



Managing Your Savings

NBP Fund Management Limited



NBP FINANCIAL SECTOR FUND

AM1
Rated by PACRA

ANNUAL REPORT
JUNE 30, 2026

MISSION STATEMENT

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



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FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Syed Mujtaba Abbas	Director
Ms. Mehnaz Salar	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Umar Ahsan Khan	Director
Mr. Tahir Jawaaid	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 Jawaaid	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 Jawaaid	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

MCB Bank Limited
JS Bank Limited
Meezan Bank Limited
Habib Bank Limited
United Bank Limited
Bank Al Habib Limited
Allied Bank Limited
BankIslami Pakistan Limited
National Bank of Pakistan



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.nbpfunds.com

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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

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



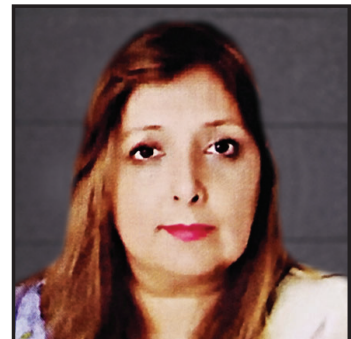
Mr. Imran Zaffar
Director



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 Ninth Annual Report for the period ended June 30, 2026, since launch of **NBP Financial Sector Fund** on February 14, 2018.

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.

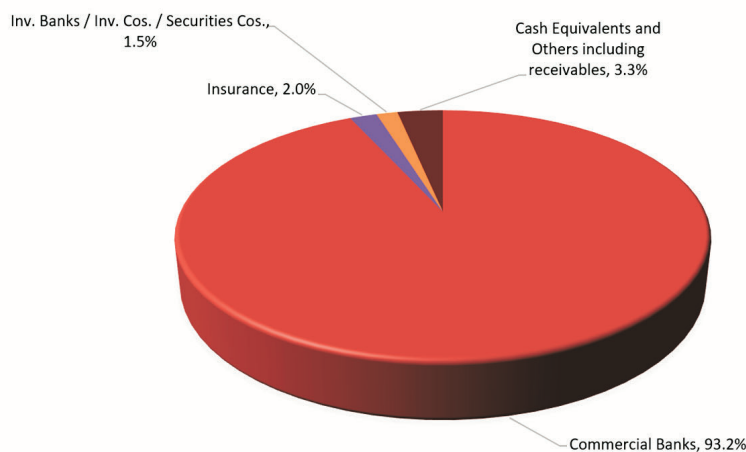
Regarding participants' activity, Companies, Mutual Funds, and Individuals emerged as the largest net buyers, with inflows of USD 585 million, USD 401 million, and USD 328 million, respectively. In contrast, Insurance companies and Banks/DFIs reduced their net holdings by USD 241 million and USD 172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

During the fiscal year, NBP Financial Sector Fund (NFSF) increased by 70.4% return as against the KSE-30 Total Return Index increased by 49.4%, outperforming the benchmark by 21.0% during the year. Since February 14, 2018), NBP Financial Sector Fund has increased by 432.4%, whereas the KSE-30 Total Return Index has increased by 383.5%, thus to date outperformance is 48.9%. This underperformance is net of management fee and all other expenses. The Fund size is Rs 2,601 mln as of June 30, 2026.

NBP Financial Sector Fund has earned a total income of Rs. 415.896 million during the year. After deducting total expenses of Rs. 61.629 million, the net income is Rs. 354.267 million. During the year, the unit price of NBP Financial Sector Fund has increased from Rs. 14.6096 (Ex-Div) on June 30, 2025 to Rs. 24.8901 on June 30, 2026. The resultant per unit gain is Rs. 9.1727 (70.4%).



The asset allocation of NBP Financial Sector 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 12.033% of the opening ex-NAV (18.912% 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 24 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 17 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 مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز اپنے آغاز 14 فروری 2018 سے NBP فنانشل سیکٹرز فنڈ کی نویں 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 ادائیگیاں 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 بلین امریکی ڈالر کا معمولی خسارہ ریکارڈ ہوا، جبکہ مالی سال 25 میں 1.8 بلین امریکی ڈالر کا سرپلس 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 پانڈا بانڈ 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 سوریجمن 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 آمد و رفت 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 افزاء 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۔

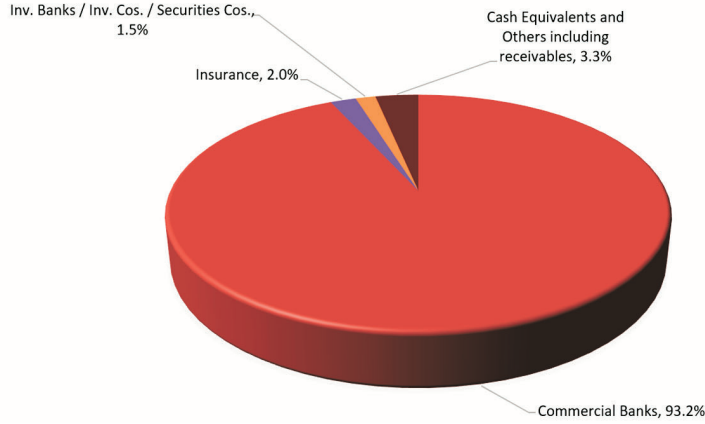
شعبہ دارکارکردگی کے لحاظ سے آٹوموبائل پارٹس اینڈ ایکسیسریز، کمرشل بینکس، فریڈلائزر، انویسٹمنٹ بینکس/کمپنیاں، لیڈر اینڈ ٹیئر، پاور جنریشن اینڈ ڈسٹری بیوشن، ٹیکنالوجی اینڈ کمپیوٹیشن اور ٹرانسپورٹ کے شعبوں نے مارکیٹ سے بہتر کارکردگی دکھائی۔ اس کے برعکس آٹو اسمبلر، کیبل اینڈ الیکٹریکل گڈز، سینٹ، کیمیکل، انجینئرنگ، فوڈ اینڈ پرسنل کیئر، گلاس اینڈ سیرامکس، انشورنس، متفرق، آئل اینڈ گیس ایکسپلوریشن، آئل اینڈ گیس مارکیٹنگ کمپنیاں، فارماسیوٹیکلز، ریفرنسری، شوگر، ٹیکسٹائل کمپوزٹ اور تباکو کے شعبوں نے مارکیٹ سے اتر کارکردگی کا مظاہرہ کیا۔

