



Managing Your Savings

NBP Fund Management Limited



NBP BALANCED FUND

ANNUAL REPORT
JUNE 30, 2026

AM1
Rated by PACRA

MISSION STATEMENT

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



Contents

FUND'S INFORMATION	03
DIRECTORS' REPORT	07
TRUSTEE REPORT TO THE UNIT HOLDERS	14
FUND MANAGER REPORT	15
INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS	18
STATEMENT OF ASSETS AND LIABILITIES	21
INCOME STATEMENT	22
STATEMENT OF COMPREHENSIVE INCOME	23
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	24
CASH FLOW STATEMENT	25
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS	26
PERFORMANCE TABLE	54
PROXY ISSUED BY THE FUND	55



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
Syed Mujtaba Abbas	Director
Ms. Mehnaz Salar	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Umar Ahsan Khan	Director
Mr. Tahir Jawaid	Director
Mr. Saad Muzaffar Waraich	Director

Chief Financial Officer & Company Secretary

Mr. Muhammad Murtaza Ali

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
Syed Mujtaba Abbas	Member
Mr. Ali Saigol	Member
Mr. Umar Ahsan Khan	Member

Business Strategy & IT Committee

Mr. Saad Muzaffar Waraich	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Syed Mujtaba Abbas	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 Shahr-e-Faisal, Karachi.

Bankers to the Fund

Allied Bank Limited	MCB Bank Limited
Askari Bank Limited	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan
Bank Al Habib Limited	Zarai Taraqati Bank Limited
Bank Islami Pakistan Limited	Dubai Islamic Bank Limited
Faysal Bank Limited	Soneri Bank Limited
Habib Bank Limited	Summit Bank Limited
Habib Metropolitan Bank Limited	United 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 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.nbpffunds.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

Board of Directors



Mr. Ali Saigol
Director



Shaikh Muhammad Abdul Wahid Sethi
Chairman



Mr. Tahir Jawaidd
Director



Mr. Saad Muzaffar Waraich
Director



Syed Mujtaba Abbas
Director



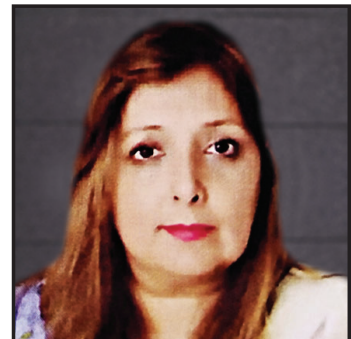
Mr. Imran Zaffar
Director



Mr. Umar Ahsan Khan
Director



Dr. Amjad Waheed, CFA
Chief Executive Officer



Ms. Mehnaz Salar
Director

Senior Management



Dr. Amjad Waheed, CFA
Chief Executive Officer



Mr. Muhammad Murtaza Ali
Chief Financial Officer &
Company Secretary



Mr. Asim Wahab Khan, CFA
Chief Investment Officer - Equity



Mr. Ozair Ali Khan
Chief Technology Officer



Mr. Salman Ahmed, CFA
Chief Investment Officer
Fixed Income



Mr. Mustafa Farooq
Chief Operating Officer



Mr. Raza Jafri
Head of Portfolio &
Investment Advisory



Syed Sharoz Mazhar, CFA
Chief Strategy & Growth Officer



Mr. Hassan Raza, CFA
Head of Equity



Mr. Waheed Abidi
Head of Internal Audit



Mr. Muhammad Umer Khan
Chief Human Resources Officer



Mr. Muhammad Waseem
Head of Research



Tanveer Fatima
Head of Compliance & Risk

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the Twenty Annual Report of **NBP Balanced Fund** for the year ended June 30, 2026.

Fund's Performance

The equity market delivered a strong performance during FY26, with the KSE-100 Index rising 43.5%. This follows gains of 60% in FY25 and 89% in FY24, taking the cumulative three-year return to 335%. The market remained resilient despite heightened volatility during the latter part of the year, as escalating tensions between the US and Iran, disruption to shipping through the Strait of Hormuz, and a sharp rise in global crude oil prices increased geopolitical and macroeconomic risks. The strong market performance was underpinned by continued macroeconomic stabilization, progress under the IMF program, improving economic activity, and strengthening investor confidence.

Economic recovery gained further momentum during FY26, with real GDP growth accelerating to 3.7%, the highest in four years, compared with 3.2% in FY25. Inflationary pressures, however, resurfaced during the year, with average CPI inflation rising to 7.1% from 4.6% in FY25. The increase was largely attributable to a low base effect and higher international energy prices following the escalation of the US-Iran conflict. In response, the central bank raised the policy rate by 100 bps to 11.5% in April-26 to contain inflationary pressures and anchor inflation expectations. Despite significant external debt repayments, and the sharp increase in global oil prices, the country's external position remained resilient. The current account recorded a modest deficit of USD 139 million in FY26, compared with a surplus of USD 1.8 billion in FY25, with higher imports and lower exports largely offset by record workers' remittances of USD 41.6 billion. External liquidity was further supported by fresh inflows, including USD 3.0 billion in Saudi deposits, Eurobond proceeds, and the country's inaugural Panda Bond. The Central Bank also purchased USD 6.5 billion from the foreign exchange market during 9MFY26, enabling foreign exchange reserves to exceed the June 2026 target of USD 18.0 billion. Reflecting the improvement in macroeconomic stability and progress on structural reforms, S&P Global upgraded Pakistan's long-term sovereign credit rating to 'B' from 'B-'.

Geopolitical developments became a key source of market volatility during the latter part of the year. The US-Iran conflict and the resulting disruption to the Strait of Hormuz led to a substantial increase in crude oil prices and heightened concerns over global energy security. Against this backdrop, Pakistan played a constructive diplomatic role in facilitating dialogue between the US and Iran, and supporting efforts towards a ceasefire. Looking ahead, the outlook for FY27 remains constructive, although geopolitical developments and global economic conditions are likely to remain important sources of near-term volatility. Improving macroeconomic stability, stronger external buffers, continued fiscal discipline, expectations of easing of interest rates, and improving corporate profitability should provide a supportive backdrop for equities.

In terms of sector-wise performance, Automobile Parts & Accessories, Commercial Banks, Fertilizer, Investment Banks/Companies, Leather & Tanneries, Power Generation & Distribution, Technology & Communication, and Transport sectors outperformed the market. Conversely, Auto Assemblers, Cable & Electrical Goods, Cement, Chemical, Engineering, Food & Personal Care, Glass & Ceramics, Insurance, Miscellaneous, Oil & Gas Exploration, Oil & Gas Marketing Companies, Pharmaceuticals, Refinery, Sugar, Textile Composite, and Tobacco sectors lagged behind.

Regarding participants' activity, Companies, Mutual Funds, and Individuals emerged as the largest net buyers, with inflows of USD 585 million, USD 401 million, and USD 328 million, respectively. In contrast, Insurance companies and Banks/DFIs reduced their net holdings by USD 241 million and USD 172 million, respectively.

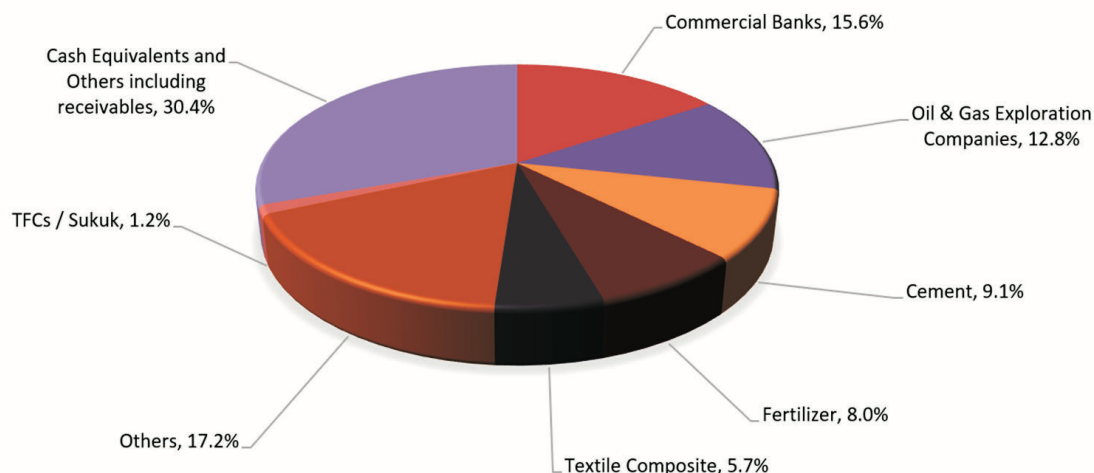
The State Bank of Pakistan (SBP) conducted twenty-six (26) T-Bill auctions, targeting approximately Rs. 19.5 trillion against maturities totaling around Rs. 20.5 trillion. Accepted bids amounted to a cumulative realization of around Rs. 21.6 trillion, spanning tenors from 1-month to 12-months. Debt markets reflected cautious sentiment, with T-Bill cut-

offs ranging from 9.9% to 13.0%. Yields increased over the fiscal year, with short-term tenor spreads ranging from 0.35% to 0.75%. Liquidity management remained influenced by market demand, maturity pressures and monetary policy expectations, with acceptance patterns favoring shorter tenors.

During the fiscal year, NBP Balanced Fund (NBF) increased by 36.3% versus the Benchmark increased by 33.7% translating into an outperformance of 2.6% during the year. Since its launch (January 19, 2007), the Fund has risen by 1,566.3%, versus the benchmark return of 1,070.7%, thus, to date out-performance is 495.6%. This outperformance is net of management fee and all other expenses. The Fund size is Rs 2,131 mln as of June 30, 2026.

NBP Balanced Fund has earned a total income of Rs. 611.89 million during the year. After deducting total expenses of Rs. 66.06 million, the net income is Rs. 545.83 million. During the year, the unit price of NBP Balanced Fund has increased from Rs. 32.5215 (Ex-Div) on June 30, 2025 to Rs. 44.3230 on June 30, 2026. The resultant per unit gain is Rs. 11.8015 (36.3%).

The asset allocation of NBP Balanced Fund as on June 30, 2026, is as follows:



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 3.776% of the opening ex-NAV (12.633% of the par value) during the year ended June 30, 2026.

Taxation

As the above cash dividend is more than 90% of the income earned during the year, as reduced by accumulated losses and capital gains, whether realized or unrealized, the Fund is not subject to tax under Clause 99 of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

Auditors

The present auditors, Messrs A.F. Ferguson & Co., Chartered Accountants, retired and, being eligible, offer themselves for re-appointment for the year ending June 30, 2027.

Directors' Statement in Compliance with best practices contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019

1. The financial statements, prepared by the management company, present fairly the state of affairs of the Fund, the result of its operations, cash flows and statement of movement in unit holders' funds.
2. Proper books of account of the Fund have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts upon the Fund's ability to continue as a going concern.
7. There has been no material departure from the best practices of Corporate Governance.
8. A performance table/ key financial data is given in this annual report.
9. Outstanding statutory payments on account of taxes, duties, levies and charges, if any, have been fully disclosed in the financial statements.
10. The Board of Directors of the Management Company held six meetings during the year. The attendance of all directors is disclosed in the note 26 to these financial statements.
11. The detailed pattern of unit holding is disclosed in the note 23 to these financial statements.
12. All trades in the units of the Fund, carried out by directors, CEO, CFO, Company Secretary and their spouses and minor children are disclosed in note 18 to these financial statements.
13. The Management Company encourages representation of independent non-executive directors on its Board. The Company, being an un-listed company, does not have any minority interest. As at June 30, 2026, the Board included:

Category	Names
Independent Directors	1. Mr. Tahir Jawaaid 2. Mr. Saad Muzaffar Waraich 3. Mr. Umar Ahsan Khan
Executive Director	Dr. Amjad Waheed - Chief Executive Officer
Non-Executive Directors	1. Shaikh Muhammad Abdul Wahid Sethi (Chairman) 2. Syed Mujtaba Abbas 3. Ms. Mehnaz Salar 4. Mr. Ali Saigol 5. Mr. Imran Zaffar

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: September 04, 2026
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ منیجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز NBP بیلنسڈ فنڈ کی بیسویں سالانہ رپورٹ برائے مختتمہ سال 30 جون 2026ء پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

فنڈ کی کارکردگی

مالی سال 26 کے دوران ایکویٹی مارکیٹ نے شاندار کارکردگی کا مظاہرہ کیا، جس کے نتیجے میں KSE-100 انڈیکس میں 43.5 فیصد اضافہ ہوا۔ اس سے قبل مالی سال 25 میں 60 فیصد اور مالی سال 24 میں 89 فیصد کا اضافہ ریکارڈ کیا گیا تھا، جس کے باعث تین سال کے دوران مجموعی ریٹرن 335 فیصد تک پہنچ گیا۔ سال کے آخری حصہ میں بڑھتے ہوئے اتار چڑھاؤ کے باوجود مارکیٹ نے مضبوط مزاحمت کا مظاہرہ کیا، کیونکہ امریکہ اور ایران کے درمیان بڑھتی ہوئی کشیدگی، آبنائے ہرمز کے ذریعے بحری تجارت میں خلل اور عالمی سطح پر خام تیل کی قیمتوں میں نمایاں اضافے نے جغرافیائی سیاسی اور معاشی خطرات میں اضافہ کیا۔ مارکیٹ کی مضبوط کارکردگی کو مسلسل معاشی استحکام، آئی ایم ایف پروگرام میں پیش رفت، معاشی سرگرمیوں میں بہتری اور سرمایہ کاروں کے اعتماد میں اضافے سے تقویت ملی۔

