



NBP FUNDS

Managing Your Savings

NBP Fund Management Limited



NBP FINANCIAL SECTOR INCOME FUND

ANNUAL REPORT
JUNE 30, 2026

AM1
Rated by PACRA



MISSION STATEMENT

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



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

Chairman
Chief Executive Officer
Director
Director
Director
Director
Director
Director
Director

Chief Financial Officer & Company Secretary

Mr. Muhammad Murtaza Ali

Audit & Risk Committee

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

Chairman
Member
Member
Member

Human Resource & Remuneration Committee

Mr. Tahir Jawaid
Shaikh Muhammad Abdul Wahid Sethi
Syed Mujtaba Abbas
Mr. Ali Saigol
Mr. Umar Ahsan Khan

Chairman
Member
Member
Member
Member

Business Strategy & IT Committee

Mr. Saad Muzaffar Waraich
Shaikh Muhammad Abdul Wahid Sethi
Syed Mujtaba Abbas
Mr. Ali Saigol
Mr. Imran Zaffar
Mr. Tahir Jawaid

Chairman
Member
Member
Member
Member
Member

Trustee

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

Bankers to the Fund

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

Finca Microfinance Limited
MCB Islamic Bank Limited
Faysal Bank Limited
The Bank of Punjab
Albaraka Bank of Pakistan
Bank Islami Pakistan Limited
U Microfinance Bank Limited
Telenor Microfinance Bank
Khushhali Microfinance Bank Limited
HBL Microfinance Bank Limited
Mobilink Microfinance Bank Limited
Dubai Islamic Bank Limited



Auditors

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

Legal Advisor

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

Head Office:

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

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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

Board of Directors



Mr. Ali Saigol
Director



Shaikh Muhammad Abdul Wahid Sethi
Chairman



Mr. Tahir Jawaid
Director



Mr. Saad Muzaffar Waraich
Director



Syed Mujtaba Abbas
Director



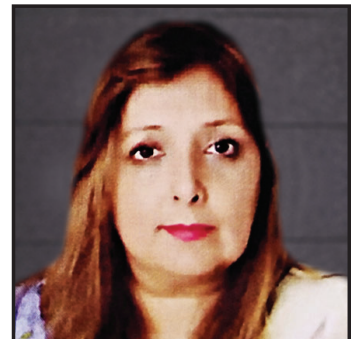
Mr. Imran Zaffar
Director



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 15th Annual Report of **NBP Financial Sector Income Fund (NFSIF)** for the year ended June 30, 2026.

Fund's Performance

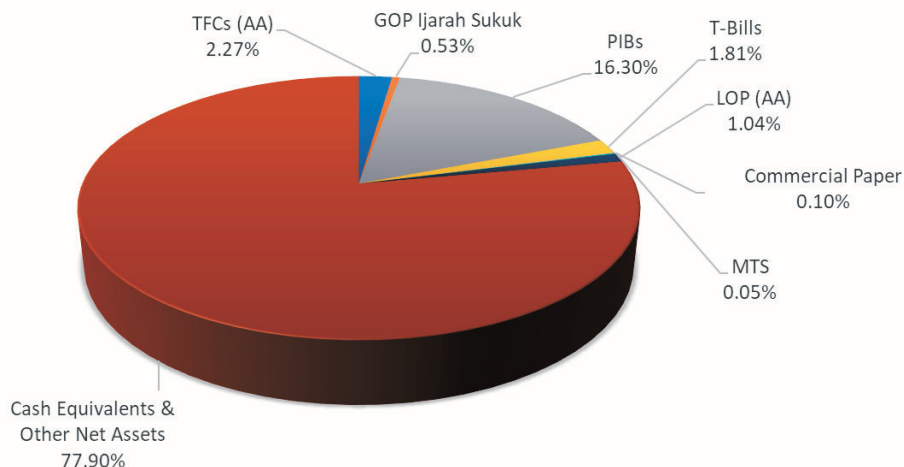
During FY26, the monetary policy stance evolved in response to changing inflation and external conditions. Following the easing cycle in FY25, the SBP reduced the policy rate by 50 bps to 10.5% in December-25, before raising it by 100 bps to 11.5% in April-26 as inflationary pressures intensified following the escalation of the US-Iran conflict and the resulting surge in global energy prices. Average headline inflation increased to 7.1% during FY26, peaking at 11.7% in May before moderating to 11.1% in June, while core inflation remained elevated. Fiscal consolidation also strengthened, with the fiscal deficit narrowing to 2.6% of GDP, the lowest in 22 years, while the primary surplus reached Rs. 3.63 trillion, or 2.9% of GDP, exceeding the IMF target by around Rs. 464 billion. Central government debt rose 7.4% YoY to Rs. 83.6 trillion, although the pace of accumulation slowed materially.

The twelve (12) PIB-Fixed auctions conducted by SBP generated a realized volume of around Rs. 4.5 trillion, with cut-offs ranging from 10.14% to 13.25%. In addition, 10-year floaters realized Rs. 1.96 trillion during the period, with spreads ranging from 0.49% to 1.0%. Liquidity management reflected market appetite, maturity constraints and monetary policy expectations, with acceptance trends remaining selective. The long-term corporate bond market remained subdued, with fresh TFC and Sukuk issuance of around Rs. 31 billion and total outstanding of Rs. 96 billion.

The Fund is unique as it invests a minimum 70% of its assets in financial sector (mainly banks) debt securities, instruments or deposits. Minimum entity/instrument rating of debt securities is 'AA-'. This minimizes credit risk and at the same time enhances the liquidity of the Fund. Duration of the Fund cannot be more than one year. This minimizes interest rate or pricing risk. The Fund invests 25% of its assets in less than 90 days T-Bills or saving accounts with banks, which further enhances the liquidity profile of the Fund. The Fund has been assigned 'A+ (f)' fund stability rating by PACRA.

The size of NBP Financial Sector Income Fund has decreased from Rs. 75.1 billion to Rs. 48.1 billion during the period (a decline of 36%). The unit price of the Fund has increased from (Ex-NAV) Rs. 9.6895 on June 30, 2025 to Rs. 10.7179 on June 30, 2026, thus showing a return of 10.6% as compared to the benchmark return of 10.6% for the same period. The performance of the Fund is net of management fee and other expenses.

The Fund has earned a total income of Rs. 7,637.10 million during the year. After deducting total expenses of Rs. 845.98 million, the net income is Rs. 6,791.12 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NFSIF.





Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 10.210% of the opening ex-NAV (10.903% 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 Yousuf Adil Chartered Accountants, has completed their five years tenure in the capacity of Auditor of the Fund. As per the requirement of Regulation 38(2)(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the replacement would be required. The Board has approved the appointment of Messrs Grant Thornton Anjum Rahman Chartered Accountants, for 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 29 to these financial statements.
11. The detailed pattern of unit holding is disclosed in the note 28 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 20 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 Jawaid 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 NBP فنانشل سیکٹر انکم فنڈ (NFSIF) کی پندرہویں سالانہ رپورٹ برائے مختتمہ سال 30 جون 2026ء پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

فنڈ کی کارکردگی

مالی سال 26 کے دوران افراط زر اور بیرونی حالات میں تبدیلی کے باعث مانیٹری پالیسی کا مقصد بھی تبدیل ہوتا رہا۔ مالی سال 25 میں شرح سود میں کمی کے سلسلے کے بعد، اسٹیٹ بینک آف پاکستان (SBP) نے دسمبر 2025 میں پالیسی ریٹ میں 50 بیس پوائنٹس کی کمی کرتے ہوئے اسے 10.5 فیصد کر دیا، تاہم امریکہ-ایران تنازع میں شدت اور اس کے نتیجے میں عالمی سطح پر توانائی کی قیمتوں میں اضافے کے باعث افراط زر کے دباؤ میں شدت آنے پر اپریل 2026 میں پالیسی ریٹ میں 100 بیس پوائنٹس کا اضافہ کرتے ہوئے اسے 11.5 فیصد کر دیا گیا۔ مالی سال 26 کے دوران اوسط عمومی افراط زر 7.1 فیصد رہا، جو مئی میں بڑھ کر 11.7 فیصد کی بلند ترین سطح پر پہنچ گیا، تاہم جون میں کم ہو کر 11.1 فیصد ہو گیا، جبکہ بنیادی افراط زر بدستور بلند سطح پر برقرار رہا۔ مالیاتی استحکام میں بھی بہتری آئی، جس کے نتیجے میں مالیاتی خسارہ کم ہو کر GDP کا 2.6 فیصد رہ گیا، جو 22 سال کی کم ترین سطح ہے، جبکہ بنیادی سرپلس 3.63 ٹریلین روپے، یعنی GDP کا 2.9 فیصد رہا، جو آئی ایم ایف کے ہدف سے تقریباً 464 بلین روپے زیادہ ہے۔ مرکزی حکومت کا قرضہ سال بہ سال 7.4 فیصد بڑھ کر 83.6 ٹریلین روپے ہو گیا، تاہم قرضے میں اضافے کی رفتار میں نمایاں کمی آئی۔