سرمایہ کاروں کی سرگرمی کے حوالے سے کمپنیاں، میوچل 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 کی کمی کی۔

مالی سال کے دوران، NBP فنانشل سیکٹرز فنڈ کو KSE-30 کل ریٹرن انڈیکس میں 49.4 فیصد اضافہ کے مقابلے میں 70.4 فیصد ریٹرن کا اضافہ حاصل ہوا، سال کے دوران 21.0 فیصد پنچ مارک کی بہتر کارکردگی کا مظاہرہ کیا۔ اپنے آغاز (14 فروری 2018) سے، NBP فنانشل سیکٹرز فنڈ میں 432.4 فیصد اضافہ ہوا، جبکہ KSE-30 کل انڈیکس ریٹرن میں 383.5 فیصد اضافہ ہوا، لہذا آج تک بہتر کارکردگی 48.9 فیصد ہے۔ یہ ابتر کارکردگی مینجمنٹ فیس اور تمام دیگر اخراجات منہا کرنے کے بعد خالص ہے۔ فنڈ کا ساٹھ سال 30 جون 2026 کے مطابق 2,601 ملین روپے ہے۔

NBP فنانشل سیکٹر فنڈ کو سال کے دوران 415.896 ملین روپے کی مجموعی آمدنی ہوئی۔ 61.629 ملین روپے کے مجموعی اخراجات منہا کرنے کے بعد، خالص آمدنی 354.267 ملین روپے ہے۔ سال کے دوران NBP فنانشل سیکٹر فنڈ کے یونٹ کی قیمت 30 جون 2025 کو (Ex-Div) 14.6096 روپے سیڑھ کر 30 جون 2026 کو 24.8901 روپے ہو گئی۔ جس کے نتیجے میں فی یونٹ اضافہ 9.1727 روپے (70.4%) ہے۔

30 جون 2026 کے مطابق NBP فنانشل سیکٹر فنڈ کی ایسٹ ایلوکیشن حسب ذیل ہے:



آمدنی کی تقسیم

منجست کمپنی کے بورڈ آف ڈائریکٹرز نے 30 جون 2026 کو ختم ہونے والے سال کے دوران اوپننگ ex-NAV کا 12.033 فیصد (بنیادی قدر 18.912%) کے عبوری نقد منافع کی منظوری دی ہے۔

تقسیم

چونکہ مذکورہ بالا نقد منافع منقسمہ سال کے دوران حاصل ہونے والی آمدنی میں سے سرمایہ کاری پر حاصل ہونے والے محصول شدہ اور غیر محصول شدہ کیپٹل گین منہا کرنے کے بعد 90 فیصد سے زائد ہے، اس لئے فنڈ پر آگرمیکس آرڈیننس 2001 کے دوسرے شیڈول کے حصہ اول کی شق 99 کے تحت ٹیکس لاگو نہیں ہوتا ہے۔

آڈیٹرز

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

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

1. منجست 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۔ شراپاتی تخمینے 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 دواں 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 24 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 17 میں ظاہر کی گئی ہے۔
13. کمپنی اپنے بورڈ آف ڈائریکٹرز میں غیر جانبدار تان 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:

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

اظہار تشکر

بورڈ اس موقع پر اپنے معزز یونٹ ہولڈرز کا تہ 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 سیکریٹریز اینڈ ایگزیکٹو کمیشن آف پاکستان (SECP) اور اسٹیٹ بینک آف پاکستان (SBP) کی سرپرستی، رہنمائی اور تعاون پر بھی تہ دل سے شکر گزار ہے۔

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

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ 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 Financial Sector 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 Financial Sector Fund

NBP Financial Sector Fund is an Open-ended Equity Fund.

Investment Objective of the Fund

The objective of NBP Financial Sector Fund is to provide investors with long term capital growth from an actively managed portfolio of listed equities belonging to the Financial Sector.

Benchmark

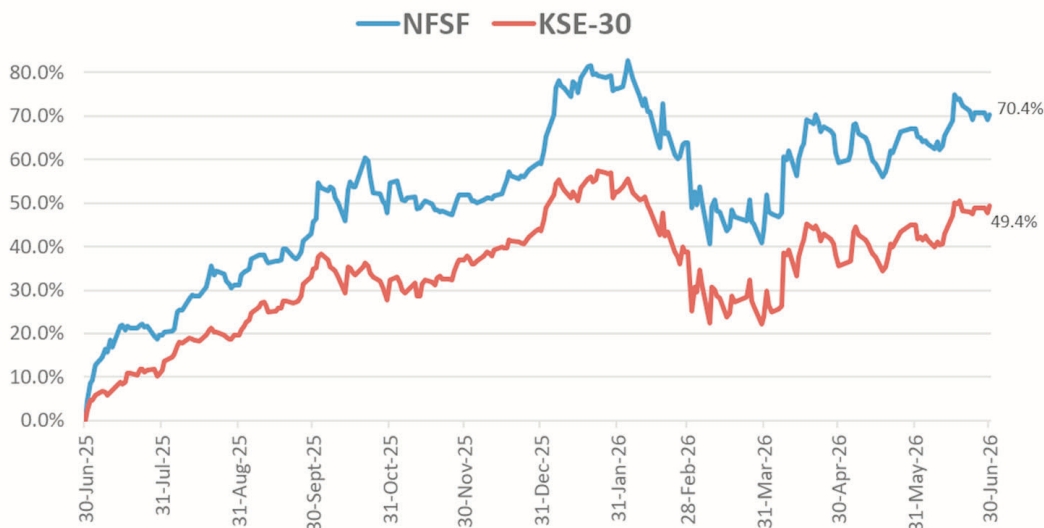
The Benchmark of the Fund is KSE-30 Index. (Total Return Index)

Fund performance review

This is the Ninth annual report. During the fiscal year, NBP Financial Sector Fund (NFSF) increased by 70.4% return as against the KSE-30 Total Return Index increased by 49.4%, outperforming the benchmark by 21.0% during the year. The Fund outperformed as the fund was overweight in select Commercial Banks and Insurance sectors stocks which outperformed the market. Since February 14, 2018), NBP Financial Sector Fund has increased by 432.4%, whereas the KSE-30 Total Return Index has increased by 383.5%, thus to date outperformance is 48.9%. This underperformance is net of management fee and all other expenses. The Fund size is 2,601 mln as of June 30, 2026.