مالی سال 26 کے دوران معاشی بحالی میں مزید تیزی آئی اور حقیقی مجموعی ملکی پیداوار (GDP) کی شرح نمو بڑھ کر 3.7 فیصد ہو گئی، جو گزشتہ چار سال کی بلند ترین شرح ہے، جبکہ مالی سال 25 میں یہ 3.2 فیصد تھی۔ تاہم، سال کے دوران مہنگائی کے دباؤ میں دوبارہ اضافہ ہوا اور اوسط صارف قیمت اشاریہ (CPI) افراط زر مالی سال 25 کے 4.6 فیصد کے مقابلے میں بڑھ کر 7.1 فیصد ہو گئی۔ اس اضافے کی بڑی وجوہات میں کم بنیادی سطح اور امریکہ-ایران تنازع میں شدت کے بعد بین الاقوامی توانائی کی قیمتوں میں اضافہ شامل تھا۔ اس صورتحال کے پیش نظر مرکزی بینک نے مہنگائی کے دباؤ کو قابو میں رکھنے اور مہنگائی کی توقعات کو مستحکم رکھنے کے لیے اپریل 2026 میں پالیسی ریٹ میں 100 بیس پوائنٹس کا اضافہ کرتے ہوئے اسے 11.5 فیصد کر دیا۔ بیرونی قرضوں کی نمایاں ادائیگیوں اور عالمی سطح پر تیل کی قیمتوں میں شدید اضافے کے باوجود ملک کی بیرونی پوزیشن مضبوط رہی۔ مالی سال 26 میں کرنٹ اکاؤنٹ میں 139 ملین امریکی ڈالر کا معمولی خسارہ ریکارڈ ہوا، جبکہ مالی سال 25 میں 1.8 ملین امریکی ڈالر کا سربلس تھا۔ درآمدات میں اضافے اور برآمدات میں کمی کے اثرات کو ریکارڈ 41.6 بلین امریکی ڈالر کی ترسیلات زر نے بڑی حد تک متوازن رکھا۔ بیرونی لیکویڈیٹی کو سعودی عرب کے 3.0 بلین امریکی ڈالر کے ڈپازٹس، یورو بانڈ سے حاصل ہونے والی رقم اور ملک کے پہلے بانڈ بائڈ سمیت نئی آمدنیوں سے مزید تقویت ملی۔ مرکزی بینک نے مالی سال 26 کے پہلے نو ماہ کے دوران زرمبادلہ کی مارکیٹ سے 6.5 بلین امریکی ڈالر خریدے، جس کے نتیجے میں زرمبادلہ کے ذخائر جون 2026 کے لیے مقرر کردہ 18.0 بلین امریکی ڈالر کے ہدف سے تجاوز کر گئے۔ معاشی استحکام میں بہتری اور ساختی اصلاحات میں پیش رفت کو مد نظر رکھتے ہوئے S&P Global نے پاکستان کی طویل مدتی سورجبن کریڈٹ ریٹنگ کو 'B-' سے بڑھا کر 'B' کر دیا۔

سال کے آخری حصہ میں جغرافیائی سیاسی پیش رفت مارکیٹ میں اتار چڑھاؤ کا ایک اہم سبب بن گئی۔ امریکہ-ایران تنازع اور اس کے نتیجے میں آبنائے ہرمز کے ذریعے بحری آمدورفت میں خلل نے خام تیل کی قیمتوں میں نمایاں اضافہ کیا اور عالمی توانائی کے تحفظ سے متعلق خدشات کو بڑھا دیا۔ اس صورتحال میں پاکستان نے امریکہ اور ایران کے درمیان مذاکرات کو آگے بڑھانے اور جنگ بندی کی کوششوں میں معاونت کے لیے تعمیری سفارتی کردار ادا کیا۔ مستقبل کے حوالے سے مالی سال 27 کا منظر نامہ مجموعی طور پر حوصلہ افزا ہے، تاہم جغرافیائی سیاسی حالات اور عالمی معاشی صورتحال قلیل مدت میں اتار چڑھاؤ کے اہم عوامل رہنے کا امکان ہے۔ معاشی استحکام میں بہتری، مضبوط بیرونی مالیاتی ذخائر، مسلسل مالیاتی نظم و ضبط، شرح سود میں کمی کی توقعات اور کارپوریٹ منافع میں بہتری ایکویٹی مارکیٹ کے لیے معاون ماحول فراہم کرنے کی توقع ہے۔

شعبہ دارکارکردگی کے لحاظ سے آٹوموبائل پارٹس اینڈ ایکسیسریز، کمرشل بینکس، فزٹیلانز، انویسٹمنٹ بینکس/کمپنیاں، لیڈر اینڈ ٹریڈرز، پاور جنریشن اینڈ ڈسٹری بیوٹن، ٹیکنالوجی اینڈ کمیونیکیشن اور ٹرانسپورٹ کے شعبوں نے مارکیٹ سے بہتر کارکردگی دکھائی۔ اس کے برعکس آٹوموبائلز، کیمل اینڈ الیکٹریکل گڈز، سینٹ، کیمیکل، انجینئرنگ، فوڈ اینڈ پراسسنگ، کیمر، گلاس اینڈ سیرامکس، انشورنس، متفرق، آئل اینڈ گیس ایکسپلوریشن، آئل اینڈ گیس مارکیٹنگ کمپنیوں، فارماسیوٹیکلز، ریفائنری، شوگر، ٹیکسٹائل کمپوزٹ اور تمباکو کے شعبوں نے مارکیٹ سے اترکارکردگی کا مظاہرہ کیا۔

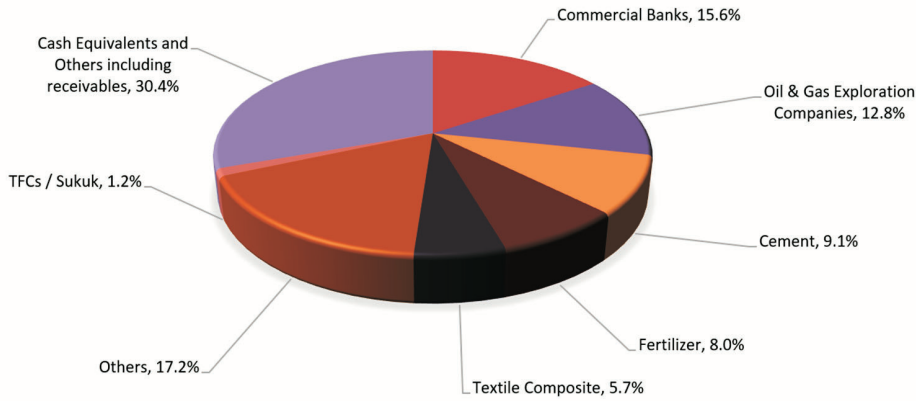
سرمایہ کاروں کی سرگرمی کے حوالے سے کمپنیاں، میڈیٹل فنڈز اور انفرادی سرمایہ کار سب سے بڑے خالص خریدار رہے، جن کی بالترتیب 585 ملین، 401 ملین اور 328 ملین امریکی ڈالر کی خالص سرمایہ کاری رہی۔ اس کے برعکس انشورنس کمپنیوں اور بینکس/DFIs نے سال کے دوران اپنی خالص ہولڈنگز میں بالترتیب 241 ملین اور 172 ملین امریکی ڈالر کمی کی۔

اسٹیٹ بینک آف پاکستان (SBP) نے نئی ملز کی 26 ہلا میاں منعقد کیں، جن میں تقریباً 19.5 ٹریلین روپے کے ہدف کے مقابلے میں تقریباً 20.5 ٹریلین روپے کی مچھوڑ تھیں۔ منظور شدہ بولیوں کی مجموعی مالیت تقریباً 21.6 ٹریلین روپے رہی، جس میں 1 ماہ سے 12 ماہ تک کی مدت کے نئے ملز شامل تھے۔ قرض کی مارکیٹوں میں محتاط رجحان دیکھا گیا، جبکہ نئی بلز کے کٹ آف ریٹس 9.9 فیصد سے 13.0 فیصد کے درمیان رہے۔ مالی سال کے دوران شرح منافع میں اضافہ ہوا، جبکہ قلیل مدتی مدتوں کے اسپریڈز 0.35 فیصد سے 0.75 فیصد کے درمیان رہے۔ لیکویڈیٹی منیجمنٹ پر مارکیٹ کی طلب، مچھوڑی کے دباؤ اور مانیٹری پالیسی سے متعلق توقعات اثر انداز ہوتی رہیں، جبکہ بولیوں کی منظوری کے رجحان میں نسبتاً مختصر مدت کے آلات کو ترجیح دی گئی۔

مالی سال کے دوران NBP بیلنسڈ فنڈ میں 36.3 فیصد اضافہ ہوا، جبکہ شیئ مارک میں 33.7 فیصد اضافہ ریکارڈ کیا گیا، جس کے نتیجے میں فنڈ نے سال کے دوران 2.6 فیصد کی بہتر کارکردگی کا مظاہرہ کیا۔ فنڈ کے آغاز (19 جنوری 2007) سے اب تک اس میں 1,566.3 فیصد اضافہ ہوا ہے، جبکہ شیئ مارک کا ریٹرن 1,070.7 فیصد رہا، یوں اب تک فنڈ کی بہتر کارکردگی 495.6 فیصد رہی ہے۔ یہ بہتر کارکردگی منجمنٹ فیس اور دیگر تمام اخراجات منہا کرنے کے بعد خالص ہے۔ 30 جون 2026 تک فنڈ کا حجم 2,131 ملین روپے ہے۔

NBP بیلنسڈ فنڈ نے سال کے دوران 611.89 ملین روپے کی مجموعی آمدنی حاصل کی۔ 66.06 ملین روپے کے مجموعی اخراجات منہا کرنے کے بعد خالص آمدنی 545.83 ملین روپے رہی۔ سال کے دوران NBP بیلنسڈ فنڈ کی یونٹ قیمت 30 جون 2025 کو 32.5215 روپے (Ex-Div) سے بڑھ کر 30 جون 2026 کو 44.3230 روپے ہو گئی۔ اس طرح فی یونٹ حاصل ہونے والا منافع 11.8015 روپے (36.3 فیصد) رہا۔

30 جون 2026 کو NBP بیلنسڈ فنڈ کی اثاثہ جاتی تقسیم درج ذیل ہے:



آمدنی کی تقسیم

منجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 30 جون 2025 کو ختم ہونے والے سال کے دوران اوپننگ ex-NAV کے 3.776 فیصد (بنیادی قیمت کا 12.633 فیصد) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

فیکسیشن

چونکہ مذکورہ بالا نقد منافع سال کے دوران حاصل ہونے والی آمدنی کے 90 فیصد سے زائد ہے، جس کا تعین مجموعی نقصانات اور حاصل شدہ یا غیر حاصل شدہ سرمایہ جاتی منافع کو منہا کرنے کے بعد کیا گیا ہے، اس لیے انکم ٹیکس آرڈیننس، 2001 کے دوسرے شیڈول کے حصہ اول کی شق 99 کے تحت فنڈ پر ٹیکس عائد نہیں ہوتا۔

آڈیٹرز

موجودہ آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے ہیں اور اہل ہونے کی بناء پر 30 جون 2027 کو ختم ہونے والے سال کی دوبارہ تقرری کے لئے خود کو پیش کرتے ہیں۔

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 میں شامل بہترین عوامل کی پیروی میں ڈائریکٹرز انشٹنٹ

1. منجمنٹ کمپنی کی طرف سے تیار کردہ، مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کیش فلو اور یونٹ ہولڈرز فنڈز میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔
2. فنڈ کے اکاؤنٹس کے کھاتے درست انداز میں رکھے ہوئے ہیں۔
3. مالی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کی مسلسل پیروی کی گئی ہے۔ شریاتی تحیئے مناسب اور معقول نظریات پر مبنی ہیں۔
4. ان مالیاتی گوشواروں کی تیاری میں مالیاتی رپورٹنگ کے بین الاقوامی معیاروں، جہاں تک وہ پاکستان میں قابل اطلاق ہیں، کی پیروی کی گئی ہے۔
5. انٹرئل کنٹرول کا نظام مستحکم اور موثر طریقے سے نافذ ہے اور اس کی مسلسل نگرانی کی جاتی ہے۔
6. فنڈ کی رواں دواں رہنے کی صلاحیت کے بارے میں کوئی شکوک و شبہات نہیں ہیں۔
7. کارپوریٹ گورننس کی اعلیٰ ترین روایات سے کوئی پہلو تہی نہیں کی گئی۔