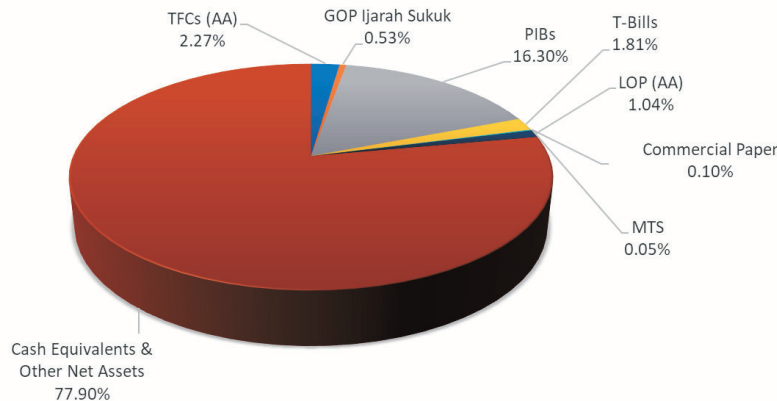
SBP کی جانب سے منعقد کی گئی بارہ (12) PIB-فکسڈ نیلامیوں میں تقریباً 4.5 ٹریلین روپے کا حقیقی حجم حاصل ہوا، جبکہ کٹ آف شرحیں 10.14 فیصد سے 13.25 فیصد کے درمیان رہیں۔ اس کے علاوہ، 10 سالہ فلوئرز کے ذریعے اس عرصے کے دوران 1.96 ٹریلین روپے حاصل ہوئے، جن پر اسپرڈز 0.49 فیصد سے 1.0 فیصد کے درمیان رہے۔ لیکویڈیٹی مینجمنٹ میں مارکیٹ کی طلب، مینجورٹی کی پابندیوں اور مانیٹری پالیسی سے متعلق توقعات کا اثر نمایاں رہا، جبکہ قبولیت کے رجحانات بدستور محتاط اور منتخب رہے۔ طویل مدتی کارپوریٹ بانڈ مارکیٹ میں سرگرمیاں محدود رہیں، جہاں تقریباً 31 بلین روپے مالیت کے نئے TFCs اور سلوک جاری کیے گئے، جبکہ مجموعی زیر گردش مالیت 96 بلین روپے رہی۔

یہ فنڈ منفرد ہے کیونکہ یہ اپنے اثاثوں کا کم از کم 70% مالیاتی شعبے (بنیادی طور پر بینکوں) کے قرضوں کی سکیورٹیز، آلات یا ڈائریکٹس میں لگاتا ہے۔ قرض کی ضمانتوں کی کم از کم ہستی/آلہ کی درجہ بندی 'AA' ہے۔ یہ کریڈٹ رسک کو کم کرتا ہے اور ساتھ ہی ساتھ فنڈ کی لیکویڈیٹی کو بڑھاتا ہے۔ فنڈ کی مدت ایک سال سے زیادہ نہیں ہو سکتی۔ یہ شرح سود یا قیمتوں کے خطرے کو کم کرتا ہے۔ فنڈ اپنے اثاثوں کا 25% 90 دنوں سے بھی کم وقت کے T-Bills یا بینکوں کے ہاں بچت کھاتوں میں لگاتا ہے، جس سے فنڈ کی لیکویڈیٹی پروفائل میں مزید اضافہ ہوتا ہے۔ فنڈ کو PACRA کی طرف سے 'A+(f)' کی مستحکم ریٹنگ تفویض کی گئی ہے۔

NBP فنانشل سیکٹر انکم فنڈ کا سائز 75.1 بلین روپے سے کم ہو کر موجودہ مدت کے دوران 48.1 بلین روپے ہو گیا (36% کی کمی)۔ مدت کے دوران فنڈ کے یونٹ کی قیمت 30 جون 2025 کو (Ex-NAV) 9.6895 روپے سے بڑھ کر 10.7179 روپے ہو چکی ہے، لہذا فنڈ نے اسی مدت کے دوران 10.6% بینج مارک منافع کے مقابلے میں 10.6% منافع دیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات منہا کرنے کے بعد خالص ہے۔

فنڈ کو سال کے دوران 7.637.10 بلین روپے کی کل آمدنی ہوئی۔ 845.98 بلین روپے کے مجموعی اخراجات منہا کرنے کے بعد، خالص آمدنی 6,791.12 بلین روپے ہے۔

درج ذیل چارٹ NFSIF کی ہر ایک ذیلی ایسٹ کلاسوں کی ایسٹ ایلوکیشن اور مجموعی اوسط کریڈٹ ریٹنگ کی نمائندگی کرتا ہے:



آمدنی کی تقسیم

مینیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے سال 30 جون 2026 کے اختتام کے بعد اوپننگ ex-NAV کا 10.210% (بنیادی قدر کا 10.903%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

ٹیکسیشن

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 انکم ٹیکس آرڈیننس 2001 کے دوسرے شیڈول کے حصہ اول کی شق 99 کے تحت ٹیکس لاگو نہیں ہوتا ہے۔

آڈیٹرز

موجودہ آڈیٹرز، میسرز یوسف عادل چارٹرڈ اکاؤنٹنٹس، نے فنڈ کے آڈیٹ کی حیثیت سے اپنی پانچ سالہ مدت مکمل کر لی ہے۔ نان بینکنگ فنانس کمپنیز اینڈ ٹریڈنگ اینڈ سٹاک ایکسچینج ریگولیشنز، 2008 کے ریگولیشن (h) 38(2) کی ضرورت کے مطابق آڈیٹ کی تبدیلی ضروری ہے۔ چنانچہ بورڈ نے 30 جون 2027 کو ختم ہونے والے سال کے لیے میسرز گرانٹ تھورنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس کی بطور آڈیٹر تقرری کی منظوری دے دی ہے۔

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

1. مینیجمنٹ کمپنی کی طرف سے تیار کردہ، مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کیش فلو اور یونٹ ہولڈرز فنڈز میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔
2. فنڈ کے اکاؤنٹس کے کھاتے درست انداز میں رکھے ہوئے ہیں۔
3. مالی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کی مسلسل پیروی کی گئی ہے۔ شریاتی تحجیجے 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 مؤثر طریقے سے نافذ ہے اور اس کی مسلسل نگرانی کی جاتی ہے۔
6. فنڈ کی رواں دواں رہنے کی صلاحیت کے بارے میں کوئی شکوک و شبہات نہیں ہیں۔
7. کارپوریٹ گورننس کی اعلیٰ ترین روایات سے کوئی پہلو تہی نہیں کی گئی۔
8. پرفارمنس ٹیلی / 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 مینیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے چھ اجلاس منعقد ہوئے۔ تمام ڈائریکٹرز کی حاضری ان مالیاتی گوشواروں کے نوٹ 26 میں ظاہر کی گئی ہے۔
11. یونٹ ہولڈنگ کا تفصیلی پیرن مالیاتی گوشواروں کے نوٹ 23 میں ظاہر کیا گیا ہے۔
12. ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکرٹری اور ان کی شریک حیات اور کم عمر بچوں کی طرف سے کی جانے والی فنڈ کے یونٹس کی تمام خرید و فروخت ان مالیاتی گوشواروں کے نوٹ 18 میں ظاہر کی گئی ہے۔
13. کمپنی اپنے بورڈ آف ڈائریکٹرز میں غیر جانبدارانہ ایگزیکٹو ڈائریکٹرز کی نمائندگی کی حوصلہ افزائی کرتی ہے۔ کمپنی ایک غیر فہرست شدہ کمپنی ہونے کے ناطہ کوئی متارٹی انٹریسٹ نہیں رکھتی۔ 30 جون 2026 کو بورڈ آف ڈائریکٹرز دوجذیل ارکان پر مشتمل ہیں:



نام	کنٹری
•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 تہہ دل سے شکریہ ادا کرتا ہے کہ انہوں نے مینجمنٹ کمیٹی پر اپنے اعتماد اور بھروسہ کا اظہار کیا اور اسے اپنی خدمت کا موقع فراہم کیا۔ بورڈ سکیورٹیز اینڈ انویسٹمنٹ کمیشن آف پاکستان (SECP) اور اسٹیٹ بینک آف پاکستان (SBP) کی سرپرستی، رہنمائی اور تعاون پر بھی تہہ دل سے شکر گزار ہے۔

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

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ مینجمنٹ لمیٹڈ

چیف ایگزیکٹو آفیسر

ڈائریکٹر

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 Income 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 Income Fund

NBP Financial Sector Income Fund (NFSIF) is an Open-End Income Scheme.

Investment Objective of the Fund

The objective of NBP Financial Sector Income Fund is to provide income enhancement and preservation of capital by investing in prime quality Financial Sector TFCs/Sukuks, Bank deposits and short-term money market instruments.

Benchmark

75% six (6) months KIBOR + 25% six (6) months average of the highest rates on savings accounts of three (3) AA rated scheduled Banks as selected by MUFAP.

Fund Performance Review

This is the 15th Annual report since the launch of the Fund on October 28, 2011. The Fund size decreased by 36% and stands at Rs. 48.1 billion as of June 30, 2026. During FY26 the Fund posted a return of 10.6% p.a. versus the benchmark return of 10.6% p.a. The Fund's return since inception is 11.2% p.a. During the same period, the benchmark return has been 10.7% p.a. This translates into outperformance of 0.5% p.a. This outperformance is net of management fee and all other expenses.

The Fund is unique as it invests a minimum 70% of its assets in financial sector (mainly banks) debt securities, instruments or deposits. Minimum entity/instrument rating of debt securities is 'AA-'. This minimizes credit risk and at the same time enhances the liquidity of the Fund. Duration of the Fund cannot be more than one year. This minimizes interest rate or pricing risk. The Fund invests 25% of its assets in less than 90 days T-Bills or saving accounts with banks, which further enhances the liquidity profile of the Fund. The Fund has been assigned 'A+ (f)' fund stability rating by PACRA.

During FY26, the monetary policy stance evolved in response to changing inflation and external conditions. Following the easing cycle in FY25, the SBP reduced the policy rate by 50 bps to 10.5% in December-25, before raising it by 100 bps to 11.5% in April-26 as inflationary pressures intensified following the escalation of the US-Iran conflict and the resulting surge in global energy prices. Average headline inflation increased to 7.1% during FY26, peaking at 11.7% in May before moderating to 11.1% in June, while core inflation remained elevated. Fiscal consolidation also strengthened, with the fiscal deficit narrowing to 2.6% of GDP, the lowest in 22 years, while the primary surplus reached Rs. 3.63 trillion, or 2.9% of GDP, exceeding the IMF target by around Rs. 464 billion. Central government debt rose 7.4% YoY to Rs. 83.6 trillion, although the pace of accumulation slowed materially.