The chart below shows the performance of NFSF against the Benchmark for the year.

NFSF Performance vs. Benchmark during FY26



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.

Asset Allocation of the Fund (% of NAV)

Particulars	30-Jun-26	30-Jun-25
Equities / Stocks	96.7%	99.4%
Cash Equivalents	9.9%	67.8%
Other Net Liabilities	(6.6%)	(67.2%)
Total	100.0%	100.0%

Distribution for the Financial Year 2026

Interim Period	Dividend as % of Par Value (Rs.10)	Cumulative Div. Price/Unit	Ex- Div. Price
June - 26	18.912 %	26.8315	24.9403

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
1-1000	744
1001-5000	335
5001-10000	138
10001-50000	324
50001-100000	92
100001-500000	111
500001-1000000	10
1000001-5000000	17
5000001-10000000	2
10000001-100000000	1
Total	1,774

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 in the report. 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.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

To the Unit holders of NBP Financial Sector Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **NBP Financial Sector 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. 257.305 million and investments amounted to Rs. 2,516.013 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: AR202610061BRWysC9qn

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2026

	Note	2026 ----- (Rupees in '000) -----	2025 -----
Assets			
Bank balances	4	257,305	220,228
Investments	5	2,516,013	322,921
Dividend and interest receivable	6	763	716
Advances and deposits	7	2,948	2,948
Receivable against conversion of units		59,638	108,935
Receivable against sale of investments		-	25,097
Total assets		2,836,667	680,845
Liabilities			
Payable to NBP Fund Management Limited - Management Company	8	5,693	1,345
Payable to Central Depository Company of Pakistan Limited - Trustee	9	320	67
Payable to the Securities and Exchange Commission of Pakistan	10	186	27
Accrued expenses and other liabilities	11	22,530	9,088
Payable against conversion and redemption of units		55,386	345,630
Payable against purchase of investments		151,877	-
Total liabilities		235,992	356,157
Net assets		2,600,675	324,688
Unit holders' fund (as per statement attached)		2,600,675	324,688
Contingencies and commitments	12		
		----- Number of units -----	
Number of units in issue	13	104,486,280	20,657,938
		----- Rupees -----	
Net asset value per unit		24.8901	15.7174

The annexed notes from 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

	Note	2026 ----- (Rupees in '000) -----	2025 -----
Income			
Interest on bank balances		6,374	2,471
Dividend income		151,859	29,792
Net realised gain on sale of investment		194,710	72,198
Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	5.2	62,953	17,109
Total income		415,896	121,570
Expenses			
Remuneration of NBP Fund Management Limited - Management Company	8.1	25,896	4,151
Sindh sales tax on remuneration of Management Company	8.2	3,884	623
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	2,645	553
Sindh sales tax on remuneration of Trustee	9.2	397	83
Annual fee - Securities and Exchange Commission of Pakistan	10.1	1,640	263
Securities transaction cost		24,176	3,895
Auditor's remuneration	14	1,263	855
Annual listing fee		63	31
Printing charges		-	18
Professional charges		299	146
Settlement and bank charges		1,366	704
Total expenses		61,629	11,322
Net income for the year before taxation		354,267	110,248
Taxation	15	-	-
Net income for the year after taxation		354,267	110,248
Allocation of net income for the year			
Net income for the year after taxation		354,267	110,248
Income already paid on units redeemed		(173,225)	(44,650)
		181,042	65,598
Accounting income available for distribution:			
- Relating to capital gains		181,042	65,598
- Excluding capital gains		-	-
		181,042	65,598

The annexed notes from 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 ----- (Rupees in '000) -----	2025 ----- (Rupees in '000) -----
Net income for the year after taxation	354,267	110,248
Other comprehensive income for the year	-	-
Total comprehensive income for the year	354,267	110,248

The annexed notes from 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	Accumulated losses	Total	Capital value	Accumulated losses	Total
	(Rupees in '000)					
Net assets at the beginning of the year	563,530	(238,842)	324,688	490,256	(247,553)	242,703
Issuance of 582,624,061 units (2025: 100,161,303 units)						
- Capital value (at net assets value per unit at the beginning of the year)	9,157,335	-	9,157,335	1,351,907	-	1,351,907
- Element of income	5,044,373	-	5,044,373	495,451	-	495,451
Total proceeds on issuance of units	14,201,708	-	14,201,708	1,847,358	-	1,847,358
Redemption of 498,795,719 units (2025: 97,484,958 units)						
- Capital value (at net assets value per unit at the beginning of the year)	(7,839,772)	-	(7,839,772)	(1,315,784)	-	(1,315,784)
- Element of loss	(4,087,408)	(173,225)	(4,260,633)	(425,937)	(44,650)	(470,587)
Total payments on redemption of units	(11,927,180)	(173,225)	(12,100,405)	(1,741,721)	(44,650)	(1,786,371)
Total comprehensive income for the year	-	354,267	354,267	-	110,248	110,248
Refund of capital for the year ended June 30, 2026	(81,275)	-	(81,275)	(32,363)	-	(32,363)
Distribution during the year @ Rs. 1.8912 per unit declared on June 29, 2026 (2025: Rs. 5.8443 per unit declared on June 27, 2025)	-	(98,308)	(98,308)	-	(56,887)	(56,887)
	(81,275)	255,959	174,684	(32,363)	53,361	20,998
Net assets at the end of the year	2,756,783	(156,108)	2,600,675	563,530	(238,842)	324,688
Accumulated losses brought forward						
- Realised loss		(255,951)			(286,306)	
- Unrealised gain		17,109			38,753	
		(238,842)			(247,553)	
Accounting income available for distribution						
- Relating to capital gains	181,042			65,598		
- Excluding capital gains	-			-		
	181,042			65,598		
Distribution during the year	(98,308)			(56,887)		
Accumulated losses carried forward	(156,108)			(238,842)		
Accumulated losses carried forward						
- Realised loss		(219,061)			(255,951)	
- Unrealised gain		62,953			17,109	
		(156,108)			(238,842)	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the year			15.7174			13.4973
Net asset value per unit at the end of the year			24.8901			15.7174