- 8 پرفارمنس ٹیبل / اہم مالیاتی ڈیٹا اس سالانہ رپورٹ میں شامل ہیں۔
- 9 ٹیکسوں، ڈیویڈنڈ، محصولات اور چارجز کی مد میں واجب الادا سرکاری ادائیگیاں مالیاتی گوشواروں میں پوری طرح ظاہر کر دی گئی ہیں۔
- 10 اس مدت کے دوران منجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے چھ اجلاس منعقد ہوئے۔ تمام ڈائریکٹرز کی حاضری ان مالیاتی گوشواروں کے نوٹ 26 میں ظاہر کی گئی ہے۔
- 11 یونٹ ہولڈنگ کا تفصیلی پٹرن مالیاتی گوشواروں کے نوٹ 23 میں ظاہر کیا گیا ہے۔
- 12 ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکرٹری اور ان کی شریک حیات اور کم عمر بچوں کی طرف سے کی جانے والی فنڈ کے یونٹس کی تمام خرید و فروخت ان مالیاتی گوشواروں کے نوٹ 18 میں ظاہر کی گئی ہے۔
- 13 کمپنی اپنے بورڈ آف ڈائریکٹرز میں غیر جانبدارانہ ایگزیکٹو ڈائریکٹرز کی نمائندگی کی حوصلہ افزائی کرتی ہے۔ کمپنی ایک غیر فہرست شدہ کمپنی ہونے کے ناطہ کوئی منارٹی انٹریسٹ نہیں رکھتی۔ 30 جون 2026 کو بورڈ آف ڈائریکٹرز درج ذیل ارکان پر مشتمل ہیں:

کٹگری	نام
آزاد ڈائریکٹرز	•1 جناب طاہر جاوید
	•2 جناب سعد مظفر وڑائچ
	•3 جناب عمر احسن خان
ایگزیکٹو ڈائریکٹر	ڈاکٹر امجد وحید۔ چیف ایگزیکٹو آفیسر
نان ایگزیکٹو ڈائریکٹرز	•1 شیخ محمد عبدالواحد سیٹھی (چیئرمین)
	•2 سید مجتبیٰ عباس
	•3 محترمہ مہناز سالار
	•4 جناب علی سیگل
	•5 جناب عمران ظفر

اظہار تشکر

بورڈ اس موقع پر اپنے معزز یونٹ ہولڈرز کا تہہ دل سے شکریہ ادا کرتا ہے کہ انہوں نے منجمنٹ کمپنی پر اپنے اعتماد اور بھروسہ کا اظہار کیا اور اسے اپنی خدمت کا موقع فراہم کیا۔ بورڈ سیکریٹری اینڈ ایگزیکٹو کمیشن آف پاکستان (SECP) اور اسٹیٹ بینک آف پاکستان (SBP) کی سرپرستی، رہنمائی اور تعاون پر بھی تہہ دل سے شکریہ ادا کرتا ہے۔

بورڈ اپنے عملے اور ڈسٹری بیوٹرز کی جانب سے دکھائی جانے والی محنت، لگن اور عزم کی بھی قدر اور ان کی خدمات کو خراج تحسین پیش کرتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

NBP منجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 04 ستمبر 2026ء

مقام: کراچی

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Balanced 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 year ended June 30, 2026 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;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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, September 28, 2026

FUND MANAGER REPORT

NBP Balanced Fund

NBP Balanced Fund (NBF) is an Open-end Balanced Fund.

Investment Objective of the Fund

Objective of NBF is to provide investors with a combination of capital growth and income. NBF aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments, CFS etc.

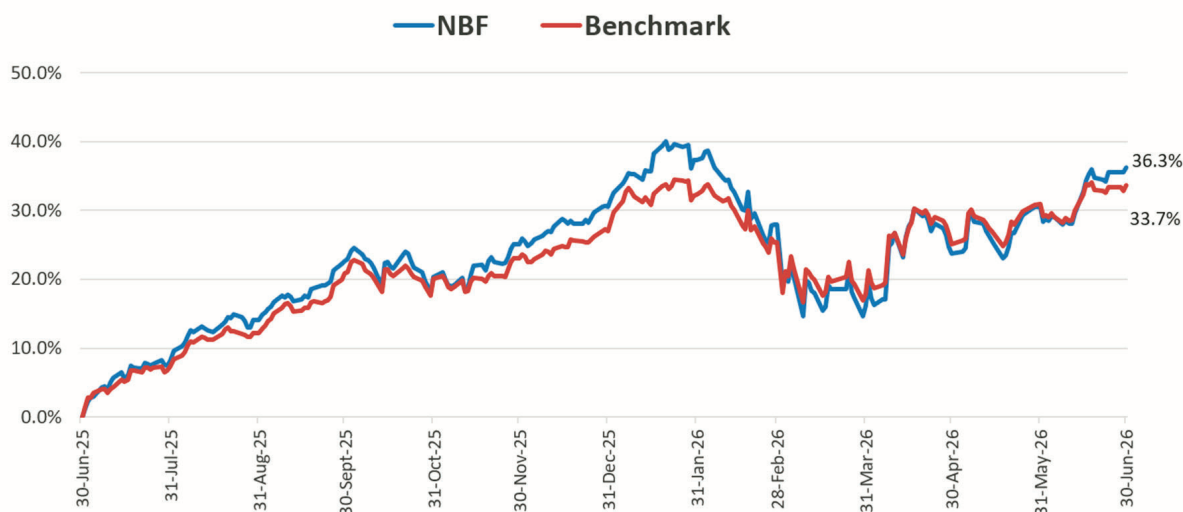
Benchmark

60% of Benchmark of Equity CIS + 40% of Benchmark of Income CIS.

Fund Performance Review

This is the Twenty annual report of the Fund. During the fiscal year, NBP Balanced Fund (NBF) increased by 36.3% versus the Benchmark increased by 33.7% translating into an outperformance of 2.6% during the year. Since its launch (January 19, 2007), the Fund has risen by 1,566.3%, versus the benchmark return of 1,070.7%, thus, to date out-performance is 495.6%. This outperformance is net of management fee and all other expenses. The Fund size is 2,131 mln as of June 30, 2026.

NBF Performance vs. Benchmark during FY26



At the start of the year, NBF was around 69.6% invested in equities. During the year, we altered the allocation of the Fund based on the expected performance of different asset classes. Towards the end of the year, the allocation in equities was around 68.4%.

The equity market delivered a strong performance during FY26, with the KSE-100 Index rising 43.5%. This follows gains of 60% in FY25 and 89% in FY24, taking the cumulative three-year return to 335%. The market remained resilient despite heightened volatility during the latter part of the year, as escalating tensions between the US and Iran, disruption

to shipping through the Strait of Hormuz, and a sharp rise in global crude oil prices increased geopolitical and macroeconomic risks. The strong market performance was underpinned by continued macroeconomic stabilization, progress under the IMF program, improving economic activity, and strengthening investor confidence.

Economic recovery gained further momentum during FY26, with real GDP growth accelerating to 3.7%, the highest in four years, compared with 3.2% in FY25. Inflationary pressures, however, resurfaced during the year, with average CPI inflation rising to 7.1% from 4.6% in FY25. The increase was largely attributable to a low base effect and higher international energy prices following the escalation of the US-Iran conflict. In response, the central bank raised the policy rate by 100 bps to 11.5% in April-26 to contain inflationary pressures and anchor inflation expectations. Despite significant external debt repayments, and the sharp increase in global oil prices, the country's external position remained resilient. The current account recorded a modest deficit of USD 139 million in FY26, compared with a surplus of USD 1.8 billion in FY25, with higher imports and lower exports largely offset by record workers' remittances of USD 41.6 billion. External liquidity was further supported by fresh inflows, including USD 3.0 billion in Saudi deposits, Eurobond proceeds, and the country's inaugural Panda Bond. The Central Bank also purchased USD 6.5 billion from the foreign exchange market during 9MFY26, enabling foreign exchange reserves to exceed the June 2026 target of USD 18.0 billion. Reflecting the improvement in macroeconomic stability and progress on structural reforms, S&P Global upgraded Pakistan's long-term sovereign credit rating to 'B' from 'B-'.

Geopolitical developments became a key source of market volatility during the latter part of the year. The US-Iran conflict and the resulting disruption to the Strait of Hormuz led to a substantial increase in crude oil prices and heightened concerns over global energy security. Against this backdrop, Pakistan played a constructive diplomatic role in facilitating dialogue between the US and Iran, and supporting efforts towards a ceasefire. Looking ahead, the outlook for FY27 remains constructive, although geopolitical developments and global economic conditions are likely to remain important sources of near-term volatility. Improving macroeconomic stability, stronger external buffers, continued fiscal discipline, expectations of easing of interest rates, and improving corporate profitability should provide a supportive backdrop for equities.

In terms of sector-wise performance, Automobile Parts & Accessories, Commercial Banks, Fertilizer, Investment Banks/Companies, Leather & Tanneries, Power Generation & Distribution, Technology & Communication, and Transport sectors outperformed the market. Conversely, Auto Assemblers, Cable & Electrical Goods, Cement, Chemical, Engineering, Food & Personal Care, Glass & Ceramics, Insurance, Miscellaneous, Oil & Gas Exploration, Oil & Gas Marketing Companies, Pharmaceuticals, Refinery, Sugar, Textile Composite, and Tobacco sectors lagged behind.

Regarding participants' activity, Companies, Mutual Funds, and Individuals emerged as the largest net buyers, with inflows of USD 585 million, USD 401 million, and USD 328 million, respectively. In contrast, Insurance companies and Banks/DFIs reduced their net holdings by USD 241 million and USD 172 million, respectively.

The State Bank of Pakistan (SBP) conducted twenty-six (26) T-Bill auctions, targeting approximately Rs. 19.5 trillion against maturities totaling around Rs. 20.5 trillion. Accepted bids amounted to a cumulative realization of around Rs. 21.6 trillion, spanning tenors from 1-month to 12-months. Debt markets reflected cautious sentiment, with T-Bill cut-offs ranging from 9.9% to 13.0%. Yields increased over the fiscal year, with short-term tenor spreads ranging from 0.35% to 0.75%. Liquidity management remained influenced by market demand, maturity pressures and monetary policy expectations, with acceptance patterns favoring shorter tenors.

During the period under question:

During the period there has been no significant change in the state of affairs of the Fund, other than stated above. During the year there were no circumstances that materially affected any interests of the unit holders. The Fund does not have any soft commission arrangement with any broker in the industry.

NBP BALANCED FUND

Asset Allocation of the Fund (% of NAV)

Particulars	30-Jun-26	30-Jun-25
Equities / Stocks	68.4%	69.6%
TFCs / Sukuks	1.2%	2.3%
Cash Equivalents	31.1%	28.5%
Other Net Liabilities	(0.7%)	(0.4%)
Total	100.0%	100.0%

Distribution for the Financial Year 2025

Interim Period / Quarter	Dividend as % of Par Value (Rs.10)	Cumulative Div. Price/Unit	Ex- Div. Price
Interim	12.63%	45.3594	32.6968

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
1-1000	503
1001-5000	128
5001-10000	27
10001-50000	60
50001-100000	7
100001-500000	22
500001-1000000	1
1000001-5000000	1
5000001-10000000	0
10000001-100000000	1
100000001-1000000000	0
1000000001-10000000000	0
Total	750

Details of Non-Compliant Investments

Details of Non-Compliant Investments						
Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets
Saudi Pak Leasing Company Limited - Revised II 13-Mar	TFC	27,547,410	27,547,410	0	0.0%	0.0%
New Allied Electronics Limited I- Sukuk 25-Jul-07 25-Jul-30	Sukkuk	10,000,000	10,000,000	0	0.0%	0.0%
Eden House Limited - Sukuk Revised 29-Mar-08 29-Sep-25	Sukkuk	9,843,750	9,843,750	0	0.0%	0.0%
Total		47,391,160	47,391,160	0	0.0%	0.0%

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

To the Unit holders of NBP Balanced Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NBP Balanced Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, statement of movements in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2026, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (NAV) (Refer notes 4 and 5 to the financial statements) Bank balances and investments constitute the most significant components of the net asset value. The bank balances of the fund as at June 30, 2026 aggregated to Rs. 663.298 million and investments amounted to Rs. 1,483.887 million. The existence of bank balances and the existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2026 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: " Obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2026 and traced them to the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; " Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and " Obtained bank reconciliation statements and tested reconciling items on a sample basis.

Information Other than the Financial Statements and Auditor's Report Thereon

The Management Company (NBP Fund Management Limited) is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management Company and Board of Directors of Management Company for the Financial Statements

The Management Company (NBP Fund Management Limited) is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management Company.
- Conclude on the appropriateness of Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a



material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) the financial statement have been properly prepared in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008;
- b) proper books and records have been kept by the Collective Investment Scheme or the financial statements prepared are in agreement with the books and records of Collective Investment Scheme; and
- c) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.