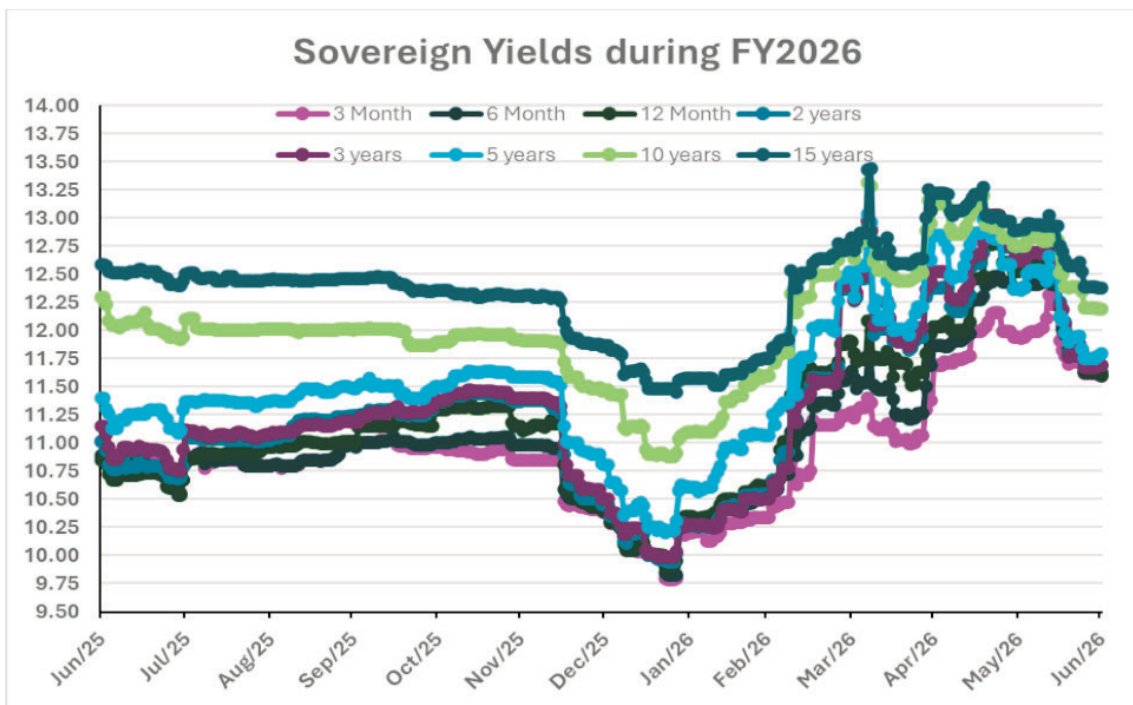
The twelve (12) PIB-Fixed auctions conducted by SBP generated a realized volume of around Rs. 4.5 trillion, with cut-offs ranging from 10.14% to 13.25%. In addition, 10-year floaters realized Rs. 1.96 trillion during the period, with spreads ranging from 0.49% to 1.0%. Liquidity management reflected market appetite, maturity constraints and monetary policy expectations, with acceptance trends remaining selective. The long-term corporate bond market remained subdued, with fresh TFC and Sukuk issuance of around Rs. 31 billion and total outstanding of Rs. 96 billion.

Asset Allocation of Fund (% of NAV)

Particulars	30-Jun-26	30-Jun-25
TFCs / Sukuk	2.27%	2.37%
Money Market Placements	1.04%	0.00%
PIBs	16.30%	6.46%
GOP Ijara Sukuk	0.53%	0.47%
MTS	0.05%	0.09%
T-Bills	1.81%	12.30%
Commercial Paper	0.10%	0.00%
Cash, Bank Placements & Other Assets	77.90%	78.31%
Total	100.00%	100.00%



Sovereign Yields during the year are shown in the below graph:



Distribution for the Financial Year 2026

Interim Period / Quarter	Dividend as % of Par Value (Rs.10)	Cumulative Div. Price/Unit	Ex- Div. Price
Jun-26	10.903%	11.7691	10.6788

Unit Holding Pattern of NBP Financial Sector Income Fund as on June 30, 2026

Size of Unit Holding (Units)	# of Unit Holders
1-1000	6519
1001-5000	670
5001-10000	234
10001-50000	703
50001-100000	435
100001-500000	988
500001-1000000	341
1000001-5000000	405
5000001-10000000	50
10000001-100000000	50
100000001-1000000000	5
Total	10,400

During the period under question:

There has been no significant change in the state of affairs of the Fund. NBP Financial Sector Income 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 Income Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **NBP Financial Sector Income 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 movement in unit holders' fund and statement of cash flow 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 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 and NBP Fund Management Limited (the Management Company) 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 year. 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.

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Valuation and existence of investments (Refer to note 6 of the financial statements) Investments, held at fair value through profit or loss and at amortised cost, are disclosed in note 6 to the financial statements and represent 22.05% of the net assets of the Fund. The Fund's primary activity is, inter alia, to invest in Government securities (Market Treasury Bills, Pakistan Investment Bonds, Un-listed and Listed GoP Ijara Sukuks), term finance certificates, letter of placement, term deposit receipts, certificate of investment and commercial paper, which are the main drivers of the Fund's performance. Considering the above factors, the valuation and existence are significant areas during our audit due to which we have considered this as a key audit matter.	In this respect, we performed the following procedures: - Independently agreed the existence of investments to the Central Depository Company (CDC) account Statement, Investment Portfolio Services (IPS) account statement and other relevant documents; - Tested valuation of investments by comparing the average rates quoted on a widely used electronic quotation system (PKRV, PKFRV and PKISRV) rates, prices quoted at Mutual Fund Association of Pakistan (MUFAP) and prices quoted at Pakistan Stock Exchange (PSX); and - Differences, if any, identified during our testing that were over our acceptable threshold were investigated further.
2	Existence of bank balances (Refer to note 5 of the financial statements) Bank balances are disclosed in note 5 to the financial	In this respect, we performed the following procedures: Independently obtained direct bank



S. No.	Key Audit Matter	How the matter was addressed in our audit
	statements and represent 48.97% of the net assets of the Fund. The Fund's primary activity is, inter alia, to maintain bank balances in profit-bearing accounts, which are central to the Fund's income generation and regulatory liquidity compliance. Considering the pervasive nature of these balances and the audit effort required to verify profit accruals, the existence of bank balances is a significant area during our audit due to which we have considered this as a key audit matter.	confirmations to confirm the existence of bank balances; - Independently recalculated the accrued profit on bank balances in accordance with the respective applicable rates; and - Differences, if any, identified during our testing that were over our acceptable threshold were investigated further.

Information other than the financial statements and auditor's report thereon

Management Company is responsible for the other information. The other information comprises the information (Directors' Report, Fund Manager Report & Trustee Report to the Unit Holders) 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 Management Company and Those Charged with Governance for the financial statements

Management Company 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 the Management Company 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, 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 the Management Company 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 are 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 Management Company'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'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 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 the 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, related safeguards.

From the matters communicated with the 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

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Nadeem Yousuf Adil**.

Yousuf Adil

Chartered Accountants

Place: Karachi

Date: September 08, 2026

UDIN: AR202610091xMb2m3laf



STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

		2026	2025
		----- (Rupees in '000) -----	
ASSETS	Note		
Bank balances	5	23,581,329	54,322,183
Investments	6	10,602,381	20,221,149
Receivable against margin trading system	7	22,343	67,278
Profit receivable	8	279,439	299,353
Receivables from funds under management by Management Company against conversion of units		14,545,090	6,521,650
Advance, deposit and prepayment	9	7,133	7,149
Total assets		49,037,715	81,438,762
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company	10	44,746	114,004
Payable to Central Depository Company of Pakistan Limited - Trustee	11	3,232	4,810
Payable to Securities and Exchange Commission of Pakistan	12	2,813	4,178
Payable against conversion and redemption of units		473,864	4,826,205
Accrued expenses and other liabilities	13	430,318	1,421,930
Total liabilities		954,973	6,371,127
NET ASSETS		48,082,742	75,067,635
UNITHOLDERS' FUND (AS PER STATEMENT ATTACHED)		48,082,742	75,067,635
CONTINGENCIES AND COMMITMENTS	14		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE	15	4,486,227,903	7,029,574,848
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		10.7179	10.6788

The annexed notes 1 to 32 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			
Income on term deposit receipts		729,591	155,054
Income on term finance certificates, sukuks and commercial papers		187,155	405,868
Income on Market Treasury Bills and Pakistan Investment Bonds		1,448,896	2,398,209
Income on letter of placement		900,650	2,015,921
Income on certificate of investment		23,360	33,920
Income on margin trading system		128,989	190,033
Profit on bank balances		4,231,281	4,424,549
(Loss) / gain on sale of investments - net		(1,536)	149,388
Net unrealised (diminution) / appreciation on re-measurement of investments classified as financial asset at 'fair value through profit or loss'	6.10	(11,282)	53,686
		(12,818)	203,074
Total income		7,637,104	9,826,628
EXPENSES			
Remuneration of NBP Fund Management Limited - Management Company	10.1	626,887	681,285
Sindh Sales Tax on remuneration of Management Company	10.2	94,033	102,193
Remuneration of Central Depository Company of Pakistan Limited -Trustee	11.1	50,892	48,408
Sindh Sales Tax on remuneration of Trustee	11.2	7,634	7,261
Reimbursement of selling and marketing expenses	10.3	-	45,488
Sindh Sales Tax reimbursement of selling and marketing expenses		-	6,823
Reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	10.4	-	41,484
Sindh Sales Tax reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services		-	6,223
Annual fee - Securities and Exchange Commission of Pakistan	12.1	50,892	48,408
Settlement and bank charges		12,579	11,149
Auditors' remuneration	16	1,277	1,213
Mutual fund rating fee		807	723
Securities transaction cost		602	1,489
Professional charges		321	150
Annual listing fee		63	31
Printing charges		-	16
Total expenses		845,987	1,002,344
Net income from operating activities		6,791,117	8,824,284
Net income for the year before taxation		6,791,117	8,824,284
Taxation	17	-	-
Net income for the year after taxation		6,791,117	8,824,284
Earnings per unit	18		
Allocation of net income for the year			
Net income for the year after taxation		6,791,117	8,824,284
Income already paid on units redeemed		(5,665,472)	(7,475,980)
		1,125,645	1,348,304
Accounting income available for distribution			
- Relating to capital gains		-	203,074
- Excluding capital gains		1,125,645	1,145,230
		1,125,645	1,348,304