The annexed notes from 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

	Note	2026 ----- (Rupees in '000) -----	2025 -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		354,267	110,248
Adjustments for:			
Interest on bank balances		(6,374)	(2,471)
Dividend income		(151,859)	(29,792)
Net realised gain on sale of investment		(194,710)	(72,198)
Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	5.2	(62,953)	(17,109)
		(415,896)	(121,570)
		(61,629)	(11,322)
Increase in assets			
Investments - net		(1,758,455)	(39,055)
		(1,758,455)	(39,055)
Increase / (decrease) in liabilities			
Payable to NBP Fund Management Limited - Management Company		4,348	(711)
Payable to Central Depository Company of Pakistan Limited - Trustee		253	26
Payable to the Securities and Exchange Commission of Pakistan		159	10
Accrued expenses and other liabilities		13,442	3,816
		18,202	3,141
Interest received on balances with banks		6,327	2,045
Dividend received		151,859	29,792
Net cash used in operating activities		(1,643,696)	(15,399)
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received against issuance of units - net of refund of capital		14,169,730	1,706,070
Amount paid on redemption of units		(12,390,649)	(1,441,481)
Cash dividend paid		(98,308)	(56,887)
Net cash generated from financing activities		1,680,773	207,702
Net increase in cash and cash equivalents during the year		37,077	192,303
Cash and cash equivalents at the beginning of the year		220,228	27,925
Cash and cash equivalents at the end of the year	4.2	257,305	220,228

The annexed notes from 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 Financial Sector 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 approved by the Securities and Exchange Commission of Pakistan (the SECP) on January 9, 2018 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 16, 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 'Equity 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 objective of the Fund is to provide investors with long-term capital growth from an actively managed portfolio of listed equities belonging to the financial sector. The investment objectives and policies are explained in the Fund's offering document.
- 1.5** The Pakistan Credit Rating Agency Limited (PACRA) has reaffirmed an asset manager rating of the Management Company of AM1 May 5, 2026 on (2025: AM1 on May 5, 2025). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.6** The title of the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These 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) and 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 and the NBFC Regulations, 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 and 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 do not have any material impact on the Fund's financial statements and, therefore, have 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) for annual periods beginning on or after January 1, 2027 by IASB. 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 standard and amendments on the financial statements of the Fund.

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of accounting 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 3.1 and 5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets have been disclosed in Note 20.

2.6 Functional and presentation currency

Items included in these 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 consistently applied to all the years presented, unless otherwise stated.

3.1 Financial assets

3.1.1 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.

3.1.2 Classification and subsequent measurement

3.1.2.1 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 irrevocable election has been made at the time of initial recognition to measure the investment at 'fair value through other comprehensive income' (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 irrevocable option has not been considered.

The dividend income for equity securities classified under FVPL is recognised in the Income Statement.

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

3.1.2.2 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.

3.1.3 Impairment

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost. The Fund recognises loss allowances for such 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 Fund considers that a financial asset to be in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

3.1.4 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.

3.1.5 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'.

3.2 Financial liabilities

3.2.1 Classification and subsequent measurement

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.

3.2.2 Derecognition

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.

3.3 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.

3.4 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.

3.5 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.

3.6 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 on that day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as at the close of the business day, plus the allowable sales load, provision of any duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company/ distributors receive redemption applications during business hours on that date. The redemption price represents the NAV as on the close of the business day, less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

3.7 Distribution to unit holders

Distribution to unit holders is recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the 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 non-adjusting events and are recognised in the financial statements for the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income / (loss) represents the difference between net asset value per unit on the issuance or redemption date, as the case may be, of units and the net assets value 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 the element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on the 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.

3.9 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the Income Statement and are recognised on the date when the transaction takes place;
- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are recorded in the period in which they arise;
- Interest on savings accounts with banks is recognised on an time proportion basis using the effective yield method; and
- Dividend income is recognised when the Fund's right to receive the dividend is established.

3.10 Expenses

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

3.11 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	BANK BALANCES	Note	2026	2025
			----- (Rupees in '000) -----	
	Balances with banks in:			
	Current accounts		686	503
	Savings accounts	4.1	256,619	219,725
			<u>257,305</u>	<u>220,228</u>

- 4.1 These include a balance of Rs. 1.193 million (2025: Rs. 0.727 million) maintained with National Bank of Pakistan (a related party) that carries interest at the rate of 6% per annum (2025: 6% per annum). Other savings accounts of the Fund carry interest rates ranging from 0.1% to 11.35% per annum (2025: 0.1% to 11% per annum).



4.2	Cash and cash equivalents	Note	2026	2025
			----- (Rupees in '000) -----	-----
	Balances with banks	4	257,305	220,228
5	INVESTMENTS			
	At fair value through profit or loss			
	Investments in equity securities - listed	5.1	2,516,013	322,921