A.F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 08, 2026

UDIN: AR2026100610EmADWvdw

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2026

		2026	2025
	Note	-----Rupees in 000-----	
Assets			
Bank balances	4	663,298	419,132
Receivable against conversion of units		3,816	3,665
Receivable against sale of investments		-	27,753
Investments	5	1,483,887	1,056,919
Interest receivable	6	336	431
Advance, deposits and prepayment	7	4,868	3,938
Total assets		2,156,205	1,511,838
Liabilities			
Payable to NBP Fund Management Limited - Management Company	8	17,738	19,064
Payable to Central Depository Company of Pakistan Limited - Trustee	9	728	635
Payable to the Securities and Exchange Commission of Pakistan	10	144	102
Accrued expenses and other liabilities	11	6,679	22,309
Total liabilities		25,289	42,110
Net assets		<u>2,130,916</u>	<u>1,469,728</u>
Unit Holders' Fund (as per statement attached)		<u>2,130,916</u>	<u>1,469,728</u>
Contingencies and commitments	12		
		------(Number of units)-----	
Number of units in issue	13	<u>48,076,986</u>	<u>43,933,902</u>
		------(Rupees)-----	
Net Assets Value per unit		<u>44.3230</u>	<u>33.4532</u>

The annexed notes 1 to 28 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	-----Rupees in 000-----	-----Rupees in 000-----
Income			
Income on term finance and corporate sukuk certificates		10,707	7,025
Income on treasury bills		-	7,228
Interest on savings accounts with banks		55,704	44,771
Dividend income		61,332	56,883
Net realised gain on sale of investments		140,882	74,478
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.5	343,271	342,474
Reversal of impairment loss	5.4.3	-	8,254
Total income		<u>611,896</u>	<u>541,113</u>
Expenses			
Remuneration of NBP Fund Management Limited - Management Company	8.1	47,998	39,435
Sindh sales tax on remuneration to the Management Company	8.2	7,200	5,915
Reimbursement of selling and marketing expenses	8.3	-	6,463
Sindh sales tax on selling and marketing expenses	8.2	-	970
Reimbursement of allocated expenses	8.4	-	826
Sindh sales tax on allocated expenses	8.2	-	124
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	2,898	2,259
Sindh sales tax on remuneration of the Trustee	9.2	435	339
Fee to the Securities and Exchange Commission of Pakistan	10.1	1,614	1,073
Securities transaction costs		3,118	1,136
Auditors' remuneration	14	1,484	1,141
Settlement and bank charges		584	675
Annual rating fee		418	381
Legal and professional charges		252	518
Printing and other charges		-	45
Annual listing fee		63	30
Total expenses		<u>66,064</u>	<u>61,330</u>
Net income for the year before taxation		<u>545,832</u>	<u>479,783</u>
Taxation	15	-	-
Net income for the year after taxation		<u>545,832</u>	<u>479,783</u>
Allocation of net income for the year			
Net income for the year after taxation		545,832	479,783
Income already paid on units redeemed		(19,385)	(3,585)
		<u>526,447</u>	<u>476,198</u>
Accounting income available for distribution:			
- Relating to capital gains		484,153	416,952
- Excluding capital gains		42,294	59,246
		<u>526,447</u>	<u>476,198</u>

The annexed notes 1 to 28 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	-----Rupees in 000-----	
Net income for the year after taxation	545,832	479,783
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u><u>545,832</u></u>	<u><u>479,783</u></u>

The annexed notes 1 to 28 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND FOR THE YEAR ENDED JUNE 30, 2026

	2026			2025		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the year	221,690	1,248,038	1,469,728	76,055	896,493	972,548
Issuance of 41,906,260 units (2025: 7,769,871 units)						
- Capital value (at net asset value per unit at the beginning of the year)	1,401,898	-	1,401,898	191,053	-	191,053
- Element of income	280,407	-	280,407	68,563	-	68,563
Total proceeds on issuance of units	1,682,305	-	1,682,305	259,616	-	259,616
Redemption of 37,763,176 units (2025: 3,388,194 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(1,263,299)	-	(1,263,299)	(83,312)	-	(83,312)
- Element of loss	(225,237)	(19,385)	(244,622)	(27,587)	(3,585)	(31,172)
Total payments on redemption of units	(1,488,536)	(19,385)	(1,507,921)	(110,899)	(3,585)	(114,484)
Total comprehensive income for the year	-	545,832	545,832	-	479,783	479,783
Distribution for the year ended June 30, 2026 @ Rs. 1.2633 per unit declared on June 29, 2026	(3,553)	(55,475)	(59,028)	-	-	-
Distribution for the year ended June 30, 2025 @ Rs. 3.1516 per unit declared on June 27, 2025	-	-	-	(3,082)	(124,653)	(127,735)
Total distribution during the year	(3,553)	(55,475)	(59,028)	(3,082)	(124,653)	(127,735)
Net assets at the end of the year	<u>411,906</u>	<u>1,719,010</u>	<u>2,130,916</u>	<u>221,690</u>	<u>1,248,038</u>	<u>1,469,728</u>
Undistributed income brought forward						
- Realised income		905,564			665,191	
- Unrealised income		342,474			231,302	
		<u>1,248,038</u>			<u>896,493</u>	
Accounting income available for distribution:						
- Relating to capital gains		484,153			416,952	
- Excluding capital gains		42,294			59,246	
		<u>526,447</u>			<u>476,198</u>	
Distribution during the year		(55,475)			(124,653)	
Undistributed income carried forward		<u>1,719,010</u>			<u>1,248,038</u>	
Undistributed income carried forward						
- Realised income		1,375,739			905,564	
- Unrealised income		343,271			342,474	
		<u>1,719,010</u>			<u>1,248,038</u>	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the year		<u>33.4532</u>			<u>24.5890</u>	
Net assets value per unit at end of the year		<u>44.3230</u>			<u>33.4532</u>	

The annexed notes 1 to 28 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	-----Rupees in 000-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		545,832	479,783
Adjustments for:			
Income on term finance and corporate sukuk certificates		(10,707)	(7,025)
Income on treasury bills		-	(7,228)
Interest on savings accounts with banks		(55,704)	(44,771)
Dividend income		(61,332)	(56,883)
Reversal of impairment loss	5.4.3	-	(8,254)
Net realised gain on sale of investments		(140,882)	(74,478)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.5	(343,271)	(342,474)
		(611,896)	(541,113)
Decrease / (increase) in assets			
Investments - net		57,185	57,341
Receivable against sale of investments		27,753	(27,753)
Advance, deposits and prepayment		(930)	(17)
		84,008	29,571
(Decrease) / increase in liabilities			
Payable to NBP Fund Management Limited - Management Company		(1,326)	(1,435)
Payable to Central Depository Company of Pakistan Limited - Trustee		93	211
Payable to the Securities and Exchange Commission of Pakistan		42	36
Payable against redemption of units		-	-
Accrued expenses and other liabilities		(15,630)	17,174
		(16,821)	15,986
Income received on investments and savings accounts		127,838	120,363
Net cash generated from operating activities		128,961	104,590
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received against issuance of units - net of refund of capital		1,678,601	252,869
Amount paid against redemption of units		(1,507,921)	(114,484)
Dividend paid		(55,475)	(124,653)
Net cash generated from financing activities		115,205	13,732
Net increase in cash and cash equivalents during the year		244,166	118,322
Cash and cash equivalents at the beginning of the year		419,132	300,810
Cash and cash equivalents at the end of the year	4.3	663,298	419,132

The annexed notes 1 to 28 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** NBP Balanced 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 (CDCPL) as the Trustee. The Trust Deed was executed on December 06, 2006 and was authorised by the Securities and Exchange Commission of Pakistan (SECP) on December 01, 2006 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund was registered under the Sindh Trusts Act, 2020 on October 14, 2021.
- 1.2** 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 (NBFC Rules) through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (the SECP). The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).
- 1.3** The Fund has been categorised as an open ended 'Balanced Scheme' 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. 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 its investors with a combination of capital growth and income. The Fund aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds and money market instruments, e.t.c.
- 1.5** The Pakistan Credit Rating Agency Limited (PACRA) has reaffirmed an asset manager rating of the Management Company of AM1 May 05, 2026 on (2025: AM1 on May 05, 2025). 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 long term performance rating of the Fund at "3 stars" dated March 25, 2026 (2025: "3 stars" dated February 28, 2025).
- 1.6** Title of the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited (CDCPL) as trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of, directives and notifications 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 from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations have been followed.

2.2 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current year:

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2025. However, these are not considered to be relevant or do not have any material effect on the Fund's financial statements and, therefore, has not been detailed in these financial statements.

2.3 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective in the current year:

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2026. However, these are not considered to be relevant or will not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024), is effective for annual periods beginning on or after January 1, 2027. IFRS 18 when applicable shall impact the presentation of the 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers effective for annual periods beginning on or after January 1, 2026. The amendments when applied may impact the timing of recognition and derecognition of financial assets and financial liabilities.

The management is in the process of assessing the impact of the new standards and amendments on the financial statements of the Fund.

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (Notes 3.2 and 5) and provision for Federal Excise Duty (Note 8.5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments which have been classified as 'at fair value through profit or loss' and which are measured at fair value. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the measurement of the fair valuation of financial assets have been disclosed in Note 21.

2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

3.1 Cash and cash equivalents

Cash and cash equivalents are carried in the 'Statement of Assets and Liabilities' at amortised cost.

These comprise balances with banks in savings and current accounts.

3.2 Financial assets

3.2.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried at 'fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

3.2.2 Classification and subsequent measurement

Debt instruments (includes investment in Term finance and Corporate sukuk certificates)

IFRS 9 provides criteria for debt securities whereby these debt securities are either classified as:

- amortised cost;
- at fair value through other comprehensive income (FVOCI); or
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities to be managed as a group of assets and hence has classified them as FVPL.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the "Statement of Assets and Liabilities" at fair value, with gains and losses recognised in the "Income Statement", except where an irrecoverable election has been made at the time of initial recognition to measure the investment at FVOCI. The management considers its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrecoverable option has not been considered.

The dividend income on equity securities is required to be recognised in the Income Statement.

Since all investment in equity instruments has been designated as FVPL, the subsequent movement in fair value of equity securities is routed through the Income Statement.

3.2.3 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

Financial assets 'at fair value through profit or loss'

Basis of valuation of debt securities

The fair value of debt securities is based on the value determined and announced by Mutual Funds Association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan (SECP). In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The aforementioned circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

Basis of valuation of equity securities

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs.

3.2.4 Impairment (other than debt securities)

The Fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost. The Fund recognises loss allowances for such expected credit losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The 12 months ECL is recorded for all financial assets in which there is no significant increase in credit risk from the date of initial recognition, whereas a lifetime ECL is recorded for all remaining financial assets.

The Fund considers a financial asset to be in default when the counter party fails to make contractual payments within 90 days of when these fall due. Further, financial assets are written off by the Fund, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

3.2.5 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on the management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has also been placed on the Management Company's website as required under the SECP's Circular.

3.2.6 Regular way contracts

Up to February 8, 2026, regular way purchases / sales of assets required delivery of securities within two days from the transaction date (T+2) as per the stock exchange regulations. Effective from February 9, 2026, in accordance with the revised regulations of the Pakistan Stock Exchange (PSX), the settlement cycle has transitioned to a Trade plus one day (T+1) basis, requiring delivery of securities within one day from the transaction date.

3.2.7 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, and either the Fund has transferred substantially all the risks and rewards of ownership or the Fund neither transfers nor retains substantially all the risks and rewards of ownership and the Fund has not retained control. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

3.3 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the income statement.

3.4 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting and reporting standards as applicable in Pakistan.

3.5 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.6 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

3.7 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours of the day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges and provision for transaction cost if applicable.

Units redeemed are recorded at the redemption price applicable on the date on which the Management Company / distributors receive redemption application during business hours of the day when the application is received. The redeemed price represents the net assets value per unit less back end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

3.8 Distributions to unit holders

Distributions to unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes a portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as a non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.9 Element of income / (loss) on issuance / (redemption) of units

Element of income / (loss) represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income / (loss) is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.10 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the Income Statement and are recognised when the transaction takes place;
- Unrealised gains / (losses) arising on re-measurement of securities classified as financial assets 'at fair value through profit or loss' are included in the income statement in the year in which they arise;
- Dividend income is recognised when the Fund's right to receive the same is established.
- Income on debt securities is recognised on a time proportionate basis using the effective yield method, except for the securities which are classified as non-performing asset under Circular No. 33 of 2012 issued by the SECP for which the income is recorded on cash basis; and
- Interest on bank balances is recognised on time proportion basis using the effective yield method.

3.11 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee to the SECP are recognised in the Income Statement on an accrual basis.

