Management Company and other associated companies. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 10.2** Transactions with connected persons / related parties are 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.
- 10.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 10.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 10.5** Allocated expenses and selling and marketing expenses are reimbursed by the Fund to the Management Company.
- 10.6** **Details of transactions with related parties / connected persons during the period are as follows:**

(Un-audited)		
	Quarter ended September 30, 2025	Quarter ended September 30, 2024
----- Rupees in '000'-----		
NBP Fund Management Limited - Management Company		
Remuneration of NBP Fund Management Limited - Management Company	41,337	20,850
Sindh sales tax on remuneration of the Management Company	6,201	3,127
Reimbursement of allocated expenses	-	1,921
Sindh sales tax on Reimbursement of allocated expenses	-	288
Reimbursement of selling and marketing expenses	-	5,571
Sindh sales tax on Reimbursement of selling and marketing expenses	-	836
Preliminary expenses and floatation costs borne by the Management Company	20	39
Sales load and sindh sales tax on sales load	790	6,102
ADC charges including Sindh sales tax	723	588
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	2,183	1,441
Sindh sales tax on remuneration of the Trustee	327	216
Settlement Charges	50	50

(Un-audited)

Quarter ended September 30, 2025	Quarter ended September 30, 2024
----- Rupees in '000' -----	

Employees of NBP Fund Management Limited	31,003	45,219
Units Issued / Trasferred In: 3,026,065 units (2024: 4,355,856 units)		
Units Redeemed / Transferred Out: 5,078,305 units (2024: 3,716,379 units)	51,857	38,593
 Portfolio managed by the Management Company		
	139,879	7,800
Units Issued / Trasferred In: units 13,753,718 (2024: 760,104 units)		
Units Redeemed / Transferred Out: 8,544,478 units (2024: 723,438 units)	87,600	7,404
 National Bank of Pakistan - Parent company		
Profit on savings account	2	198
 K-Electric Limited - common directorship		
Purchase of corporate sukuk certificates	-	-
Income earned on corporate sukuks	831	4,502
 Zaheer Iqbal - Chief Financial Officer		
Units Issued / Trasferred In: 328 units (2024: Nil units)	3	-
Units Redeemed / Transferred Out: 374,068 units (2024: Nil units)	3,859	-
 Fauji Fertilizer Company Limited Common directorship		
Units Issued / Trasferred In: 105,836,471 units (2024: Nil units)	1,093,997	-
Units Redeemed / Transferred Out: 138,105,238 units (2024: Nil units)	1,413,805	-

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

September 30, 2025	June 30, 2025
----- Rupees in '000' -----	

NBP Fund Management Limited - Management Company		
Remuneration payable to the Management Company	12,603	9,340
Sindh sales tax on remuneration payable to the Management Company	1,891	1,401
Reimbursement of allocated expenses payable	-	4,130
Sindh sales tax on allocated expenses payable	-	620
Reimbursement of selling and marketing expenses payable	-	1,953
Sindh sales tax on selling and marketing expenses payable	-	293
Sales load payable to the Management Company	1,141	914
Sindh sales tax payable on sales load	174	140
Alternate delivery channel charges payable including Sindh sales tax	775	52
Other payable	153	153

	(Un-audited)	(Audited)
	September 30, 2025	June 30, 2025
---- Rupees in '000'----		

Central Depository Company of Pakistan Limited - Trustee

Remuneration payable to the Trustee	666	493
Sindh sales tax payable on Trustee remuneration	100	74
Settlement charges payable	95	45
Security deposit with Central Depository Company of Pakistan Limited - the Trustee	100	100

National Bank of Pakistan - Parent company

Bank balances	585	962
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Employees of NBP Fund Management Limited

Units held: 1,494,503 units (June 30, 2025: 3,564,744 units)	15,466	35,946
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Portfolio managed by the Management Company

Units held: 22,992,657 units (June 30, 2024: 17,783,419 units)	237,935	180,231
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Kelectric Limited - Common dealership

Corporate sukuk certificates held	11,990	27,370
Profit receivable on corporate sukuk certificates	495	602

Fauji Fertilizer Company Ltd - Related Party

Units held: 105,836,471 units (June 30, 2025: 138,105,238 units)	1,095,228	1,399,669
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Zaheer Iqbal - Chief Financial Officer

Units held: Nil (June 30, 2025: 373,740 units)	-	3,788
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11 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on October 30, 2025.

12 GENERAL

Figures in these condensed interim financial statements have been rounded off to the nearest thousand of rupees.

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

Chief Financial Officer

Chief Executive Officer

Director

Head Office

7th Floor, Clifton Diamond Building, Block No.4,
Scheme No.5, Clifton, Karachi.

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