5.1 Investments in equity securities - listed

Name of the investee company	As at July 1, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Market value as at June 30, 2026	Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
						Net assets of the Fund	Total investments of the Fund	
----- Number of shares held ----- (Rupees in 000) ----- % -----								
Insurance								
IGI Holdings Limited*	63,847	76,572	136,693	3,726	1,001	0.04	0.04	-
Adamjee Insurance Company Limited	65,662	1,304,527	806,959	563,230	45,087	1.73	1.79	0.16
Jubilee General Insurance Company Limited	49,500	-	49,500	-	-	-	-	-
Pakistan Reinsurance Company Limited	312,000	766,000	737,300	340,700	5,700	0.22	0.23	0.04
	491,009	2,147,099	1,730,452	907,656	51,788	1.99	2.06	
Commercial Banks								
Allied Bank Limited	171,152	806,798	904,495	73,455	13,053	0.50	0.52	0.01
Askari Bank Limited (Note 5.1.2)	1,168,225	14,122,307	10,952,604	4,337,928	478,170	18.39	19.01	0.30
Bank Alfalah Limited (Notes 5.1.1 and 5.1.3)	371,512	8,077,237	6,072,229	2,376,520	134,677	5.18	5.35	0.08
Bank AL Habib Limited (Note 5.1.2)	137,058	2,863,163	1,723,850	1,276,371	216,524	8.33	8.61	0.11
Bank of Punjab (Note 5.1.2)	762,219	4,806,100	5,236,300	332,019	11,651	0.45	0.46	0.01
Faysal Bank Limited (Note 5.1.4)*	18,375	19,500	23,381	14,494	1,438	0.06	0.06	-
MCB Bank Limited	161,241	2,775,873	2,260,931	676,183	274,199	10.54	10.90	0.06
Meezan Bank Limited (Note 5.1.2)	44,175	2,303,635	1,744,336	603,474	311,670	11.98	12.39	0.03
National Bank of Pakistan - a related party	79,800	3,477,700	2,478,900	1,078,600	214,102	8.23	8.51	0.05
Soneri Bank Limited	900	-	900	-	-	-	-	-
United Bank Limited (Notes 5.1.1 and 5.1.2)	83,118	3,175,406	2,555,933	702,591	314,529	12.09	12.50	0.03
Habib Metropolitan Bank Limited	310,400	3,378,099	1,935,738	1,752,761	203,460	7.82	8.09	0.17
Habib Bank Limited (Note 5.1.2)	155,284	2,113,891	1,409,300	859,875	251,264	9.66	9.99	0.06
	3,463,459	47,919,709	37,298,897	14,084,271	2,424,737	93.23	96.39	
Inv.Banks / Inv.Cos / Securities COS								
Pakistan Stock Exchange Limited	201,500	1,294,700	761,400	734,800	39,488	1.52	1.57	0.09
	201,500	1,294,700	761,400	734,800	39,488	1.52	1.57	
Total as at June 30, 2026					2,516,013	96.74	100	
Carrying value as at June 30, 2026					2,453,060			
Market value as at June 30, 2025					322,921	99.46	100	
Carrying value as at June 30, 2025					305,812			

*Nil due to rounding off.

- 5.1.1** All shares have a nominal value of Rs. 10 each except for the shares of United Bank Limited and Bank Alfalah Limited which have a nominal value of Rs. 5 each.
- 5.1.2** Investments include shares with market value of Rs. 119.901 million (2025: Rs. 60.491 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.
- 5.1.3** During the year, Bank Alfalah Limited (BAFL), pursuant to a resolution passed by its shareholders in the Extraordinary General Meeting held on March 26, 2026, approved the subdivision of the face value of its ordinary shares from Rs. 10 per share to Rs. 5 per share.

As a result of the share subdivision, the Fund received additional 1,374,859 sub-divided ordinary shares of Bank Alfalah Limited having face value of Rs. 5 each (BAFL) in lieu of 1,374,859 ordinary shares previously held with a face value of Rs. 10 each.

- 5.1.4** 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. Subsequently, the Finance Act, 2023, effective from July 1, 2023, introduced Section 236Z of the Income Tax Ordinance, 2001, which requires listed companies issuing bonus shares to withhold ten percent of such bonus shares and transfer the same to the Fund in the manner prescribed under the relevant provisions of the law.

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

Name of the investee company	2026		2025	
	Bonus shares			
	Number of shares withheld	Market value	Number of shares withheld	Market value
	Rupees in '000'		Rupees in '000'	
Faysal Bank Limited	14,494	1,438	14,494	1,011



		2026	2025
5.2	Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	Note	----- (Rupees in '000) -----
	Market value of investments	5.1	2,516,013
	Less: carrying value of investments	5.1	(2,453,060)
			62,953
6	DIVIDEND AND INTEREST RECEIVABLE		
	Interest receivable on bank balances		680
	Dividend receivable		83
			763
7	ADVANCES AND DEPOSITS		
	Advance tax	7.1	348
	Security deposits with:		
	- National Clearing Company of Pakistan Limited		2,500
	- Central Depository Company of Pakistan Limited		100
			2,948
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 by the withholder. The taxes withheld on interest on bank balances and debt securities as at June 30, 2026 amounted to Rs. 0.348 million (2025: Rs 0.348 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, the amount of tax deducted at source will likely be refunded.		
8	PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2026 2025 ----- (Rupees in '000) -----
	Management remuneration	8.1	2,935 435
	Sindh sales tax payable on management remuneration	8.2	440 65
	Sales load and transfer load payable		1,774 715
	Sindh sales tax payable on sales load and transfer load		268 109
	Alternative delivery channels charges payable including Sindh sales tax		276 21
			5,693 1,345



- 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, calculated on the basis of average net assets of the Fund. As the Fund falls under the category of equity 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 1.50% per annum of the average daily net assets of the Fund during the year ended June 30, 2026 (2025: 1.50%).

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 (2025: 15%) on the Management Company's remuneration and any reimbursable expenditure to the Management Company.

		2026	2025
9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	----- (Rupees in '000) -----
	Trustee remuneration	9.1	278
	Sindh sales tax on Trustee remuneration	9.2	42
			<u>320</u>
			<u>67</u>

- 9.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. During the year, Trustee has charged its fee as follows:

Net assets (Rs.)	Remuneration
- up to Rs. 1,000 million	0.20% per annum of average daily net assets
- exceeding Rs. 1,000 million	Rs. 2.0 million plus 0.10% per annum of average daily net assets, exceeding Rs. 1,000 million

The remuneration is paid to the Trustee monthly in arrears.

- 9.2** Sindh sales tax is levied at the rate of 15% under the Sindh Sales Tax on Services Act, 2011 (2025: 15%) on the Trustee remuneration.