3.12 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 its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

4	BALANCES WITH BANKS	Note	2026	2025
			----Rupees in 000----	
	- In current accounts	4.1	110	99
	- In savings accounts	4.2	663,188	419,033
			<u>663,298</u>	<u>419,132</u>
4.1	These include a balance of Rs. 0.069 million (2025: Rs. 0.069 million) maintained with National Bank of Pakistan (a related party).			
4.2	These include balances of Rs 0.926 million (2025: Rs. 1.004 million) maintained with National Bank of Pakistan (a related party) that carry interest at the rate of 6.00% (2025: 6.00%) per annum respectively. Other savings accounts of the Fund carry interest at the rate ranging from 0.10% to 12.10% (2025: 9.25% to 11.10%) per annum.			
4.3	Cash and cash equivalents	Note	2026	2025
			----Rupees in 000----	
	Bank balances	4	<u>663,298</u>	<u>419,132</u>

5 INVESTMENTS

At fair value through profit or loss

Investment in equity securities - listed

Term finance certificates

Corporate sukuk certificates

	2026	2025
	----Rupees in 000----	
5.1	1,458,425	1,022,845
5.2 & 5.3	19,941	19,980
5.4	5,521	14,094
	<u>1,483,887</u>	<u>1,056,919</u>

5.1 Investment in equity securities - listed

Name of the investee company	Number of shares					Market value as at 30 June 2026 Rupees in '000'	Market value as a percentage of		Percentage of paid-up capital of the investee company held
	As at 1 July 2025	Purchased during the year	Bonus shares received during the year	Sold during the year	As at 30 June 2026		Net assets of the Fund	Total investments of the Fund	
Automobile Assembler									
Indus Motor Company Limited	-	32,100	-	-	32,100	66,075	3.10	4.45	0.04
						66,075	3.10	4.45	0.04
Automobile Parts & Accessories									
Service Long March Tyres Limited (note 5.1.1)	-	956,300	-	109,968	846,332	21,480	1.01	1.45	0.01
Thal Limited (note 5.1.1)	11	18,694	-	-	18,705	12,069	0.57	0.81	0.02
						33,549	1.58	2.26	0.03
Cable & Electrical Goods									
Pak Elektron Limited	199,880	66,200	-	266,080	-	-	-	-	-
						-	-	-	-
Cement									
Fauji Cement Company Limited*	10,200	45,000	-	12,400	42,800	2,463	0.12	0.17	-
Attock Cement Pakistan Limited (note 5.1.2)	91,313	11,200	-	84,235	18,278	3,962	0.19	0.27	0.01
Kohat Cement Company Limited (note 5.1.1)	256,633	1,208,920	-	248,000	1,217,553	134,077	6.29	9.04	0.13
Lucky Cement Limited (note 5.1.1)	63,285	68,735	-	34,258	97,762	45,901	2.15	3.09	0.01
Cherat Cement Company Limited	-	14,100	-	-	14,100	4,878	0.23	0.33	0.01
Pioneer Cement Limited	-	460	-	460	-	-	-	-	-
D.G. Khan Cement Company Limited	-	10,800	-	10,800	-	-	-	-	-
Maple Leaf Cement Factory Limited*	47,500	424,000	-	446,800	24,700	2,641	0.12	0.18	-
						193,922	9.10	13.07	0.16
Commercial Banks									
Askari Bank Limited (note: 5.1.2)	991,775	453,800	-	560,122	885,453	97,603	4.58	6.58	0.06
Bank Alfalah Limited (note: 5.1.1)	371,801	325,123	-	263,300	433,624	24,573	1.15	1.66	0.01
Bank Al-Habib Limited (note: 5.1.2)	175,700	10,800	-	88,400	98,100	16,642	0.78	1.12	0.01
Faysal Bank Limited (note: 5.1.3)*	46,388	-	-	19,061	27,327	2,712	0.13	0.18	-
Habib Bank Limited (note: 5.1.2)	155,280	-	-	34,300	120,980	35,352	1.66	2.38	0.01
MCB Bank Limited (note: 5.1.2)	79,750	35,500	-	38,763	76,487	31,016	1.46	2.09	0.01
Meezan Bank Limited*	36,817	54,135	-	4,100	86,848	44,856	2.10	3.02	-
Allied Bank Limited	-	28,400	-	28,400	-	-	-	-	-
National Bank of Pakistan*	-	180,114	-	176,900	3,214	638	0.03	0.04	-
United Bank Limited (note 5.1.1)	31,584	435,445	-	292,400	174,629	78,176	3.67	5.27	0.01
						331,568	15.56	22.34	0.11
						293,546	13.79	19.78	
Engineering									
Mughal Iron & Steel Industries Limited	10,673	-	-	10,673	-	-	-	-	-
						-	-	-	-
Fertilizer									
Fatima Fertilizer Company Limited	124,500	132,281	-	113,650	143,131	23,660	1.11	1.59	0.01
Fauji Fertilizer Company Limited (note: 5.1.2)	347,932	131,479	-	223,400	256,010	146,816	6.89	9.89	0.02
						170,476	8.00	11.49	0.02
Food & Personal Care Products									
Barkat Frisian Agro Limited (note 5.1.1)	73,829	-	-	73,829	-	-	-	-	-
Unity Foods Limited	-	145,000	-	145,000	-	-	-	-	-
Shezan International Limited	61,030	-	-	18,600	42,430	10,862	0.51	0.73	0.44
						10,862	0.51	0.73	0.44
Glass & Ceramics									
Ghani Glass Limited	20,228	-	-	20,228	-	-	-	-	-
Shabbir Tiles & Ceramics Limited (note 5.1.1)	957,142	-	-	957,142	-	-	-	-	-
Tariq Glass Industries Limited	53,240	41,970	-	29,400	65,809	12,713	0.60	0.86	0.04
						12,713	0.60	0.86	0.04

NBP BALANCED FUND



NBP FUNDS
Managing Your Savings

NBP Fund Management Limited

Name of the investee company	Number of shares					Market value as at 30 June 2026 Rupees in '000'	Market value as a percentage of		Percentage of paid-up capital of the investee company held
	As at 1 July 2025	Purchased during the year	Bonus shares received during the year	Sold during the year	As at 30 June 2026		Net assets of the Fund	Total investments of the Fund	
Inv. Banks / Inv. Cos. / Securities Cos.									
Engro Holdings Limited	99,783	18,700	-	28,400	90,081	25,919	1.22	1.75	0.01
						25,919	1.22	1.75	0.01
Miscellaneous									
The Pakistan Credit Rating Agency Limited (note 5.1.1)	172,724	-	-	172,724	-	-	-	-	-
Shifa International Hospitals Limited	8,800	3,260	-	8,150	3,910	1,976	0.09	0.13	0.01
						1,976	0.09	0.13	0.01
Oil & Gas Exploration Companies									
Mari Energies Limited (note 5.1.4)*	35,907	-	-	8,950	26,957	18,177	0.85	1.22	-
Oil & Gas Development Company Limited (note: 5.1.2)	404,171	301,660	-	300,260	405,571	135,814	6.37	9.15	0.01
Pakistan Oilfields Limited	1,044	-	-	1,044	-	-	-	-	-
Pakistan Petroleum Limited (note: 5.1.2)	585,957	284,730	-	381,700	488,984	118,638	5.57	8.00	0.02
						272,629	12.79	18.37	0.03
Oil & Gas Marketing Companies									
Hascol Petroleum Limited (note: 5.1.3)*	777	-	-	-	777	16	-	-	-
Sitara Petroleum Service Limited (note 5.1.1)	-	502,924	-	502,924	-	-	-	-	-
Pakistan State Oil Company Limited (note: 5.1.2 & 5.1.3)*	93,978	3,420	-	80,600	16,798	5,751	0.27	0.39	-
Sui Northern Gas Pipelines Limited*	9,800	-	-	8,800	1,000	121	0.01	0.01	-
						5,888	0.28	0.40	-
Pharmaceuticals									
Abbott Laboratories (Pakistan) Limited	2,300	4,380	-	640	6,040	5,946	0.28	0.40	0.01
AGP Limited	62,100	4,000	-	29,390	36,710	7,574	0.36	0.51	0.01
GlaxoSmithKline Pakistan Limited	10,700	29,308	-	19,600	20,408	7,556	0.35	0.51	0.01
Haleon Pakistan Limited*	5,950	1,700	-	7,600	50	40	-	-	-
IBL HealthCare Limited*	271	-	40	-	311	17	-	-	-
The Searle Company Limited (note: 5.1.4)*	26,568	16,800	3,100	43,200	3,268	309	0.01	0.02	-
						21,442	1.00	1.44	0.03
Power Generation & Distribution									
The Hub Power Company Limited (note: 5.1.2)	229,815	2,400	-	149,300	82,915	19,357	0.91	1.30	0.01
Nishat Chunian Power Limited	-	200,000	-	200,000	-	-	-	-	-
Nishat Power Limited	-	140,000	-	140,000	-	-	-	-	-
Lalpir Power Limited	98,000	-	-	98,000	-	-	-	-	-
						19,357	0.91	1.30	0.01
Tobacco									
Pakistan Tobacco Company Limited*	-	6,560	-	-	6,560	9,368	0.44	0.63	-
						9,368	0.44	0.63	-
Technology & Communication									
Pakistan Telecommunication Company Limited	539,500	627,800	-	262,000	905,300	59,316	2.78	4.00	0.02
Systems Limited (note 5.1.1)	187,095	19,570	-	46,300	160,365	23,589	1.11	1.59	0.01
						82,905	3.89	5.59	0.03
						1,258,649	59.07	84.82	
Textile Composite									
Azgard Nine Non-Voting Ordinary Shares	807,000	-	-	-	807,000	6,400	0.30	0.43	0.16
The Crescent Textile Mills Limited	148,000	-	-	127,000	21,000	1,416	0.07	0.10	0.02
Gul Ahmed Textile Mills Limited	141,632	14,000	-	155,632	-	-	-	-	-
Interloop Limited*	52,100	15,000	-	13,000	54,100	5,819	0.27	0.39	-
Kohinoor Textile Mills Limited (note: 5.1.1 & 5.1.3)	153,658	1,510,313	-	262,100	1,401,871	77,398	3.63	5.22	0.10
Nishat Mills Limited (note: 5.1.2)	182,600	162,650	-	158,000	187,250	29,559	1.39	1.99	0.05
						120,592	5.66	8.13	0.33
Transport									
Pakistan International Bulk Terminal	1,796,000	-	-	1,079,000	717,000	13,681	0.64	0.92	0.04
Pakistan National Shipping Corporation (note 5.1.4)	101,772	17,400	-	18,300	100,872	65,503	3.07	4.41	0.05
						79,184	3.72	5.34	0.09
Total market value as at June 30, 2026						1,458,425	68.45	98.28	
Total market value as at June 30, 2025						1,022,845	69.59	96.77	
Total carrying value as at June 30, 2026						1,115,368			
Total carrying value as at June 30, 2025						680,308			

*Nil due to rounding off

5.1.1 All shares have a nominal value of Rs. 10 each except for the following:

Name of investee company	Nominal value per share as on June 30, 2026	Subdivision of shares during the year	Additional number of shares received on account of subdivision of shares during the year
	--- Rupees ---		
Service Long March Tyres Limited	2.00	-	-
Thal Limited	5.00	-	-
Kohat Cement Company Limited	2.00	On August 22, 2025 from Rs. 10 to Rs. 2 per share	1,004,932
Lucky Cement Limited	2.00	-	-
Bank Alfalah Limited	5.00	On March 26, 2026 from Rs. 10 to Rs. 5 per share	1,374,859
United Bank Limited	5.00	-	-
Barkat Frisian Agro Limited	1.00	-	-
Shabbir Tiles & Ceramics Limited	5.00	-	-
The Pakistan Credit Rating Agency Limited	1.00	-	-
Sitara Petroleum Service Limited	1.00	-	-
Systems Limited	2.00	-	-
Kohinoor Textile Mills Limited	2.00	On August 15, 2025 from Rs. 10 to Rs. 2 per share	576,232

5.1.2 Investments include shares with market value of Rs. 165.608 million (2025: Rs. 130.511 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with circular no.11 dated October 23, 2007 issued by the SECP.

Name of Investee Company	2026		2025	
	Shares pledged	Market value	Shares pledged	Market value
	Rupees in '000'		Rupees in '000'	
Attock Cement Pakistan Limited	-	-	10,000	2,926
Askari Bank Limited	180,000	19,841	-	-
Bank Alfalah Limited	-	-	100,000	8,024
Bank Al Habib Limited	50,000	8,482	160,000	25,245
Fauji Fertilizer Company Limited	25,000	14,337	25,000	9,810
Habib Bank Limited	20,000	5,844	20,000	3,584
The Hub Power Company Limited	50,000	11,673	-	-
MCB Bank Limited	10,000	4,055	10,000	2,883
Nishat Mills Limited	50,000	7,893	50,000	6,294
Oil & Gas Development Company Limited	144,000	48,221	144,000	31,761
Pakistan Petroleum Limited	179,500	43,550	179,500	30,546
Pakistan State Oil Company Limited	5,000	1,712	25,000	9,438
	713,500	165,608	723,500	130,511

5.1.3 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance, 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld shall only be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.



In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the Honourable High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance, 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the Sindh High Court (SHC) in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgment on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. During the year ended June 30, 2020, CISs filed a fresh constitutional petition via CP 4653 dated July 11, 2019 in the Honourable High Court of Sindh. In this regard, on July 15, 2019, the Honourable Sindh High Court had issued notices to the relevant parties and had ordered that no third party interest on bonus shares issued to the Fund in lieu of its investments be created in the meantime. The matter is still pending adjudication and the Fund has included these shares in its portfolio, as the management is confident that the decision of the constitutional petition will be in favour of CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued.