The annexed notes 1 to 32 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	6,791,117	8,824,284
Other comprehensive income for the year	-	-
Total comprehensive income for the year	6,791,117	8,824,284

The annexed notes 1 to 32 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



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

	2026			2025		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)					
Net assets at the beginning of the year	74,436,454	631,181	75,067,635	59,151,460	513,145	59,664,605
Issuance of 14,318,105,034 units (2025: 13,044,671,522 units)						
- Capital value (at ex - net assets value per unit)	152,900,180	-	152,900,180	139,001,411	-	139,001,411
- Element of income	3,699,399	-	3,699,399	6,459,879	-	6,459,879
Total proceeds on issuance of units	156,599,579	-	156,599,579	145,461,290	-	145,461,290
Redemption of 16,861,451,979 units (2025: 11,614,334,755 units)						
- Capital value (at ex - net assets value per unit)	(180,060,073)	-	(180,060,073)	(123,760,028)	-	(123,760,028)
- Element of loss	(2,934,798)	(5,665,472)	(8,600,270)	(5,390,652)	(7,475,980)	(12,866,632)
Total payments on redemption of units	(182,994,871)	(5,665,472)	(188,660,343)	(129,150,680)	(7,475,980)	(136,626,660)
Distribution during the period ended June 30, 2026						
Cash distribution @ Rs. 1.0903 per unit declared on June 19, 2026 (2025: Cash distribution @ Rs. 1.5621 per unit declared on June 24, 2025)	(728,929)	(986,317)	(1,715,246)	(1,015,074)	(1,208,265)	(2,223,339)
Cash Distribution @ Re. 0.0045 per unit declared on June 30, 2025	-	-	-	(10,542)	(22,003)	(32,545)
Total comprehensive income for the year	-	6,791,117	6,791,117	-	8,824,284	8,824,284
Net assets at the end of the year	47,312,233	770,509	48,082,742	74,436,454	631,181	75,067,635
Undistributed income brought forward						
- Realised gain		577,495			500,558	
- Unrealised gain		53,686			12,587	
		631,181			513,145	
Accounting income available for distribution						
- Relating to capital gains		-			203,074	
- Excluding capital gains		1,125,645			1,145,230	
		1,125,645			1,348,304	
Distribution during the year		(986,317)			(1,230,268)	
Undistributed income carried forward		770,509			631,181	
Undistributed income carried forward						
- Realised gain		781,791			577,495	
- Unrealised (loss) / gain		(11,282)			53,686	
		770,509			631,181	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the year			10.6788			10.6558
Net assets value per unit at the end of the year			10.7179			10.6788

The annexed notes 1 to 32 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		6,791,117	8,824,284
Adjustments:			
Net unrealised diminution / (appreciation) on re-measurement of investments at 'fair value through profit or loss'		11,282	(53,686)
		6,802,399	8,770,598
(Increase) / decrease in assets			
Investments - net		6,607,486	(6,729,448)
Receivable against Margin Trading System		44,935	366,079
Profit receivable		19,914	659,292
Advance, deposit and prepayment		16	3
		6,672,351	(5,704,074)
Increase / (decrease) in liabilities			
Payable to NBP Fund Management Limited - Management Company		(69,258)	(40,806)
Payable to Central Depository Company of Pakistan Limited - Trustee		(1,578)	733
Payable to Securities and Exchange Commission of Pakistan		(1,365)	575
Accrued expenses and other liabilities		(991,612)	1,115,909
		(1,063,813)	1,076,411
Net cash generated from operating activities		12,410,937	4,142,935
CASH FLOWS FROM FINANCING ACTIVITIES			
Amounts received against issuance of units		147,847,210	139,407,780
Payment against redemption of units		(193,012,684)	(132,013,608)
Cash dividend paid		(986,317)	(1,230,268)
Net cash (used in) / generated from financing activities		(46,151,791)	6,163,904
Net (decrease) / increase in cash and cash equivalents during the year		(33,740,854)	10,306,839
Cash and cash equivalents at the beginning of the year		57,322,183	47,015,344
Cash and cash equivalents at the end of the year	21	23,581,329	57,322,183

The annexed notes 1 to 32 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 Income Fund (the Fund) was established under a Trust Deed entered into July 28, 2011 between NBP Fund Management Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 11, 2011 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2 "During the year ended June 30, 2021 the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely " Sindh Trust Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on October 14, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act."
- 1.3 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of Mutual Funds Association of Pakistan (MUFAP).
- 1.4 The Fund is an open-ended mutual fund classified as an "income scheme" by the Management Company as per the criteria for categorization of open end collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP) and other allied matters and is listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.5 The core objective of the Fund is to provide income enhancement and preservation of capital by investing in prime quality Financial Sector term finance certificates (TFCs) / sukuks, bank deposits and short-term money market instruments.
- 1.6 The Pakistan Credit Rating Agency Limited (PACRA) has reaffirmed an asset manager rating of AM1 as on May 05, 2026 (2025: AM1 as on May 05, 2025). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, PACRA has maintained the stability rating of the Fund to A+(f) on April 22, 2026 (2025: A+(f) on April 17, 2025).
- 1.7 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.8 The Fund also provides accidental death (free), life insurance / life takaful and health coverage to unitholders of the Fund as stated in the Offering Document.

The cost of premium is borne by the investor (where applicable). Such premium cost is deducted from the unit holder's investment on a monthly basis in case of life insurance and annual basis in case of health insurance and deposited with the Insurance Company / Takaful Operator by the Management Company as per the terms and conditions of the Insurance / Takaful coverage defined in the Insurance / Takaful policy document signed between the Insurance Company / Takaful Operator and Management Company.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - provisions of and directives issued under the Companies Act, 2017 along with the requirements of Part VIIIA of the repealed Companies Ordinance, 1984; and



- the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations) and requirements of the Trust Deed.

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

2.1.2 The SECP vide SRO 800 (I)/2021 dated June 22, 2021 modified the effective date for applicability of International Financial Reporting Standard 9 (IFRS 9) - Financial Instruments in place of International Accounting Standard 39 (Financial Instruments: Recognition and Measurement) for Non-Banking Finance Companies and Modarabas, as "Reporting period / year ending on or after June 30, 2022 (earlier application permitted)". As permitted, the Fund had already applied IFRS-9 during the year ended June 30, 2019 with the exception of below mentioned impairment requirements as referred in note 2.1.3 of these financial statements.

2.1.3 The SECP vide letter ref SCD / AMCW / RS / MUFAP / 2017-148 dated November 21, 2017 has deferred the applicability of impairment requirements of International Financial Reporting Standard 9 (IFRS 9) "Financial Instruments" in relation to debt securities for mutual funds. Accordingly, the impairment requirements of IFRS 9 have not been considered for debt securities and requirements of SECP Circular 33 of 2012 have continued to be followed.

2.2 Accounting convention

These financial statements are prepared under the historical cost convention except for investments which are carried at fair value.

2.3 Functional and presentation currency

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

2.4 Use of judgments and estimates

In preparing these financial statements, management has made judgement, estimates and assumptions that affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively.

Information about judgements made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements and assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the subsequent year is included in the following notes:

- Valuation of investment (4.2.5);
- Provisions (Note 4.4); and
- Classification and impairment of financial assets (Note 4.2.2.1 and 4.2.3).

3 ADOPTION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO THE PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026.

The following amendments are effective for the year ended June 30, 2026. These amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

- Lack of Exchangeability (Amendments to IAS 21)

3.2 New accounting standards / amendments and IFRS interpretations that are not yet effective

The following standard and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures except those mention in note 3.2.1.

**Effective from
accounting periods
beginning on or after:**

- | | |
|---|------------------|
| - Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments | January 01, 2026 |
| - Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7) | January 01, 2026 |
| - Amendments to IFRS 9 and IFRS 7 regarding power purchase arrangements | January 01, 2026 |
| - IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17) | January 01, 2027 |
| - IFRS 19 Subsidiaries without Public Accountability: Disclosures | January 01, 2027 |

3.2.1 "In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively."

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 20 Regulatory Assets and Regulatory Liabilities

4 MATERIAL ACCOUNTING POLICY INFORMATION

The 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.

During the year, the Fund adopted Disclosure of Accounting Policies (Amendment to IAS 01) effective for annual reporting periods beginning on or after January 1, 2023. The amendment required the disclosure of 'material', rather than 'significant' accounting policies. The amendments did not result in any changes to the accounting policies themselves.



4.1 Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

4.2 Financial instruments

The Fund applied IFRS 9 (refer note 2.1.2) except for impairment requirements for which the Fund has continued to follow the requirements of SECP (refer note 2.1.3).

4.2.1 Initial recognition and measurement

The Fund recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial assets or liabilities, as appropriate, on initial recognition. Transaction costs pertaining to financial assets or financial liabilities at fair value through profit or loss are recognised in the income statement.