		2026	2025
10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	----- (Rupees in '000) -----
	Fee payable	10.1	<u>186</u>
			<u>27</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) at the rate of fee to 0.095% per annum of the average daily net assets of the Fund, applicable to an "Equity Scheme". Accordingly, the Fund has charged SECP fee at the rate of 0.095% (2025: 0.095%) per annum of the daily net assets during the year. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.



	2026	2025
	----- (Rupees in '000) -----	
11 ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditor's remuneration payable	774	595
Printing charges payable	10	17
Brokerage fee payable	6,607	2,008
Legal and professional charges payable	153	163
Withholding tax payable on dividend	12,802	5,836
Withholding tax payable - others	332	16
Withholding tax payable on sales tax payable	30	12
Withholding tax payable on capital gain	1,789	390
Bank charges payable	21	8
Settlement charges payable	12	43
	<u>22,530</u>	<u>9,088</u>

12 CONTINGENCIES AND COMMITMENTS

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

	2026	2025
	----- (Number of units) -----	
13 NUMBER OF UNITS IN ISSUE		
Total units in issue at the beginning of the year	20,657,938	17,981,593
Add: units issued during the year	582,624,061	100,161,303
Less: units redeemed during the year	(498,795,719)	(97,484,958)
Total units in issue at the end of the year	<u>104,486,280</u>	<u>20,657,938</u>

	2026	2025
	----- (Rupees in '000) -----	
14 AUDITOR'S REMUNERATION		
Annual audit fee	567	515
Half yearly review fee	227	206
Out of pocket expenses and Sindh sales tax	469	134
	<u>1,263</u>	<u>855</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(I)/2025 dated April 10, 2025, has removed the Total Expense Ratio (TER) limit with effect from July 1, 2025. The TER limit for a collective investment scheme categorised as an 'Equity Scheme', applicable previously, has been replaced with a management fee cap as disclosed in Note 8.1 to these financial statements for a collective investment scheme categorised as an 'Equity Scheme'.

17 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons includes NBP Fund Management Limited being the Management Company (NBP Funds), Central Depository Company of Pakistan Limited (CDC) 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 / notified entities managed by the Management Company, directors and officers of the Management Company, any entity in which the Management Company, its CISOs or their connected persons have a 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.

Transactions with related parties / connected persons essentially comprise the issuance and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to related parties / connected persons. The transactions with related parties / connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

The details of significant transactions and balances with connected persons at year end except those disclosed elsewhere in these financial statements are as follows:

	2026	2025
Transactions during the year:	----- (Rupees in '000) -----	
NBP Fund Management Limited - Management Company		
Remuneration of NBP Fund Management Limited - Management Company	25,896	4,151
Sindh sales tax on remuneration of Management Company	3,884	623
Sales load and transfer load	18,462	1,896
Sindh sales tax on sales load and transfer load	2,769	284
Units issued to unit holders on behalf of the Management Company	-	1,965
Alternative delivery channels charges including Sindh sales tax	342	38
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	2,645	553
Sindh sales tax on remuneration of Trustee	397	83
Settlement charges	1,146	4
Dividend re-invest: 291,386 units (2025: Nil)	7,205	-
Units issued / transferred in during the year: 4,524,723 units (2025: Nil)	125,000	-



	2026	2025
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
Transactions during the year:		
Employees of the Management Company		
Dividend re-invest: 82,023 units (2025: 3,276 units)	2,028	60
Units issued / transferred in during the year: 15,169,343 units (2025: 6,844,294 units)	362,365	110,889
Units redeemed / transferred out during the year: 12,974,771 units (2025: 7,438,105 units)	309,422	121,772
National Bank of Pakistan - Parent Company***		
Shares purchased: 3,477,700 shares (2025: 544,200 shares)	691,589	45,511
Shares sold: 2,478,900 shares (2025: 779,000 shares)	498,427	64,763
Dividend	23,772	990
Interest on bank balance	3	-
Taurus Securities Limited - Subsidiary of Parent Company		
Brokerage expense	1,593	309
Mahmud Yar Hiraj - unit holder with more than 10% holding*		
Units issued / transferred in during the year: Nil (2025: 537,753 units)	-	8,312
East West Insurance Company Limited** - unit holder with more than 10% holding		
Units issued / transferred in during the year: 22,319,844 units (2025: Nil)	538,567	-
Units redeemed / transferred out during the year: 10,752,255 units (2025: Nil)	288,567	-
Syed Mujtaba Abbas - Director**		
Dividend re-invest: 257 units (2025: Nil)	6	-
Units issued / transferred in during the year: 3,974 units (2025: Nil)	113	-
Haider Amjad - Shareholder of the Management Company**		
Dividend re-invest: 5,452 units (2025: Nil)	135	-
Units issued / transferred in during the year: 228,106 units (2025: Nil)	6,197	-
Units redeemed / transferred out during the year: 115,485 (2025: Nil)	2,950	-
Portfolio managed by the Management Company		
Dividend re-invest: Nil (2025: 95 units)	-	2
Units issued / transferred in during the year: Nil (2025: 21 units)	-	-
Units redeemed / transferred out during the year: 116 units (2025: Nil)	3	-
Forman Christian College - unit holder with more than 10% holding*		
Units issued / transferred in during the year: Nil (2025: 585,039 units)	-	9,043
	2026	2025
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
Amounts / balances outstanding as at year end		
NBP Fund Management Limited - Management Company		
Management remuneration	2,935	435
Sindh sales tax payable on management remuneration	440	65
Sales load and transfer load payable	1,774	715
Sindh sales tax payable on sales load and transfer load	268	109
Alternative delivery channels charges payable including Sindh sales tax	276	21