As at June 30, 2026, the following bonus shares of the Fund had been withheld at the time of declaration of bonus shares:

Name of the company	2026		2025	
	Number of shares withheld	Market value as at June 30, 2026	Number of shares withheld	Market value as at June 30, 2025
	Rupees in '000'		Rupees in '000'	
Pakistan State Oil Company Limited	1,142	391	1,142	431
Hascol Petroleum Limited	777	16	777	8
Faysal Bank Limited	27,327	2,712	27,327	1,905
Kohinoor Textile Mills Limited	23,195	1,281	4,639	910
	<u>52,441</u>	<u>4,400</u>	<u>33,885</u>	<u>3,254</u>

- 5.1.4** The Finance Act, 2023 had introduced Section 236Z of the Income Tax Ordinance, 2001 (ITO) effective from July 1, 2023, which mandates listed companies to withhold ten percent shares out of bonus shares issued to the Fund. The share so withheld are to be released if the Fund deposits tax equivalent to ten percent of the value of bonus share issues to the Fund. Such tax is to be deposited within fifteen days of the book closure of the respective dividend. In case of failure of the Fund to pay, the issuer company is liable to pay the tax and dispose of the bonus shares to recover the amount paid.

In this regard, a petition was filed by the Collective Investment Schemes (CISs) through their Trustees in the Honourable High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CIS. The petition is based on the grounds that since the CISs are exempt from levy of income tax in terms of 99 of Part-I of the Second Schedule to the ITO, no tax is payable by the Fund under Section 236Z of the ITO. In this regard, the Honourable High Court of Sindh has issued notices to the relevant parties and ordered to retain the bonus shares being withheld and no tax shall be paid under section 236Z of the ITO till further orders by the Court. The matter is still pending adjudication and the Fund has included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

NBP BALANCED FUND



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As at June 30, 2026, the following bonus shares of the Fund had been withheld at the time of declaration of bonus shares:

Name of the company	2026		2025	
	Number of shares withheld	Market value as at June 30, 2026	Number of shares withheld	Market value as at June 30, 2025
	Rupees in '000'		Rupees in '000'	
Mari Energies Limited	10,201	6,878	10,201	6,395
Pakistan National Shipping Corporation	5,165	3,354	5,165	1,952
The Searle Company Limited	311	29	-	-
	<u>15,677</u>	<u>10,261</u>	<u>15,366</u>	<u>8,347</u>

5.2 Term finance certificates

Name of the investee company	Security rating	Interest payments / principal redemptions	Maturity date	Interest rate	As at July 1, 2025	Purchased during the year	Sold / redeemed during the year	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised (diminution) / appreciation as at June 30, 2026	Percentage in relation to	
					Number of certificates				Rupees in '000'			Total market value of the investment	net assets of the Fund
												%	

Commercial Banks

Soneri Bank Limited - TFC (Face value of Rs. 99,860 per certificate)	A+, PACRA	Semi-annually	December 26, 2032	6 Months KIBOR plus base rate of 1.70%	200	-	-	200	19,972	19,941	(31)	1.34	0.94
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Total as at June 30, 2026

19,972	19,941	(31)
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Total as at June 30, 2025

19,806	19,980	174
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5.3 Term finance certificates - non-performing securities

Name of the investee company	Security rating	Interest payments / principal redemptions	Maturity date	Interest rate	As at July 1, 2025	Purchased during the year	Sold / redeemed during the year	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised (diminution) / appreciation as at June 30, 2026	Percentage in relation to	
					Number of certificates				(Rupees in '000)			total investment of the Fund	net assets of the Fund
												%	

Leasing companies

Saudi Pak Leasing Company Limited - TFC II (Face value of Rs. 2,755 per certificate) (note 5.3.1)	Unrated	-	March 13, 2017	6.87%	10,000	-	-	10,000	27,547	-	-	-	-
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Less : Provision held

(27,547)	-	-
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Total as at June 30, 2026

-	-	-
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Total as at June 30, 2025

-	-	-
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5.3.1 This represents investment in term finance certificates with original term of nine years. On 13 October 2011 the investee company defaulted on its obligation on account of principal and interest payment. The investee company rescheduled its term on 26 December 2011 with a new maturity in March 2017. The said TFCs complied with repayment terms since it was rescheduled and had been reclassified as performing as per criteria defined in circular no. 1 of 2009. However, the investee company again defaulted on its obligation on account of principal and profit payment for the month of April 2014 and was therefore declared as Non Performing Asset (NPA) since 30 April 2014. The amount of provision of Rs. 27.547 million as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

5.4 Corporate sukuk certificates

Name of the investee company	Security rating	Interest payments / principal redemptions	Maturity date	Interest rate	As at July 1, 2025	Purchased during the year	Sold / redeemed during the year	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised diminution as at June 30, 2026	Percentage in relation to	
												Total investment of the Fund	Net assets of the Fund
					----- Number of certificates-----				----- (Rupees in '000) -----			----- % -----	
Sugar & allied industries													
Shakarganj Food Products Limited - SFPL Sukuk I (note 5.4.1) (Face value of Rs. 42,533 per certificate)	BBB-, VIS	Quarterly	July 25, 2026	3 months KIBOR plus base rate of 2.50%	30	-	-	30	1,276	1,499	223	0.10	0.07
Engineering													
Mughal Iron & Steel Industries Limited (Face value of Rs. 187,500 per certificate)	A+, VIS	Quarterly	March 02, 2026	3 months KIBOR plus base rate of 1.30%	15	-	15	-	-	-	-	-	-
Chemical													
Sitara Chemical Industries Limited (Face value of Rs. 1,000,000 per certificate)	AA-, VIS	Semi-annually	February 12, 2032	3 months KIBOR plus base rate of 1.75%	4	-	-	4	4,000	4,022	22	0.27	0.19
Textile composite													
Mahmood Textile Mills Limited STS - 03 (Face value of Rs. 1,000,000 per certificate)	Unrated	Quarterly	April 13, 2026	3 months KIBOR plus base rate of 0.45%	-	125	125	-	-	-	-	-	-
Miscellaneous													
New Allied Electronics Industries (Private) Limited (note 5.4.2) (Face value of Rs. 313 per certificate)	Unrated	Quarterly	July 25, 2016	3 months KIBOR plus base rate of 2.60%	32,000	-	-	32,000	-	-	-	-	-
Eden Housing Limited (note 5.4.3) (Face value of Rs. 984 per certificate)	Unrated	Quarterly	September 29, 2016	3 months KIBOR plus base rate of 3.00%	10,000	-	-	10,000	-	-	-	-	-
Total as at June 30, 2026									5,276	5,521	245		
Total as at June 30, 2025									14,331	14,094	(237)		

5.4.1 On September 8, 2023, the restructuring of the aforementioned sukuk was approved by all the sukuk investors whereby the four principal instalments due on July 10, 2023, October 10, 2023, January 10, 2024 and April 10, 2024 have been deferred for one year from their respective due dates and the tenure of the sukuk has been extended by twelve months. However, SFPL will continue to service profit payments on quarterly basis on the outstanding amount of principal as per earlier agreed terms. During the year ended June 30, 2026, SFPL has paid all the due instalments and accordingly MUFAP has classified the sukuk as performing in accordance with the requirement of SECP's Circular No. 33 of 2012.

5.4.2 This represents investment in privately placed sukuks with a term of five years. The investee company had defaulted on its obligation on account of principal and profit payment and accordingly has been classified as non-performing assets by MUFAP since January 09, 2009. The amount of provision of Rs. 10 million as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

5.4.3 This represents investment in privately placed sukuk certificates with a term of five years. On May 06, 2011, the issuer had defaulted its scheduled principal and profit payment and therefore it was classified as non-performing asset by MUFAP. The amount of provision of Rs. 9.84 million as per the SECP circular no. 1 of 2009 and the SECP circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

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

	Note	2026 ----Rupees in 000----	2025
Market value of investments	5.1, 5.2, 5.3 & 5.4	1,483,887	1,056,919
Less: carrying value of investments	5.1, 5.2, 5.3 & 5.4	(1,140,616)	(714,445)
		<u>343,271</u>	<u>342,474</u>

6	INTEREST RECEIVABLE		2026 ----Rupees in 000----	2025 ----Rupees in 000----
	Interest receivable on savings accounts with banks		184	91
	Accrued markup on term finance certificates and sukuks		4,455	4,643
	Less: Markup suspended over non-performing term finance certificates and sukuks		(4,303)	(4,303)
			152	340
			336	431
7	ADVANCE, DEPOSITS AND PREPAYMENT	Note	2026 ----Rupees in 000----	2025 ----Rupees in 000----
	Advance tax	7.1	1,803	890
	Security deposits with:			
	- Central Depository Company of Pakistan Limited		100	100
	- National Clearing Company of Pakistan Limited		2,750	2,750
	Prepaid rating fee		215	198
			4,868	3,938
7.1	As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151. However, withholding taxes on interest on bank balances and debt securities paid to the Fund have been deducted by various withholding agents based on the interpretation issued by the FBR vide letter C. No. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced to the withholding agent. The taxes withheld on interest on bank balances and debt securities as at June 30, 2026 amounted to Rs. 1.803 million (2025: Rs 0.89 million).			
	For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the funds being managed by the Management Company) had filed a petition in the Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan (SCP) by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the SCP granted the petitioners leave to appeal from the initial judgment of SHC. Pending resolution of the matter, the amount of withholding taxes deducted on interest on bank balances and debt securities have been shown as advance tax as at June 30, 2026 as, in the opinion of the Management Company, the amount of tax deducted at source will likely to be refunded.			
8	PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2026 ----Rupees in 000----	2025 ----Rupees in 000----
	Remuneration payable to the Management Company	8.1	4,266	4,422
	Sindh sales tax on remuneration payable to the Management Company	8.2	640	663
	Selling and marketing expenses payable	8.3	-	636
	Sindh sales tax on selling and marketing expenses payable	8.2	-	96
	Allocated expenses payable	8.4	-	576
	Sindh sales tax on allocated expenses payable	8.2	-	86
	Federal excise duty on management remuneration	8.5	11,587	11,587
	Federal excise duty on sales load	8.5	818	818
	Sales and transfer load		336	129
	Sindh sales tax on sales and transfer load	8.2	53	19
	Alternative delivery channel charges payable including Sindh sales tax		38	32
			17,738	19,064

- 8.1** As per Regulation 61 of the NBFC 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. During the year ended June 30, 2025, the SECP, vide S.R.O.600(1)/2025 dated April 10, 2025, revised the management fee caps for collective investment schemes. The cap for equity schemes was set at 3.0% per annum and for income schemes at 1.5% per annum, both calculated on the basis of average net assets of the Fund. As the Fund falls under the category of hybrid schemes, the Asset Management Company shall determine the applicable management fee cap using a weighted average approach based on the respective allocation of net assets. This revision was effective from July 01, 2025.

Keeping in view the maximum allowable thresholds, the Management Company has charged its remuneration at the rate of 2.40% to 2.66% per annum of the average daily net assets of the Fund during the year ended June 30, 2026 (2025: 2.50% to 3.70%).

The remuneration is payable to the Management Company monthly in arrears.

- 8.2** Sindh sales tax is levied at the rate of 15% under the Sindh Sales Tax on Services Act, 2011 (June 30, 2025: 15%) on the Management Company's remuneration, any reimbursable expenditure to the Management Company and sales load / transfer load.

- 8.3** In accordance with Circular 11 dated July 5, 2019 issued by SECP, the Management Company was entitled to charge selling and marketing expenses. During the year ended June 30, 2025, selling and marketing expenses were charged keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations.

The SECP, vide S.R.O.600(1)/2025 dated April 10, 2025, issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to selling and marketing had been excluded. This amendment was effective immediately upon its release on April 10, 2025.

The Management Company in pursuance of the above requirement did not charge the above mentioned expenses in the year ended June 30, 2026 (2025: 1.00% - 1.10%).

- 8.4** In accordance with Regulation 60 of the NBFC Regulations 2008, the Management Company was entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). During the year ended June 30, 2025, the above mentioned expenses were charged keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations.

The SECP, vide S.R.O.600(1)/2025 dated April 10, 2025, issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to registrar services, accounting, operation and valuation services had been excluded. This amendment was effective immediately upon its release on April 10, 2025.

The Management Company in pursuance of the above requirement did not charge the above mentioned expenses in the year ended June 30, 2026 (2025: 0.20%).

- 8.5** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load became applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration and sale load were already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan (SCP) which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period till June 30, 2016 amounting to Rs 11.587 million (June 30, 2025: Rs 11.587 million) is being retained in these financial statements of the Fund as the matter is pending before the SCP. Had the provision for FED not been made, the net asset value per unit of the Fund as at June 30, 2026 would have been higher by Re. 0.24 (2025: Re. 0.28) per unit.

9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2026 ----Rupees in 000----	2025 ----Rupees in 000----
	Trustee remuneration	9.1	252	202
	Sindh sales tax on the trustee fee	9.2	37	30
	Settlement charges payable		439	403
			<u>728</u>	<u>635</u>

- 9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed. During the year, remuneration has been charged as follows:

Net assets	Tariff per annum
Up to Rs. 1 billion.	0.20% per annum of net asset value.
On an amount exceeding Rs. 1 billion.	Rs. 2.0 million plus 0.10% per annum of net asset value exceeding Rs. 1 billion.