4.2.2 Classification and subsequent measurement

4.2.2.1 Financial assets

There are three principal classification categories for financial assets:

- Amortised cost (AC);
- At fair value through other comprehensive income (FVTOCI); and
- At fair value through profit or loss (FVTPL).

Financial asset at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL;

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset classified at amortised cost is subsequently carried at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Profit / markup income, foreign exchange gains and losses and impairment are recognised in income statement.

Financial asset at FVTOCI

A financial asset is classified at FVTOCI only if it meets both of the following conditions and is not designated as FVTPL;

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



On initial recognition, for an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in Other Comprehensive Income (OCI), and only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

Financial assets at FVTOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI, except for the recognition of impairment losses. In case of debt instrument, when the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to income statement. In case of equity instrument, when the financial asset is derecognised, there is no subsequent reclassification of fair value gains and losses to income statement.

Financial asset at FVTPL

All other financial assets are classified as FVTPL (for example: equity held for trading and debt securities not classified either as AC or FVTOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset, that otherwise meets the requirements to be measured at amortised cost or at FVTOCI, as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets designated at fair value through profit or loss are subsequently carried at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement.

Business model assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held with that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

The Fund has determined that it has two business models.

- Held-to-collect business model: This includes cash and cash equivalents and receivables, if any. These financial assets are held to collect contractual cash flow.
- Other business model: This includes equity securities. These financial assets are held for trading and managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)



For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition unless the Fund were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

4.2.2.2 Financial liabilities

The Fund classifies its financial liabilities in the following categories:

- Amortised Cost (AC), or
- At fair value through profit or loss (FVTPL).

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Fund has opted to measure them at FVTPL, and also subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in income statement. Any gain or loss on derecognition is also recognised in income statement.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires as follows:

- The amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in income statement.
- Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to income statement

4.2.3 Impairment of financial assets

The Fund at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds the recoverable amount.

The SECP through its letter SCD / AMCW / RS / MUFAP / 2017-148 dated November 21, 2017 has deferred the applicability of impairment requirements of IFRS 9 in relation to debt securities for mutual funds and has instructed to continue to follow the requirements of Circular No. 33 of 2012 dated October 24, 2012.



4.2.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. On derecognition of a financial asset, the difference between the carrying amount of the asset and the consideration received is recognised in income statement.

The Fund derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognised in income statement.

The Fund derecognises a derivative only when it meets the derecognition criteria for both financial assets and financial liabilities. Where the payment or receipt of variation margin represents settlement of a derivative, the derivative, or the settled portion, is derecognised.

4.2.5 Fair value measurement principles and provision

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 in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.

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

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The quoted market prices used for financial assets held by the Fund is current bid price.

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

The fair value of financial instruments is determined as follows:

Basis of valuation of government securities

The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKRV, PKISRV and PKFRV rates) which are based on the remaining tenor of the securities.

The government securities listed on a stock exchange (for example Listed GoP Ijara) are valued on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date.

4.2.6 Regular way contracts

All purchases and sales of securities that require delivery within the timeframe established by regulation or market convention are recognised at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

4.2.7 Offsetting of financial assets and 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 for gains and losses from financial instruments at FVTPL and foreign exchange gains and losses.



4.3 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement, each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the statement of assets and liabilities.

4.4 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.

4.5 Collaterals

Cash collaterals provided by the Fund are identified in the statement of assets and liabilities as margin and are not included as a component of cash and cash equivalents. For collaterals other than cash, if the party to whom the collaterals are provided has a right by contract or custom to sell or re-pledge the collaterals, the Fund classifies such collaterals in the statement of assets and liabilities separately from other assets and identifies the assets as pledged collaterals. Where the party to whom the collaterals are provided does not have the right to sell or re-pledge, a disclosure of the collaterals provided is made in the notes to the financial statements.

4.6 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent 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 (excluding distribution made by issuance of bonus units).

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

The Fund has not recognised any amount in respect of deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least ninety percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, to its unit holders.

4.7 Distributions to unit holders

Dividend distributions and appropriations are recorded in the period in which these are approved by the Board of Directors of the Management Company. Based on MUFAP's guidelines (duly consented upon by the SECP), distribution for the year is deemed to comprise of the portion of amount 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 of the period in which such distributions are declared and approved by the Board of Directors of the Management Company. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year/period is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year / period.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital, if any, based on the period of investment made during the year / period. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

4.8 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors / Management Company during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sales load, if applicable, is payable to the investment facilitators and the Management Company / distributors.



Units redeemed are recorded at the redemption price, applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.9 Element of Income

Element of income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net Assets Value (NAV) at the beginning of the relevant accounting period.

Element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the period under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the period. The income already paid (Element of Income) on redemption of units during the period are taken separately in statement of movement in unit holders' fund.

4.10 Net assets value per unit

The Net Assets Value (NAV) per unit, as disclosed on 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.

4.11 Revenue Recognition

- Realised gains / (losses) arising on sale of investments are included in the income statement on the date at which transactions takes place.
- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the income statement in the period in which they arise.
- Income on bank balances, term deposit receipt, certificate of investment and placements is recognised on time proportionate basis.
- Mark-up / return on investments in government securities and term finance certificates is recognized using effective interest method.

4.12 Expenses

All expenses including Management fee, Trustee fee and SECP fee are recognized in the income statement on accrual basis.

5	BANK BALANCES	Note	2026	2025
			----- (Rupees in '000) -----	
	In current accounts	5.1	13,641	17,480
	In savings accounts	5.2	23,567,688	54,304,703
			<u>23,581,329</u>	<u>54,322,183</u>



- 5.1 These include a balance of Rs 0.325 million (2025: Rs 0.325 million) with National Bank of Pakistan (a related party).
- 5.2 These include a balance of Rs 4.528 million (2025: Rs 3.439 million) with National Bank of Pakistan (a related party) that carries profit at the rate of 6.00% (2025: 6.00%) per annum. Other savings accounts of the Fund carry profit at rates ranging from 0.10% to 13.00% (2025: 0.10% to 11.55%) per annum.

6	INVESTMENTS	Note	2026	2025
			----- (Rupees in '000) -----	
	Financial assets 'at fair value through profit or loss'			
	Term finance certificates (TFCs) and sukuks - listed	6.1	271,488	407,530
	Term finance certificates (TFCs) and sukuks - unlisted	6.2	822,322	1,374,071
	Government securities - GoP Ijarah Sukuk Certificates	6.3	253,396	353,780
	Government securities - Pakistan Investment Bonds	6.4	7,838,598	4,850,801
	Government securities - Market Treasury Bills	6.5	868,087	9,234,967
			10,053,891	16,221,149
	Financial assets 'at amortised cost'			
	Letter of placement	6.6	500,000	-
	Term deposit receipts	6.7	-	3,000,000
	Certificate of Investment	6.8	-	1,000,000
	Commercial paper	6.9	48,490	-
			548,490	4,000,000
			10,602,381	20,221,149

6.1 Term finance certificates (TFCs) and sukuks - listed

Name of the investee company	As at July 01, 2025	Purchases during the year	Sales / matured during the year	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised diminution as at June 30, 2026	Market value as a percentage of	
								Net assets	Total
								----- (%) -----	
K- Electric Limited	132,576	-	-	132,576	170,057	166,797	(3,260)	0.35	1.57
Soneri Bank Limited	1,050	-	-	1,050	104,851	104,691	(160)	0.22	0.99
Total as at June 30, 2026	133,626	-	-	133,626	274,908	271,488	(3,420)	0.57	2.56
Total as at June 30, 2025					409,839	407,530	(2,309)		

6.1.1 Significant terms and conditions of listed term finance certificates and sukuks at the year end are as follows:

Name of securities	Number of certificates	Repayment frequency	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Maturity date	Rating
Listed term finance certificates and sukuks							
K- Electric Limited	132,576	Quarterly	165,720,000	3 - Months KIBOR plus 1.70%	August 03, 2020	August 03, 2027	AA+
Soneri Bank Limited	1,050	Semi Annually	104,853,000	6 - Months KIBOR plus 1.70%	December 26, 2022	December 26, 2032	A+



6.2 Term finance certificates (TFCs) and sukuks - unlisted

Name of the investee company	As at July 01, 2025	Purchases during the year	Sales / matured during the year	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised (diminution) / appreciation as at June 30, 2026	Market value as a percentage of	
								Net assets	Total investments
	----- (Number of certificates) -----				----- (Rupees in '000) -----			----- (%) -----	
Askari Commercial Bank Limited	283	-	283	-	-	-	-	-	-
Bank of Punjab	500	-	-	500	50,621	49,840	(781)	0.10	0.47
Hub Power Holding Limited	-	-	-	-	-	-	-	-	-
Meezan Bank Limited	172	-	-	172	172,319	172,482	163	0.36	1.63
Samba Bank Limited	8,687	-	8,687	-	-	-	-	-	-
Bank Alfalah Limited	-	6,000	-	6,000	600,000	600,000	-	1.25	5.66
Total as at June 30, 2026	9,642	6,000	8,970	6,672	822,940	822,322	(618)	1.71	7.76
Total as at June 30, 2025					1,369,931	1,374,071	4,140		

6.2.1 Significant terms and conditions of unlisted term finance certificates and sukuks at the year end are as follows:

Name of securities	Number of certificates	Repayment frequency	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Maturity date	Rating
Unlisted term finance certificates and sukuks							
Bank of Punjab	500	Semi Annually	49,840,000	6 - Months KIBOR plus 1.25%	April 23, 2018	April 23, 2028	AA
Meezan Bank Limited	172	Semi Annually	172,000,000	6 - Months KIBOR plus 0.35%	December 16, 2021	December 16, 2031	AAA
Bank Alfalah Limited	6,000	Semi Annually	600,000,000	6 - Months KIBOR plus 1%	June 29, 2026	June 29, 2036	AAA