Amounts / balances outstanding as at year end	2026 ----- (Rupees in '000) -----	2025 ----- (Rupees in '000) -----
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	278	58
Sindh sales tax on Trustee remuneration payable	42	9
Security deposit held	100	100
Settlement charges payable	12	43
Units held: 4,816,109 units (2025: Nil)	119,873	-
Employees of the Management Company		
Units held: 2,421,422 units (2025: 144,377 units)	60,269	2,269
Mahmud Yar Hiraj - unit holder with more than 10% holding*		
Units held: Nil (2025: 2,203,696 units)	-	34,636
East West Insurance Company Limited** - unit holder with more than 10% holding		
Units held: 11,567,589 units (2025: Nil)	287,918	-
Syed Mujtaba Abbas - Director**		
Units held: 4,230 units (2025: Nil)	105	-
Haider Amjad - Shareholder of the Management Company**		
Units held: 118,073 units (2025: Nil)	2,939	-
Portfolio managed by the Management Company*		
Units held: Nil (2025: 116 units)	-	2
Forman Christian College - unit holder with more than 10% holding*		
Units held: Nil (2025: 2,126,467 units)	-	33,423
National Bank of Pakistan - Parent Company***		
Bank balances	1,193	727
Shares held: 1,078,600 shares (2025: 79,800 shares)	214,102	8,673
Dividend receivable	83	83
Interest receivable	6	-
Taurus Securities Limited - subsidiary of Parent Company		
Brokerage payable	392	156

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

** Prior year comparative has not been shown as the individual / company was not a related party / connected person as at June 30, 2025.

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



2026			
	At amortised cost	At fair value through profit or loss	Total
----- (Rupees in '000) -----			
Financial assets			
Bank balances	257,305	-	257,305
Investments	-	2,516,013	2,516,013
Dividend and Interest receivable	763	-	763
Deposits	2,600	-	2,600
Receivable against conversion of units	59,638	-	59,638
	<u>320,306</u>	<u>2,516,013</u>	<u>2,836,319</u>
Financial liabilities			
Payable to NBP Fund Management Limited - Management Company	5,693	-	5,693
Payable to Central Depository Company of Pakistan Limited - Trustee	320	-	320
Accrued expenses and other liabilities	7,577	-	7,577
Payable against conversion and redemption of units	55,386	-	55,386
Payable against purchase of investments	151,877	-	151,877
	<u>220,853</u>	<u>-</u>	<u>220,853</u>

2025			
	At amortised cost	At fair value through profit or loss	Total
----- (Rupees in '000) -----			
Financial assets			
Bank balances	220,228	-	220,228
Investments	-	322,921	322,921
Dividend and Interest receivable	716	-	716
Deposits	2,600	-	2,600
Receivable against conversion of units	108,935	-	108,935
Receivable against sale of investments	25,097	-	25,097
	<u>357,576</u>	<u>322,921</u>	<u>680,497</u>
Financial liabilities			
Payable to NBP Fund Management Limited - Management Company	1,345	-	1,345
Payable to Central Depository Company of Pakistan Limited - Trustee	67	-	67
Accrued expenses and other liabilities	2,834	-	2,834
Payable against conversion and redemption of units	345,630	-	345,630
	<u>349,876</u>	<u>-</u>	<u>349,876</u>

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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 based on limits established by the Management Company, Fund's constitutive documents 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 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.

19.1 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: yield / interest rate risk, currency risk, and price risk.

(i) Yield / interest rate risk

Yield / interest rate 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 interest rates. As at June 30, 2026, the Fund is exposed to such risk on its bank balances. 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

Presently, the Fund holds bank balances which expose the Fund to cash flow interest rate risk. In case of a 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and the net assets of the Fund would have been higher / lower by Rs. 2.566 million (2025: Rs. 2.197 million).

The composition of the Fund's investment portfolio and KIBOR rates 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.

(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, at present is not exposed to currency risk as its operations are geographically restricted to Pakistan and all transactions are carried out in Pakistani Rupees.

(iii) Price risk

Price 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 (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 instrument traded in the market.

The fund is exposed to equity price risk because of investments held by the Fund and classified on the Statement of Assets and Liabilities 'at fair value through profit and loss'. The Fund manages its price risk arising from investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's constitutive documents, the NBFC Regulations and circulars issued by SECP from time to time. The Fund's equity investments and their fair values exposed to price risk as at the year end are concentrated in the sectors given in Note 5.1.

In case of 5% increase / decrease in KSE 100 index on June 30, 2026, with all other variables held constant, the total comprehensive income of the Fund for the year would increase / decrease by Rs. 125.801 million (2025: Rs 16.146 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets 'at fair value through profit or 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 100 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 100 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 100 Index.

19.2 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	257,305	257,305	220,228	220,228
Investments	2,516,013	-	322,921	-
Dividend and interest receivable	763	763	716	716
Advances and deposits	2,600	2,600	2,600	2,600
Receivable against conversion of units	59,638	59,638	108,935	108,935
Receivable against sale of investments	-	-	25,097	25,097
	2,836,319	320,306	680,497	357,576



The maximum exposure to credit risk before any credit enhancement as at June 30, 2026 is the carrying amount of the financial assets. 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. 2,516 million (2025: Rs. 322.921 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.

19.2.1 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 interest thereon are as follows:

	% of Financial assets exposed to credit risk	
	2026	2025
Bank balances and interest receivable thereon		
AAA	30.99	10.41
AA-	68.99	89.37
AA	0.02	0.22
A+ *	0.00	0.00
	100.00	100.00

* Nil due to rounding off

19.2.2 Concentration of the 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.

All financial assets of the Fund as at June 30, 2026 and June 30, 2025 are unsecured and are not impaired.

19.3 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 these fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions requests, 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 market and can be readily disposed of and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow on a short-term to ensure settlement subject to the maximum limit 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 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 summarises 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 dates. However, the liabilities that are payable on demand have been included in the maturity grouping of one month:

2026						
Within 1 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 5 years	Financial instruments with no fixed maturity	Total

(Rupees in '000)

Financial liabilities

Payable to NBP Fund Management

Limited - Management Company

Payable to Central Depository

Company of Pakistan - Trustee

Accrued expenses and other liabilities

Payable against purchase of investments

Payable against conversion and

redemption of units

5,693	-	-	-	-	-	5,693
320	-	-	-	-	-	320
6,803	774	-	-	-	-	7,577
151,877	-	-	-	-	-	151,877
55,386	-	-	-	-	-	55,386
220,079	774	-	-	-	-	220,853

2025						
Within 1 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 5 years	Financial instruments with no fixed maturity	Total

(Rupees in '000)

Financial liabilities

Payable to NBP Fund Management

Limited - Management Company

Payable to Central Depository

Company of Pakistan - Trustee

Accrued expenses and other liabilities

Payable against conversion and

redemption of units

1,345	-	-	-	-	-	1,345
67	-	-	-	-	-	67
2,239	595	-	-	-	-	2,834
345,630	-	-	-	-	-	345,630
349,281	595	-	-	-	-	349,876

20 FAIR VALUE MEASUREMENT

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

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing 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.