The remuneration is paid to Trustee monthly in arrears.

- 9.2 Sindh sales tax on remuneration of the Trustee levied through the Sindh Sales Tax Act on Services, 2011 has been charged at the rate of 15% (June 30, 2025: 15%)

10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2026 ----Rupees in 000----	2025 ----Rupees in 000----
	Annual fee payable	10.1	<u>144</u>	<u>102</u>

- 10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged a SECP fee at the rate of 0.085% (2025: 0.085%) per annum of the average net assets of the Fund. Further, the Fund is required to pay the SECP fee within fifteen days of the close of every calendar month.

11	ACCRUED EXPENSES AND OTHER LIABILITIES	2026 ----Rupees in 000----	2025 ----Rupees in 000----
	Dividend payable	493	493
	Auditors' remuneration payable	1,140	805
	Brokerage fee payable	604	315
	Bank charges payable	635	649
	Withholding tax payable on dividend	2,125	18,999
	Withholding tax payable - others	172	268
	Withholding tax payable on sales tax payable	82	8
	Legal and professional charges payable	127	184
	Withholding tax payable on capital gain	227	87
	Other payable	1,074	501
		<u>6,679</u>	<u>22,309</u>

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2026 and June 30, 2025.



13	NUMBER OF UNITS IN ISSUE	2026 (Number of units)	2025
	Total units in issue at beginning of the year	43,933,902	39,552,225
	Add: units issued against sale	41,906,260	7,769,871
	Less: units redeemed	(37,763,176)	(3,388,194)
	Total units in issue at end of the year	<u>48,076,986</u>	<u>43,933,902</u>

14	AUDITORS' REMUNERATION	2026 ----Rupees in 000----	2025
	Annual audit fee	611	550
	Half yearly review	244	220
	Other certification	175	150
	Out of pocket expenses and sindh sales tax	454	221
		<u>1,484</u>	<u>1,141</u>

15 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 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 Company has distributed 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, accordingly no provision for taxation has been made in these financial statements.

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

16 TOTAL EXPENSE RATIO

The SECP, vide S.R.O. 600(1)/2025 dated April 10, 2025, has removed the Total Expense Ratio (TER) limit with effect from July 1, 2025. The TER limit of 4.5% for a collective investment scheme categorised as an 'Balanced Scheme', applicable previously, has been replaced with the Management fee cap as disclosed in note 8.1 to these financial statements for a collective investment scheme categorised as an 'Hybrid Scheme'.

17 DETAILS OF NON-COMPLIANT INVESTMENT WITH THE INVESTMENT CRITERIA OF ASSIGNED CATEGORY

The Securities and Exchange Commission of Pakistan (SECP) vide circular no. 7 of 2009 dated 06 March 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. The Board has approved the category of the fund as 'Balanced Fund'.

The SECP vide circular no. 16 dated 07 July 2010, prescribed specific disclosures for the scheme holding investments that are non - compliant either with the minimum investment criteria specified for the category assigned to such Funds or with investment requirements of their constitutive documents.



The following are the details of non-compliant investments:

Name of non-compliant investment	Non-compliance of clause	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	Value as a percentage of net assets	Value as a percentage of gross assets
			----- (Rupees in '000) -----			----- (%) -----	
New Allied Electronic Industries (Private) Limited	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Corporate sukuk certificates	10,000	(10,000)	-	-	-
Eden Housing Limited	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Corporate sukuk certificates	9,844	(9,844)	-	-	-
Saudi Pak Leasing Company	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Term finance certificates	27,547	(27,547)	-	-	-
Total			47,391	(47,391)	-		

- 17.1** At the time of purchase, these corporate sukuk certificates and term finance certificates were in compliance with the aforementioned circular. However, they subsequently defaulted or were downgraded to non investment grade.

18 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

- 18.1** 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 (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.

- 18.2** Transactions with related parties / connected persons 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 related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

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

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

18.5 Transactions during the year:

2026 2025

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

NBP Fund Management Limited - the Management Company

Remuneration of NBP Fund Management Limited - Management Company	47,998	39,435
Sindh sales tax on remuneration to the Management Company	7,200	5,915
Reimbursement of selling and marketing expenses	-	6,463
Sindh sales tax on selling and marketing expenses	-	970
Reimbursement of allocated expenses	-	826
Sindh sales tax on allocated expenses	-	124
Sales and transfer load	1,017	504
Sales tax on sales and transfer load	153	76
Alternative delivery channel charges for the year including Sindh sales tax	58	29
Units issued to unit holders on behalf of the Management Company	-	3,162

NBP Employees Pension Fund - unit holder with more than 10% holding

Dividend re-invest: 1,036,601 units (2025: 2,753,517 units)	45,683	91,469
Units issued / transferred in: 384,384 units (2025: 5,944 units)	15,738	-

	2026	2025
	----Rupees in 000----	
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	2,898	2,259
Sindh sales tax on remuneration of the Trustee	435	339
CDS charges	132	127
Employees of the Management Company		
Units issued: 549,280 units (2025: 120,368 units)	23,603	4,055
Dividend re-invest units issued: 9 Units (2025: 69 units)*	-	2
Units redeemed: 597,474 units (2025: 78,849 units)	25,364	2,727
Fauji Fertilizer Company Limited - Related party**		
Shares purchased: Nil (2025: 223,017 shares)	-	49,704
Shares sold: Nil (2025: 143,385 shares)	-	32,391
Dividend income	-	11,508
National Bank of Pakistan - Parent of the Management Company***		
Shares purchased: 180,114 (2025: Nil)	29,430	-
Shares sold: 176,900 (2025: Nil)	30,316	-
Dividend income	1,313	-
Taurus Securities Limited - Common directorship		
Brokerage charges	206	70
18.6 Amounts outstanding as at year end:	2026	2025
	----Rupees in 000----	
NBP Fund Management Limited - Management Company		
Remuneration payable to the Management Company	4,266	4,422
Sindh sales tax on remuneration payable to the Management Company	640	663
Selling and marketing expenses payable	-	636
Sindh sales tax on selling and marketing expenses payable	-	96
Allocated expenses payable	-	576
Sindh sales tax on allocated expenses payable	-	86
Federal excise duty on management remuneration	11,587	11,587
Federal excise duty on sales load	818	818
Sales and transfer load	336	129
Sindh sales tax on sales load	53	19
Alternative delivery channel charges payable including Sindh sales tax	38	32
National Bank of Pakistan - Parent of the Management Company***		
Bank balance in current account	69	69
Bank balance in savings account	926	1,004
Shares held: 3,214 shares (2025: Nil)	638	-
NBP Employees Pension Fund - unit holder with more than 10% holding		
Units held: 37,468,901 units (2025: 36,047,916 units)	1,660,734	1,205,918
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration	252	202
Sindh sales tax on the trustee fee	37	30
Settlement charges payable	439	403
Security deposit	100	100

	2026	2025
	----Rupees in '000----	
Employees of the Management Company		
Units held: 466 units (2025: 48,651 units)	21	1,628
Fauji Fertilizer Company Limited - Related party**		
Ordinary shares held: Nil (2025: 347,932 shares)	-	136,532

*Nil due to rounding off

** Current year figures has not been shown as the individual / company ceased to be a related party / connected person as at June 30, 2026.

*** These are transactions involving shares of related parties held as part of portfolio of the Fund.

19 FINANCIAL INSTRUMENTS BY CATEGORY

	2026		
	At Amortised Cost	At fair value through profit or loss	Total
	(Rupees in '000)		
Assets			
Bank balances	663,298	-	663,298
Receivable against conversion of units	3,816	-	3,816
Investments	-	1,483,887	1,483,887
Interest receivable	336	-	336
Deposits	2,850	-	2,850
	<u>670,300</u>	<u>1,483,887</u>	<u>2,154,187</u>
Liabilities			
Payable to NBP Fund Management Limited - Management Company	17,738	-	17,738
Payable to Central Depository Company of Pakistan Limited - Trustee	728	-	728
Accrued expenses and other liabilities	4,073	-	4,073
	<u>22,539</u>	<u>-</u>	<u>22,539</u>

	2025		
	At Amortised Cost	At fair value through profit or loss	Total
	(Rupees in '000)		
Assets			
Bank balances	419,132	-	419,132
Receivable against conversion of units	3,665	-	3,665
Receivable against sale of investments	27,753	-	27,753
Investments	-	1,056,919	1,056,919
Interest receivable	431	-	431
Deposits	2,850	-	2,850
	<u>453,831</u>	<u>1,056,919</u>	<u>1,510,750</u>
Liabilities			
Payable to NBP Fund Management Limited - Management Company	19,064	-	19,064
Payable to Central Depository Company of Pakistan Limited - Trustee	635	-	635
Accrued expenses and other liabilities	2,947	-	2,947
	<u>22,646</u>	<u>-</u>	<u>22,646</u>

20 FINANCIAL RISK MANAGEMENT

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on the limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by Board of Directors and Audit Committee regularly to reflect changes in market conditions and the Fund's activities.

The management of these risks is carried out by the Investment Committee (IC) under policies approved by the Board of Directors of the Management Company. The IC is constituted and approved by the Board of Directors of the Management Company. IC is responsible to devise the investment strategy and manage the investment portfolio of the Fund in accordance with limits prescribed in the Non Banking Finance Companies and Notified Entities Regulations, 2008, offering document of the Fund in addition to Fund's internal risk management policies.

20.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: interest rate risk, currency risk, and price risk.

(i) Interest rate risk

Interest rate risk is the risk that the future cash flows of financial instruments will fluctuate as a result of changes in market interest rates. As of June 30, 2026, the Fund is exposed to such risk on its bank balances, investment in corporate sukuk certificates and Term finance certificates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

(a) Sensitivity analysis for variable rate instruments

As at 30 June 2026, the Fund holds KIBOR based interest bearing term finance certificates, corporate sukuks certificates and bank balances exposing the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in KIBOR on June 30, 2026, with all other variables held constant, the net income for the year and net assets of the Fund would have been higher / lower by Rs. 6.887 million (2025: Rs. 4.531 million).

(b) Sensitivity analysis for fixed rate instruments

As at June 30, 2026, the Fund does not hold any fixed rate instrument that may expose the Fund to fixed interest rate risk.

The composition of the Fund's investment portfolio, KIBOR rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

The interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on settlement date.



The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 and June 30, 2025 can be determined as follows:

2026						
Interest rate	Exposed to Interest rate risk				Total	
	Up to three months	More than three months and up to one year	More than one year	Not exposed to Interest risk		
----- (Rupees in '000) -----						
Financial assets						
Bank balances	0.10% - 12.10%	663,298	-	-	-	663,298
Receivable against conversion of units		-	-	-	3,816	3,816
Investments	12.49% - 14.63%	-	-	25,462	1,458,425	1,483,887
Interest receivable		-	-	-	336	336
Deposits		-	-	-	2,850	2,850
		663,298	-	25,462	1,465,427	2,154,187
Financial liabilities						
Payable to NBP Fund Management Limited - Management Company		-	-	-	17,738	17,738
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	728	728
Accrued expenses and other liabilities		-	-	-	4,073	4,073
		-	-	-	22,539	22,539
On-balance sheet gap (a)		663,298	-	25,462		
Off-balance sheet financial instruments		-	-	-		
Off-balance sheet gap (b)		-	-	-		
Total interest rate sensitivity gap (a+b)		663,298	-	25,462		
Cumulative interest rate sensitivity gap		663,298	663,298	688,761		

2025						
Interest rate	Interest rate risk				Total	
	Up to three months	More than three months and up to one year	More than one year	Not exposed to Interest risk		
----- (Rupees in '000) -----						
Financial assets						
Bank balances	9.25% - 11.10%	419,132	-	-	-	419,132
Receivable against conversion of units		-	-	-	3,665	3,665
Receivable against sale of Investments		-	-	-	27,753	27,753
Investments	12.49% - 14.63%	-	2,818	31,256	1,022,845	1,056,919
Interest receivable		-	-	-	431	431
Deposits		-	-	-	2,850	2,850
		419,132	2,818	31,256	1,057,544	1,510,750



2025					
Interest rate	Interest rate risk				Total
	Up to three months	More than three months and up to one year	More than one year	Not exposed to Interest risk	

(Rupees in '000)

Financial liabilities

Payable to NBP Fund Management

Limited - Management Company

Payable to Central Depository Company of

Pakistan Limited - Trustee

Accrued expenses and other liabilities

-	-	-	19,064	19,064
-	-	-	635	635
-	-	-	2,947	2,947
-	-	-	22,646	22,646

On-balance sheet gap (a)

419,132	2,818	31,256
---------	-------	--------

Off-balance sheet financial instruments

-	-	-
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Off-balance sheet gap (b)

-	-	-
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Total interest rate sensitivity gap (a+b)

419,132	2,818	31,256
---------	-------	--------

Cumulative interest rate sensitivity gap

419,132	421,950	453,206
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(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund is exposed to equity price risk because of equity investments held by the Fund and classified on the Statement of Assets and Liabilities 'at fair value through profit and loss'.