6.3 Government securities - GoP Ijarah Sukuk Certificates

Name of security	As at July 01, 2025	Purchases during the year	Sales / matured during the year	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised diminution as at June 30, 2026	Market value as a percentage of	
								Net assets	Total investments
	----- (Number of certificates) -----				----- (Rupees in '000) -----			----- (%) -----	
GoP Ijara Sukuk - VRR - XXIII	70,000	-	19,260	50,740	256,440	253,396	(3,044)	0.53	2.39
Total as at June 30, 2026					256,440	253,396	(3,044)	0.53	2.39
Total as at June 30, 2025					356,965	353,780	(3,185)		

6.3.1 Significant terms and conditions of GoP Ijarah Sukuk Certificates at the year end are as follows:

Name of securities	Number of certificates	Repayment frequency / principal redemption	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Maturity date	Rating
GoP Ijarah Sukuk - VRR - XXIII	50,740	Semi Annually	253,700,000	Weighted average 6 months T-Bills	October 06, 2021	October 06, 2026	AAA



6.4 Government securities - Pakistan Investment Bonds

Issue date	Tenor	Face value				Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised (diminution) / appreciation as at June 30, 2026	Market value as a percentage of	
		As at July 01, 2025	Purchases during the year	Sales / matured during the year	As at June 30, 2026				Net assets	Total investments
		(Rupees in '000)							(%)	
September 21, 2023	5 Years	69,000	-	-	69,000	68,343	68,414	71	0.14	0.65
October 19, 2023	3 Years	1,063,000	300,000	-	1,363,000	1,361,752	1,361,773	21	2.83	12.84
April 18, 2024	5 Years	1,200,000	-	-	1,200,000	1,186,118	1,187,520	1,402	2.47	11.20
June 27, 2024	5 Years	500,000	-	-	500,000	492,955	495,150	2,195	1.03	4.67
September 20, 2024	2 Years	1,000,000	11,400	-	1,011,400	989,575	985,725	(3,850)	2.05	9.30
October 03, 2024	5 Years	500,000	-	-	500,000	492,309	494,250	1,941	1.03	4.66
January 16, 2025	2 Years	500,000	-	-	500,000	473,858	470,046	(3,812)	0.98	4.43
January 16, 2025	3 Years	250,000	-	-	250,000	252,971	251,170	(1,801)	0.52	2.37
September 05, 2024	5 Years	-	1,850,000	-	1,850,000	1,827,234	1,827,060	(174)	3.80	17.23
April 06, 2023	5 Years	-	450,000	-	450,000	446,452	447,165	713	0.93	4.22
September 21, 2023	3 Years	-	250,000	-	250,000	249,791	250,325	534	0.52	2.36
May 21, 2021	5 Years	-	8,000,000	8,000,000	-	-	-	-	-	-
Total as at June 30, 2026		5,082,000	10,861,400	8,000,000	7,943,400	7,841,358	7,838,598	(2,760)	16.30	73.93

Total as at June 30, 2025

4,804,661 4,850,801 46,140

6.5 Government securities - Market Treasury Bills

Issue date	Tenor	Face value				Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised diminution as at June 30, 2026	Market value as a percentage of	
		As at July 01, 2025	Purchases during the year	Sales / matured during the year	As at June 30, 2026				Net assets	Total investments
(Rupees in '000)									(%)	
May 02, 2025	12 months	1,500,000	-	1,500,000	-	-	-	-	-	-
May 02, 2025	6 months	36,000	-	36,000	-	-	-	-	-	-
October 02, 2025	12 months	-	154,000	-	154,000	150,100	149,625	(475)	0.31	1.41
October 02, 2025	1 month	-	500,000	500,000	-	-	-	-	-	-
October 03, 2024	12 months	500,000	-	500,000	-	-	-	-	-	-
September 05, 2024	12 months	165,000	-	165,000	-	-	-	-	-	-
February 06, 2026	1 month	-	500,000	500,000	-	-	-	-	-	-
February 06, 2026	3 months	-	500,000	500,000	-	-	-	-	-	-
March 06, 2025	6 months	2,000,000	-	2,000,000	-	-	-	-	-	-
August 07, 2025	1 month	-	500,000	500,000	-	-	-	-	-	-
August 07, 2025	12 months	-	371,400	21,400	350,000	346,607	346,054	(552)	0.72	3.26
August 08, 2024	12 months	447,700	5,000,000	5,447,700	-	-	-	-	-	-
January 09, 2025	12 months	430,000	-	430,000	-	-	-	-	-	-
July 11, 2024	12 months	-	232,300	232,300	-	-	-	-	-	-
December 12, 2024	12 months	5,100	-	5,100	-	-	-	-	-	-
June 12, 2025	6 months	1,000,000	-	1,000,000	-	-	-	-	-	-
June 12, 2025	12 months	1,000,000	-	1,000,000	-	-	-	-	-	-
May 15, 2025	12 months	500,000	-	500,000	-	-	-	-	-	-
April 17, 2025	3 months	-	5,000	5,000	-	-	-	-	-	-
April 17, 2025	12 months	1,000,000	-	1,000,000	-	-	-	-	-	-
August 21, 2025	1 months	-	250,000	250,000	-	-	-	-	-	-
August 22, 2024	12 months	99,100	1,008,600	1,107,700	-	-	-	-	-	-
January 23, 2025	12 months	1,000,000	-	1,000,000	-	-	-	-	-	-
July 24, 2025	1 month	-	50,400	50,400	-	-	-	-	-	-

NBP FINANCIAL SECTOR INCOME FUND



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Issue date	Tenor	Face value				Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised diminution as at June 30, 2026	Market value as a percentage of	
		As at July 01, 2025	Purchases during the year	Sales / matured during the year	As at June 30, 2026				Net assets	Total investments
----- (Rupees in '000) -----									----- (%) -----	
July 24, 2025	12 months	-	375,000	-	375,000	372,820	372,407	(413)	0.77	3.51
November 28, 2024	12 months	87,000	-	87,000	-	-	-	-	-	-
April 30, 2026	1 month	-	500,000	500,000	-	-	-	-	-	-
Total as at June 30, 2026		9,769,900	9,946,700	18,837,600	879,000	869,527	868,087	(1,440)	1.81	8.19

Total as at June 30, 2025

9,226,067 9,234,967 8,900

6.5.1 Investment in government securities - Market Treasury Bills include Market Treasury Bills with market value of Nil (2025: Rs. 486.357 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.

6.6 Letter of placement

Issue date	Counter Party	Face value				Carrying value as at June 30, 2026	Carrying value as a percentage of	
		As at July 01, 2025	Purchases during the year	Sales / matured during the year	As at June 30, 2026		Net assets	Total investments
----- (Rupees in '000) -----						----- (%) -----		
July 02, 2025	Pak Libya Holding Company (Private) Limited	-	5,000,000	5,000,000	-	-	-	-
July 04, 2025	PAIR Investment Company Limited	-	1,100,000	1,100,000	-	-	-	-
July 17, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
July 17, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
July 18, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
July 18, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
July 18, 2025	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	-
July 21, 2025	PAIR Investment Company Limited	-	1,100,000	1,100,000	-	-	-	-
July 21, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
July 21, 2025	Zarai Taraqiati Bank Limited	-	5,000,000	5,000,000	-	-	-	-
July 22, 2025	Zarai Taraqiati Bank Limited	-	5,000,000	5,000,000	-	-	-	-
July 22, 2025	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	-
July 23, 2025	JS Bank Limited	-	10,000,000	10,000,000	-	-	-	-
July 23, 2025	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	-
July 23, 2025	Zarai Taraqiati Bank Limited	-	5,000,000	5,000,000	-	-	-	-
July 24, 2025	Zarai Taraqiati Bank Limited	-	5,000,000	5,000,000	-	-	-	-
July 24, 2025	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	-
July 25, 2025	Pak Libya Holding Company (Private) Limited	-	5,000,000	5,000,000	-	-	-	-
July 25, 2025	JS Bank Limited	-	10,000,000	10,000,000	-	-	-	-
July 25, 2025	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	-
July 28, 2025	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	-
July 29, 2025	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	-
July 30, 2025	PAIR Investment Company Limited	-	1,100,000	1,100,000	-	-	-	-
July 30, 2025	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	-
July 31, 2025	PAIR Investment Company Limited	-	1,100,000	1,100,000	-	-	-	-
August 01, 2025	Pakistan Kuwait Investment Company (Private) Limited	-	5,000,000	5,000,000	-	-	-	-
August 07, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
August 08, 2025	Pakistan Kuwait Investment Company (Private) Limited	-	5,010,596	5,010,596	-	-	-	-
August 08, 2025	Pak Oman Investment Company Limited	-	5,000,000	5,000,000	-	-	-	-
August 08, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
August 15, 2025	PAIR Investment Company Limited	-	1,100,000	1,100,000	-	-	-	-
August 15, 2025	Pakistan Kuwait Investment Company (Private) Limited	-	5,021,214	5,021,214	-	-	-	-
August 15, 2025	JS Bank Limited	-	10,000,000	10,000,000	-	-	-	-