20.1 Fair value hierarchy

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

	2026			2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	(Rupees in 000)			(Rupees in 000)		
Financial assets 'at fair value though profit or loss'						
Investments in equity securities - listed	2,516,013	-	-	322,921	-	-

Valuation techniques used in determination of fair values is as follows:

Item	Valuation technique
Investments in equity securities - listed	The fair value of investments in listed equity securities is valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.

There were no transfers between levels during the year.

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The units holders' fund is represented by redeemable units. These units are entitled to distributions 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 movements in unit holders' fund.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations 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 unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies stated in Note 19, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption, such liquidity being augmented by short-term borrowing arrangements (which can be entered if necessary) or disposal of investments where necessary.

22 LIST OF TOP 10 BROKERS BY PERCENTAGE OF COMMISSION PAID / PAYABLE

Name of broker	2026 % of commission paid	Name of broker	2025 % of commission paid
Taurus Securities Limited	7.58	Taurus Securities Limited	9.12
Insight Securities (Private) Limited	7.28	Arif Habib Limited	7.14
Integrated Equities Limited	6.13	DJM Securities Limited	5.00
Arif Habib Limited	5.93	Insight Securities (Private) Limited	4.97
Aqeel Karim Dehdi Securities (Private) Limited	4.20	Sherman Securities (Private) Limited	4.89
Topline Securities Limited	3.92	Optimus Capital Management (Private) Limited	4.73
SC Securities (Private) Limited	3.83	Alpha Capital (Private) Limited	4.61
J.S. Global Capital Limited	3.81	Integrated Equities Limited	4.43
Foundation Securities (Private) Limited	3.77	Foundation Securities (Private) Limited	4.42
DJM Securities Limited	3.51	J.S. Global Capital Limited	4.04
	49.96		53.35

23 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the details in respect of members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience in years
Dr. Amjad Waheed	Chief Executive Officer	MBA / Doctorate in Business Administration / CFA	38
Mr. Asim Wahab Khan	Chief Investment Officer	CFA	20
Mr. Hassan Raza (Note 23.1)	Head of Equity	ACCA / BSC / CFA	15
Mr. Muhammad Waseem	Head of Research	CFA	11

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

- NBP Balanced Fund
- NBP Islamic Stock Fund
- NAFA Islamic Pension Fund

24 UNIT HOLDING PATTERN OF THE FUND

Category	June 30, 2026			June 30, 2025		
	Number of unit holders	Investment amount	Percentage of total	Number of unit holders	Investment amount	Percentage of total
	(Rupees in '000)			(Rupees in '000)		
Individuals	1,754	1,532,700	58.93%	473	195,343	60.16%
Banks & Development Financial Institutions	1	2,223	0.09%	1	1,404	0.43%
Retirement Funds	4	225,176	8.66%	3	39,637	12.21%
Others	15	840,576	32.32%	8	88,304	27.20%
	1,774	2,600,675	100%	485	324,688	100%

25 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 attendance by 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 Jawaaid**	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 Jawaaid 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

26 GENERAL

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

27 CORRESPONDING FIGURES

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 June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2024	For the year ended June 30, 2023	For the year ended June 30, 2022	For the year ended June 30, 2021
Net assets at the year / period ended (Rs '000)	2,600,676	324,688	242,703	92,912	372,496	445,185
Net income / (loss) for the year / period ended (Rs '000)	354,267	110,248	121,150	(22,322)	(35,787)	132,042
Net Asset Value per unit at the year / period ended (Rs)	24.8901	15.7174	13.4973	7.7901	8.2214	8.9014
Offer Price per unit	25.7488	16.2597	13.9549	8.0542	8.5001	9.2032
Redemption Price per unit	24.8901	15.7174	13.4973	7.7901	8.2214	8.9014
Ex - Highest offer price per unit (Rs.)	27.6041	16.2597	14.3892	9.1691	10.3043	9.8414
Ex - Lowest offer price per unit (Rs.)	15.8205	10.1498	5.8326	7.4849	8.3498	7.5174
Ex - Highest redemption price per unit (Rs.)	26.6835	15.7174	13.9174	8.8685	9.9664	9.5188
Ex - Lowest redemption price per unit (Rs.)	15.2929	9.8113	5.6413	7.2395	8.0760	7.2708
Opening Nav of Fiscal Year	14.6096	9.7166	5.6411	8.2214	8.9014	7.3801
Total return of the fund	70.37%	61.76%	139.27%	-5.25%	-7.64%	20.61%
Capital growth	62.79%	22.85%	101.17%	-5.25%	-7.64%	16.97%
Income distribution as a % of e x nav	7.58%	38.91%	38.10%	-	-	3.64%
Income distribution as a % of par value	18.91%	58.44%	51.39%	-	-	3.28%
Distribution						
Interim distribution per unit	1.8912	5.8443	5.1393			0.3281
Final distribution per unit						
Distribution Dates						
Interim	29/Jun/26	26/Jun/25	28/Jun/24			25/Jun/21
Final						
Average annual return of the fund (launch date February 14, 2018)						
(Since inception to June 30, 2026)	22.09%					
(Since inception to June 30, 2025)		16.70%				
(Since inception to June 30, 2024)			10.88%			
(Since inception to June 30, 2023)				-3.90%		
(Since inception to June 30, 2022)					-3.59%	
(Since inception to June 30, 2021)						-2.36%
Portfolio Composition (Please see Fund Manager Report)						

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 Financial Sector Fund**, duly approved by Board of Directors of the Management Company, is available on the website of NBP Fund Management Limited i.e. www.nbpfund.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 FINANCIAL SECTOR FUND				
	Resolutions	For	Against	Abstain
Number	6	6	Nil	N/A
(%)	100%	100%	-	-

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