The Fund manages the risk by limiting exposure to any single investee company to the extent of 10% of issued capital of that investee company and the net assets of the Fund or weight of that company in KSE 30 index, whichever is higher, with overall limit of 25% to a single industry sector of the net assets of the Fund or weight of that sector in KSE 30 index, whichever is higher (the limit set by offering documents). The Fund also manages its exposure to price risk by diversifying its portfolio within the eligible stocks prescribed in the constitutive documents, the NBFC Regulations and circulars issued by SECP from time to time.

In case of 1% increase / decrease in KSE 30 index on 30 June 2026, with all other variables held constant, net assets for the year would increase / (decrease) by Rs. 14.584 million (2025: Rs. 10.228 million) as a result of gains / (losses) on equity securities classified 'at fair value through profit and loss'.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KSE 30 index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KSE 30 index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KSE 30 index.

20.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arising on the debt instruments is mitigated by investing in rated instruments or instruments issued by rated counterparties of credit ratings of at least investment grade by the recognised rating agencies. The Fund receives a monthly rating update, against which investments are reviewed.

Credit risk arises from balances with banks, interest receivable on balances with banks, receivable against sale of investments, receivable against conversion of units and credit exposure arising on debt investments. Credit risk arising on other financial assets is monitored through a regular analysis of financial position of brokers and other parties. In accordance with the risk management policy of the Fund, the investment committee monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The table below analyses the Fund's maximum exposure to credit risk:

	2026		2025	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- Rupees in '000 -----				
Bank balances	663,298	663,298	419,132	419,132
Receivable against sale of investments	-	-	27,753	27,753
Receivable against conversion of units	3,816	3,816	3,665	3,665
Investments	1,483,887	25,462	1,056,919	34,074
Interest receivable	336	336	431	431
Deposits	2,850	2,850	2,850	2,850
	<u>2,154,187</u>	<u>695,762</u>	<u>1,510,750</u>	<u>487,905</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2026 is the carrying amount of the financial assets. The difference in the balance as per statement of assets and liabilities and maximum exposure to credit risk is due to the fact that investment in equity securities Rs. 1,458 million (2025: Rs. 1,023 million) are not exposed to credit risk and have been excluded from the above analysis.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on equity securities is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instruments guidelines approved by the Investment Committee.

20.2.1 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its balances with banks, interest receivable on balances with banks and debt investments. The credit rating profile of bank balances and accrued profit thereon are as follows:

Rating	% of financial assets exposed to credit risk	
	2026	2025
AAA	73.44%	92.55%
AA-	0.07%	0.03%
AA+	0.00%	0.07%
AA	26.49%	7.35%
	<u>100.00%</u>	<u>100.00%</u>

Ratings of investments in term finance certificates and corporate sukuk certificates have been disclosed in related notes to these financial statements.

Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with creditworthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

20.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active or over the counter market and can be readily disposed of and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short term to ensure settlement, the maximum limit of which is fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund. However, no borrowing was required to be obtained by the Fund during the current year.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such a procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year ended June 30, 2026.

The table below summaries the maturity profile of the Fund's financial liabilities. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, the liabilities that are payable on demand have been included in the maturity grouping of one month.



2026						
Within one month	More than one month and up to three months	More than three months and up to one year	More than one year and up to five years	More than five years	Financial instruments with no fixed maturity	Total
Rupees in '000						
Financial liabilities						
Payable to NBP Fund Management Limited - Management Company	17,738	-	-	-	-	17,738
Payable to Central Depository Company of Pakistan Limited - Trustee	728	-	-	-	-	728
Accrued expenses and other liabilities	2,933	1,140	-	-	-	4,073
	21,399	1,140	-	-	-	22,539

2025						
Within one month	More than one month and up to three months	More than three months and up to one year	More than one year and up to five years	More than five years	Financial instruments with no fixed maturity	Total
Rupees in '000						
Financial liabilities						
Payable to NBP Fund Management Limited - Management Company	19,064	-	-	-	-	19,064
Payable to Central Depository Company of Pakistan Limited - Trustee	635	-	-	-	-	635
Accrued expenses and other liabilities	2,142	805	-	-	-	2,947
	21,841	805	-	-	-	22,646

21 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. Consequently, differences may arise between carrying values and 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 on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

21.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify financial 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).

As at June 30, 2026 and June 30, 2025, the Fund held the following financial instruments measured at fair value.

Assets	2026			
	Level 1	Level 2	Level 3	Total
Rupees in 000				
At fair value through profit or loss				
Investment in equity securities - listed	1,458,425	-	-	1,458,425
Term finance certificates	-	19,941	-	19,941
Corporate sukuk certificates	-	5,521	-	5,521
	<u>1,458,425</u>	<u>25,462</u>	<u>-</u>	<u>1,483,887</u>

Assets	2025			
	Level 1	Level 2	Level 3	Total
Rupees in 000				
At fair value through profit or loss				
Investment in equity securities - listed	1,022,845	-	-	1,022,845
Term finance certificates	-	19,980	-	19,980
Corporate sukuk certificates	-	14,094	-	14,094
	<u>1,022,845</u>	<u>34,074</u>	<u>-</u>	<u>1,056,919</u>

The valuation technique used in the determination of fair values is as follows:

Item	Valuation approach and input used
Investment in equity securities - listed	The fair values of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Term finance certificates	Term finance certificates are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan. In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities.
Corporate sukuk certificates	The valuation has been determined through closing rates announced by FMA (Financial Market Association) through Reuters.

There were no transfers between levels during the year.

22 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the statement of movement in unit holders' fund.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain a fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.



In accordance with the risk management policies as stated in Note 20, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by the disposal of investments or short-term borrowings, where necessary.

23 UNIT HOLDING PATTERN OF THE FUND

Category	2026			2025		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of investment --- (%) ---	Number of unit holders	Investment amount (Rupees in '000)	Percentage of investment --- (%) ---
Individuals	734	410,720	19.27	567	240,194	16.34
Associated Companies and Directors	1	1,660,734	77.94	1	1,205,918	82.05
Insurance Companies	1	606	0.03	1	447	0.03
Retirement Funds	7	29,810	1.40	7	22,307	1.52
Others	7	29,046	1.36	6	862	0.06
	750	2,130,916	100.00	582	1,469,728	100.00

24 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

-----2026-----		-----2025-----	
Name of broker	% of commission paid	Name of broker	% of commission paid
Insight Securities (Private) Limited	8.90	Integrated Equities Limited	8.98
Taurus Securities Limited	7.59	Taurus Securities Limited	7.11
Integrated Equities Limited	6.73	Sherman Securities (Private) Limited	6.27
Aqeel Karim Dhedhi Securities (Private) Limited	6.64	Insight Securities (Private) Limited	5.94
Ktrade Securities Limited	4.93	Spectrum Securities (Private) Limited	5.39
Chase Securities Pakistan (Private) Limited	4.89	Aqeel Karim Dhedhi Securities (Private) Limited	4.07
D.J.M Securities (Private) Limited	4.67	Topline Securities Limited	4.06
Topline Securities Limited	4.29	Intermarket Securities Limited	3.84
Sherman Securities (Private) Limited	3.86	Alpha Capital (Private) Limited	3.76
Spectrum Securities (Private) Limited	3.64	AKIK Capital (Private) Limited	3.65

25 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

The following are the details in respect of the members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience in years
Dr. Amjad Waheed	Chief Executive Officer	Doctorate in Business Administration, MBA & CFA	38
Mr. Asim Wahab Khan	Chief Investment Officer	BBA, MBA & CFA	20
Mr. Salman Ahmed	Head of Fixed Income	CFA	21
Mr. Hassan Raza (note 25.1)	Head of Equity	ACCA, BSC & CFA	15
Mr. Muhammad Waseem	Head of Research	CFA	11

25.1 The name of the Fund Manager is Hassan Raza. Other funds managed by the Fund Manager are as follows:

- NBP Financial Sector Fund
- NBP Islamic Stock Fund
- NAFA Islamic Pension Fund

26 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 106th, 107th, 108th, 109th, 110th, and 111th Board Meetings were held on July 26, 2025, August 21, 2025, August 23, 2025, October 30, 2025, February 17, 2026, and April 30, 2026, respectively. Information in respect of the attendance by the directors in the meetings is given below:

Name of directors	Number of meetings			Meetings not attended
	Held / applicable	Attended	Leave granted	
Mr. Shaikh Muhammad Abdul Wahid Sethi	6	6	-	-
Mr. Faisal Ahmed***	5	5	-	-
Mr. Mehnaz Salar	6	6	-	-
Mr. Ali Saigol	6	5	1	106th Meeting
Mr. Imran Zaffar	6	6	-	-
Mr. Khalid Mansoor*	3	3	-	-
Mr. Saad Amanullah Khan*	3	3	-	-
Mr. Umar Ahsan Khan	6	6	-	-
Mr. Tahir Jawaid**	3	3	-	-
Mr. Saad Muzaffar Waraich**	3	2	1	111th Meeting
Mr. Syed Mujtaba Abbas****	-	-	-	-
Mr. Amjad Waheed	6	6	-	-

*Mr. Khalid Mansoor and Mr. Saad Amanullah Khan retired from the Board on October 03, 2025

**Mr. Tahir Jawaid and Mr. Saad Muzaffar Waraich were appointed on the Board on October 04, 2025

***Mr. Faisal Ahmed resigned from the Board on March 09, 2026

****Mr. Syed Mujtaba Abbas was appointed on the Board on March 30, 2026, and his approval was granted by SECP on July 02, 2026

27 GENERAL

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

- 27.1 Corresponding figures have been re-classified and re-arranged in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications have been made in these financial statements during the current year.

28 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 04, 2026 by the Board of Directors of the Management Company.

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

Chief Financial Officer

Chief Executive Officer

Director



PERFORMANCE TABLE

Particulars	For the Year Ended Jun 30, 2026	For the Year Ended Jun 30, 2025	For the Year Ended Jun 30, 2024	For the Year Ended Jun 30, 2023	For the Year Ended Jun 30, 2022	For the Year Ended Jun 30, 2021
Net assets (Rs. '000')	2,130,916	1,469,728	972,548	665,794	818,824	1,607,673
Net Income/(Loss) (Rs. '000')	545,832	479,783	339,532	16,204	(72,371)	266,143
Net Asset Value per units (Rs.)	44.3230	33.4532	24.5890	18.1595	18.1367	19.3595
Selling price per unit	45.8521	34.6073	25.4226	18.7751	18.7515	20.0158
Redemption price per unit	44.3230	33.4532	24.5890	18.1595	18.1367	19.3595
Ex - Highest offer price per unit (Rs.)	47.1388	34.6367	25.4894	19.1181	20.8027	20.4580
Ex - Lowest offer price per unit (Rs.)	34.0420	22.7910	16.6888	17.2720	18.5562	16.9263
Ex - Highest redemption price per unit (Rs.)	45.5668	33.4816	24.6537	18.4912	20.1206	19.7872
Ex - Lowest redemption price per unit (Rs.)	32.9068	22.0310	16.1416	16.7058	17.9478	16.3714
Fiscal Year Opening Nav	32.5215	22.4273	16.1401	17.7015	19.3595	16.2323
Total return of the fund	36.29%	49.16%	52.35%	2.59%	-6.3%	0.1927
Capital growth	33.42%	39.52%	39.84%	0.13%	-6.3%	16.4%
Income distribution as % of Ex-NAV	2.86%	9.64%	12.51%	2.46%	-	2.83%
Income distribution as % of Par Value	12.63%	31.52%	30.66%	4.47%	-	5.55%
Distribution						
Interim Distribution per unit	1.2633	3.1516	3.0660	0.4465	-	0.5554
Final distribution per unit	-	-	-	-	-	-
Distribution dates						
Interim	29-Jun-2026	27-Jun-2025	27-Jun-2024	27-Jun-2023		23-Jun-21
Interim						
Interim						
Final						
Average annual return (launch date January 19, 2007)						
(Since inception to June 30, 2026)	15.56%					
(Since inception to June 30, 2025)		14.5%				
(Since inception to June 30, 2024)			12.8%			
(Since inception to June 30, 2023)				10.8%		
(Since inception to June 30, 2022)					11.3%	
(Since inception to June 30, 2021)						12.7%
(Since inception to June 30, 2020)						
(Since inception to June 30, 2019)						
(Since inception to June 30, 2018)						
(Since inception to June 30, 2017)						
(Since inception to June 30, 2016)						
(Since inception to June 30, 2015)						
(Since inception to June 30, 2014)						
(Since inception to June 30, 2013)						
(Since inception to June 30, 2012)						
(Since inception to June 30, 2011)						
Weighted average portfolio duration	2 Days		4 days			
Portfolio Composition (see Fund Manager report)						

Statement of past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

PROXY ISSUED BY THE FUND

The proxy voting policy of **NBP Balanced Fund** duly approved by Board of Directors of the Management Company, is available on the website of NBP Fund Management Limited i.e. www.nbpfunds.com. A detailed information regarding actual proxies voted by the Management Company in respect of the fund is also available without charge, upon request, to all unit holders.

The details of summarized proxies voted are as follows:

NBP BALANCED FUND			
Resolutions	For	Against	Abstain*
10	10	Nil	N/A
100%	100%	-	-

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