NBP FINANCIAL SECTOR INCOME FUND



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Issue date	Counter Party	Face value				Carrying value as at June 30, 2026	Carrying value as a percentage of	
		As at July 01, 2025	Purchases during the year	Sales / matured during the year	As at June 30, 2026		Net assets	Total investments
----- (Rupees in '000) -----						----- (%) -----		
August 19, 2025	Zarai Taraqati Bank Limited	-	12,000,000	12,000,000	-	-	-	-
August 20, 2025	Pakistan Kuwait Investment Company (Private) Limited	-	3,343,000	3,343,000	-	-	-	-
August 20, 2025	Zarai Taraqati Bank Limited	-	10,000,000	10,000,000	-	-	-	-
August 21, 2025	Zarai Taraqati Bank Limited	-	10,000,000	10,000,000	-	-	-	-
August 22, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
August 22, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
August 22, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
August 22, 2025	Pakistan Kuwait Investment Company (Private) Limited	-	5,031,836	5,031,836	-	-	-	-
August 22, 2025	Pak Oman Investment Company Limited	-	2,200,000	2,200,000	-	-	-	-
August 27, 2025	Pak Brunei Investment Company Limited	-	5,000,000	5,000,000	-	-	-	-
August 29, 2025	Pakistan Kuwait Investment Company (Private) Limited	-	5,042,451	5,042,451	-	-	-	-
September 02, 2025	JS Bank Limited	-	7,000,000	7,000,000	-	-	-	-
September 05, 2025	PAIR Investment Company Limited	-	1,100,000	1,100,000	-	-	-	-
September 05, 2025	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	-
September 05, 2025	JS Bank Limited	-	4,000,000	4,000,000	-	-	-	-
September 12, 2025	JS Bank Limited	-	4,000,000	4,000,000	-	-	-	-
September 12, 2025	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	-
September 17, 2025	PAIR Investment Company Limited	-	1,100,000	1,100,000	-	-	-	-
September 18, 2025	Pak Libya Holding Company (Private) Limited	-	2,650,000	2,650,000	-	-	-	-
September 19, 2025	Pak Brunei Investment Company Limited	-	7,000,000	7,000,000	-	-	-	-
September 19, 2025	Pak Libya Holding Company (Private) Limited	-	5,000,000	5,000,000	-	-	-	-
September 19, 2025	Zarai Taraqati Bank Limited	-	3,500,000	3,500,000	-	-	-	-
September 22, 2025	Zarai Taraqati Bank Limited	-	5,000,000	5,000,000	-	-	-	-
September 23, 2025	Zarai Taraqati Bank Limited	-	1,500,000	1,500,000	-	-	-	-
September 24, 2025	United Bank Limited	-	2,000,000	2,000,000	-	-	-	-
September 25, 2025	United Bank Limited	-	2,000,000	2,000,000	-	-	-	-
September 26, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
September 26, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
September 26, 2025	JS Bank Limited	-	3,500,000	3,500,000	-	-	-	-
October 03, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
October 06, 2025	Zarai Taraqati Bank Limited	-	2,000,000	2,000,000	-	-	-	-
October 07, 2025	United Bank Limited	-	2,000,000	2,000,000	-	-	-	-
October 10, 2025	Pak Libya Holding Company (Private) Limited	-	1,000,000	1,000,000	-	-	-	-
October 10, 2025	Pak Oman Investment Company Limited	-	5,000,000	5,000,000	-	-	-	-
October 10, 2025	Pakistan Kuwait Investment Company (Private) Limited	-	2,000,000	2,000,000	-	-	-	-
October 13, 2025	PAIR Investment Company Limited	-	1,100,000	1,100,000	-	-	-	-
October 13, 2025	Pak Oman Investment Company Limited	-	2,000,000	2,000,000	-	-	-	-
October 13, 2025	Zarai Taraqati Bank Limited	-	3,000,000	3,000,000	-	-	-	-
October 14, 2025	United Bank Limited	-	5,000,000	5,000,000	-	-	-	-
October 15, 2025	Zarai Taraqati Bank Limited	-	5,000,000	5,000,000	-	-	-	-
October 16, 2025	Zarai Taraqati Bank Limited	-	5,000,000	5,000,000	-	-	-	-
October 17, 2025	Zarai Taraqati Bank Limited	-	5,000,000	5,000,000	-	-	-	-
October 20, 2025	United Bank Limited	-	5,000,000	5,000,000	-	-	-	-
October 21, 2025	Pak Brunei Investment Company Limited	-	5,000,000	5,000,000	-	-	-	-
October 22, 2025	Pak Brunei Investment Company Limited	-	5,000,000	5,000,000	-	-	-	-
October 24, 2025	Pakistan Kuwait Investment Company (Private) Limited	-	4,000,000	4,000,000	-	-	-	-
October 27, 2025	JS Bank Limited	-	1,000,000	1,000,000	-	-	-	-
October 30, 2025	United Bank Limited	-	5,000,000	5,000,000	-	-	-	-
October 31, 2025	United Bank Limited	-	5,000,000	5,000,000	-	-	-	-
November 03, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
November 03, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
November 04, 2025	JS Bank Limited	-	5,000,000	5,000,000	-	-	-	-
November 05, 2025	United Bank Limited	-	5,000,000	5,000,000	-	-	-	-

NBP FINANCIAL SECTOR INCOME FUND



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Issue date	Counter Party	Face value				Carrying value as at June 30, 2026	Carrying value as a percentage of	
		As at July 01, 2025	Purchases during the year	Sales / matured during the year	As at June 30, 2026		Net assets	Total investments
----- (Rupees in '000) -----						----- (%) -----		
November 06, 2025	United Bank Limited	-	5,000,000	5,000,000	-	-	-	-
November 07, 2025	PAIR Investment Company Limited	-	500,000	500,000	-	-	-	-
November 07, 2025	Pak Brunei Investment Company Limited	-	5,000,000	5,000,000	-	-	-	-
November 10, 2025	Pak Oman Investment Company Limited	-	4,000,000	4,000,000	-	-	-	-
November 11, 2025	United Bank Limited	-	4,000,000	4,000,000	-	-	-	-
November 12, 2025	United Bank Limited	-	4,000,000	4,000,000	-	-	-	-
November 13, 2025	PAIR Investment Company Limited	-	1,100,000	1,100,000	-	-	-	-
November 13, 2025	PAIR Investment Company Limited	-	700,000	700,000	-	-	-	-
November 21, 2025	Pak Brunei Investment Company Limited	-	5,000,000	5,000,000	-	-	-	-
December 03, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
December 05, 2025	Pak Brunei Investment Company Limited	-	5,000,000	5,000,000	-	-	-	-
December 10, 2025	PAIR Investment Company Limited	-	500,000	500,000	-	-	-	-
December 16, 2025	PAIR Investment Company Limited	-	1,100,000	1,100,000	-	-	-	-
December 16, 2025	PAIR Investment Company Limited	-	700,000	700,000	-	-	-	-
December 16, 2025	Pak Oman Investment Company Limited	-	5,000,000	5,000,000	-	-	-	-
December 19, 2025	Pak Libya Holding Company (Private) Limited	-	5,000,000	5,000,000	-	-	-	-
December 22, 2025	Pak Brunei Investment Company Limited	-	5,000,000	5,000,000	-	-	-	-
December 23, 2025	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
January 02, 2026	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	-
January 02, 2026	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	-
January 06, 2026	Zarai Taraqiati Bank Limited	-	2,000,000	2,000,000	-	-	-	-
January 06, 2026	Pak Brunei Investment Company Limited	-	2,000,000	2,000,000	-	-	-	-
January 09, 2026	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
January 16, 2026	PAIR Investment Company Limited	-	500,000	500,000	-	-	-	-
January 16, 2026	Pak Libya Holding Company (Private) Limited	-	4,000,000	4,000,000	-	-	-	-
January 16, 2026	JS Bank Limited	-	3,000,000	3,000,000	-	-	-	-
January 19, 2026	PAIR Investment Company Limited	-	1,100,000	1,100,000	-	-	-	-
January 19, 2026	PAIR Investment Company Limited	-	700,000	700,000	-	-	-	-
January 20, 2026	JS Bank Limited	-	2,000,000	2,000,000	-	-	-	-
January 23, 2026	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	-
January 23, 2026	Zarai Taraqiati Bank Limited	-	2,000,000	2,000,000	-	-	-	-
January 27, 2026	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
January 28, 2026	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	-
January 28, 2026	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
February 11, 2026	Pak Oman Investment Company Limited	-	2,500,000	2,500,000	-	-	-	-
February 13, 2026	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
February 13, 2026	Pak Libya Holding Company (Private) Limited	-	2,500,000	2,500,000	-	-	-	-
February 27, 2026	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	-
February 27, 2026	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
February 27, 2026	PAIR Investment Company Limited	-	1,400,000	1,400,000	-	-	-	-
March 16, 2026	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
March 27, 2026	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
March 27, 2026	PAIR Investment Company Limited	-	1,400,000	1,400,000	-	-	-	-
March 27, 2026	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	-
April 03, 2026	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
April 03, 2026	PAIR Investment Company Limited	-	1,400,000	1,400,000	-	-	-	-
April 03, 2026	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	-
April 10, 2026	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	-
April 10, 2026	PAIR Investment Company Limited	-	1,400,000	1,400,000	-	-	-	-
April 10, 2026	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
April 16, 2026	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
April 29, 2026	PAIR Investment Company Limited	-	500,000	500,000	-	-	-	-
April 29, 2026	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	-

NBP FINANCIAL SECTOR INCOME FUND



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Issue date	Counter Party	Face value				Carrying value as at June 30, 2026	Carrying value as a percentage of	
		As at July 01, 2025	Purchases during the year	Sales / matured during the year	As at June 30, 2026		Net assets	Total investments
----- (Rupees in '000) -----						----- (%) -----		
May 04, 2026	PAIR Investment Company Limited	-	1,000,000	1,000,000	-	-	-	-
May 08, 2026	PAIR Investment Company Limited	-	500,000	500,000	-	-	-	-
June 04, 2026	PAIR Investment Company Limited	-	1,500,000	1,500,000	-	-	-	-
June 08, 2026	PAIR Investment Company Limited	-	500,000	500,000	-	-	-	-
June 17, 2026	PAIR Investment Company Limited	-	500,000	-	500,000	500,000	1.04	4.72
Total as at June 30, 2026		-	473,599,097	473,099,097	500,000	500,000	1.04	4.72
Total as at June 30, 2025								

6.7

Term deposit receipts

Name of investee company	Profit Rate per Annum	Maturity Date	Face value				Carrying value as at June 30, 2026	Carrying value as a percentage of	
			As at July 01, 2025	Purchases during the year	Sales / matured during the year	As at June 30, 2026		Net assets	Total investments
(Rupees in 000')							(%)		
Mobilink Microfinance Bank Limited	12.25%	July 28, 2025	3,000,000	-	3,000,000	-	-	-	-
Mobilink Microfinance Bank Limited	11.50%	October 28, 2025	-	3,000,000	3,000,000	-	-	-	-
United Bank Limited	10.95%	October 30, 2025	-	5,000,000	5,000,000	-	-	-	-
U Microfinance Bank Limited	14.00%	December 01, 2025	-	1,000,000	1,000,000	-	-	-	-
United Bank Limited	11.05%	February 11, 2026	-	3,000,000	3,000,000	-	-	-	-
Bank Al-Falah Limited	11.30%	January 02, 2026	-	2,000,000	2,000,000	-	-	-	-
U Microfinance Bank Limited	14.00%	December 18, 2025	-	3,500,000	3,500,000	-	-	-	-
U Microfinance Bank Limited	14.00%	January 01, 2026	-	1,000,000	1,000,000	-	-	-	-
U Microfinance Bank Limited	14.00%	January 18, 2026	-	3,500,000	3,500,000	-	-	-	-
U Microfinance Bank Limited	13.49%	January 29, 2026	-	500,000	500,000	-	-	-	-
U Microfinance Bank Limited	14.00%	February 05, 2026	-	1,000,000	1,000,000	-	-	-	-
U Microfinance Bank Limited	14.00%	February 19, 2026	-	3,500,000	3,500,000	-	-	-	-
U Microfinance Bank Limited	13.49%	February 27, 2026	-	500,000	500,000	-	-	-	-
Soneri Bank	10.50%	February 06, 2026	-	2,000,000	2,000,000	-	-	-	-
Soneri Bank	10.50%	February 06, 2026	-	1,000,000	1,000,000	-	-	-	-
U Microfinance Bank Limited	14.00%	March 06, 2026	-	1,000,000	1,000,000	-	-	-	-
U Microfinance Bank Limited	14.00%	March 20, 2026	-	3,500,000	3,500,000	-	-	-	-
Soneri Bank	10.50%	March 06, 2026	-	3,300,000	3,300,000	-	-	-	-
U Microfinance Bank Limited	13.49%	March 20, 2026	-	500,000	500,000	-	-	-	-
U Microfinance Bank Limited	14.00%	March 20, 2026	-	1,000,000	1,000,000	-	-	-	-
U Microfinance Bank Limited	14.00%	April 24, 2026	-	3,500,000	3,500,000	-	-	-	-
U Microfinance Bank Limited	14.00%	April 24, 2026	-	1,000,000	1,000,000	-	-	-	-
U Microfinance Bank Limited	13.49%	April 24, 2026	-	500,000	500,000	-	-	-	-
U Microfinance Bank Limited	14.00%	May 24, 2026	-	1,000,000	1,000,000	-	-	-	-
U Microfinance Bank Limited	14.00%	May 24, 2026	-	3,500,000	3,500,000	-	-	-	-
U Microfinance Bank Limited	13.49%	May 24, 2026	-	500,000	500,000	-	-	-	-
U Microfinance Bank Limited	14.00%	June 24, 2026	-	1,000,000	1,000,000	-	-	-	-
U Microfinance Bank Limited	13.49%	June 24, 2026	-	500,000	500,000	-	-	-	-
U Microfinance Bank Limited	14.00%	June 24, 2026	-	3,500,000	3,500,000	-	-	-	-
Total as at June 30, 2026			3,000,000	54,800,000	57,800,000	-	-	-	-
Total as at June 30, 2025							3,000,000	3,000,000	

6.8

Certificate of Investment

Name of Issuer	Profit Rate per Annum	Maturity Date	Face value				Carrying value as at June 30, 2026	Carrying value as a percentage of	
			As at July 01, 2025	Purchases during the year	Sales / matured during the year	As at June 30, 2026		Net assets	Total investments
			----- (Rupees in 000') -----				----- (%) -----		
Pakistan Mortgage Refinance Company Limited	11.68%	September 12, 2025	1,000,000	-	1,000,000	-	-	-	-
Total as at June 30, 2026						-	-	-	-
Total as at June 30, 2025						1,000,000	1,000,000		



6.9 Commercial papers

Name of Issuer	Tenor	Maturity Date	Face value				Carrying value as at June 30, 2026	Carrying value as a percentage of	
			As at July 01, 2025	Purchases during the year	Sales / matured during the year	As at June 30, 2026		Net assets	Total investments
			----- (Rupees in 000') -----						
Pakistan Microfinance Invesment Company	6 Months	March 11, 2026	-	50,000	50,000	-	-	-	-
Pakistan Microfinance Invesment Company	6 Months	October 07, 2026	-	50,000	-	50,000	48,490	0.10	0.46
Total as at June 30, 2026			-	100,000	50,000	50,000	48,490	0.10	0.46

Total as at June 30, 2025

- -

6.10 Net unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	Note	2026	2025
		(Rupees in '000)	
Market value of investments	6.1, 6.2, 6.3, 6.4 & 6.5	10,053,891	16,221,149
Less: carrying value of investments	6.1, 6.2, 6.3, 6.4 & 6.5	(10,065,173)	(16,167,463)
		(11,282)	53,686

7 RECEIVABLE AGAINST MARGIN TRADING SYSTEM

These are matured at the option of financee subject to maximum period of 60 days.

8 PROFIT RECEIVABLE

Note ----- (Rupees in '000) -----

Profit receivable on:

Savings accounts	63,360	119,143
Term finance certificates and sukuks	13,976	58,994
Pakistan Investment Bonds	163,222	83,854
Margin Trading System	402	1,428
Letter of placement	2,205	-
Certificate of Investment	-	33,920
Term deposit receipts	-	2,014
Other receivable	36,274	-
	279,439	299,353

9 ADVANCE, DEPOSIT AND PREPAYMENT

Advance tax	9.1	3,803	3,803
Security deposits with:			
- National Clearing Company of Pakistan Limited.		2,750	2,750
- Central Depository Company of Pakistan Limited		100	100
Prepaid mutual fund rating fee		480	496
		7,133	7,149



- 9.1** 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 sections 151 and 150. However, withholding taxes on dividends and profit on bank balances 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 withholders. The tax withheld on dividends and profit on bank balances as at June 30, 2026, amounts to Rs. 3.803 million (2025: Rs 3.803 million).

For this purpose, 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 profit on bank balances and dividend amount 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.

		2026	2025
10	PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note ----- (Rupees in '000) -----	
	Management remuneration	10.1 33,383	55,674
	Sindh Sales Tax on management remuneration	10.2 5,007	8,351
	Reimbursement of selling and marketing expenses	10.3 -	10,161
	Sindh Sales Tax on reimbursement of selling and marketing expenses	-	1,524
	Reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	10.4 -	26,166
	Sindh Sales Tax on reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	-	3,925
	Sales load and transfer load	3,293	6,698
	Sindh Sales Tax on sales and transfer load	464	974
	ADC payable including Sindh Sales Tax	2,430	362
	Other payable to management company	169	169
		44,746	114,004

- 10.1** The SECP, vide S.R.O. 600(I)/2025 dated April 10, 2025, has substituted Regulation 60(5) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, whereby the Management Company is entitled to remuneration not exceeding 1.50% per annum of the average daily net assets, applicable to a "Income Scheme", with effect from July 01, 2025. Accordingly, during the year ended June 30, 2026, the Management Company has charged its remuneration as follows:

Rate applicable from July 01, 2025 to October 15, 2025	Rate applicable from October 16, 2025 to June 30, 2026	Rate applicable from July 1, 2024 to January 12, 2025	Rate applicable from January 13, 2025 to June 01, 2025	Rate applicable from June 02, 2025 to June 30,
0.99% of average annual net assets	0.89% of average annual net assets	0.95% of average annual net assets	1.21% of average annual net assets	0.99% of average annual net assets



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

- 10.2** The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Management Company and sales load through Sindh Sales Tax on Services Act, 2011, effective from July 01, 2011. During the year, Sindh Sales Tax at the rate of 15% (2025: 15%) was charged on management remuneration and sales load.
- 10.3** Previously, pursuant to Circular No. 11 dated July 5, 2019, the Management Company was entitled to charge selling and marketing expenses to the Collective Investment Scheme (CIS). However, the Securities and Exchange Commission of Pakistan (SECP), through S.R.O. 600(I)/2025 dated April 10, 2025, amended Schedule XX of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, whereby the chargeability of selling and marketing expenses was discontinued with effect from April 10, 2025. Accordingly, the Management Company has not charged any selling and marketing expenses to the Fund during the current year.
- 10.4** Previously, pursuant to Regulation 60 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), the Management Company was entitled to charge fees and expenses relating to registrar services, accounting, operations and valuation services to the Collective Investment Scheme (CIS). However, the Securities and Exchange Commission of Pakistan (SECP), through S.R.O. 600(I)/2025 dated April 10, 2025, amended Schedule XX of the NBFC Regulations, whereby the chargeability of such expenses was discontinued with effect from April 10, 2025. Accordingly, the Management Company has not charged any such expenses to the Fund during the current year.

		2026	2025
11	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	----- (Rupees in '000) -----
	Trustee remuneration	11.1	2,811
	Sindh Sales Tax on Trustee remuneration	11.2	421
			3,232
			4,810

- 11.1** Effective from 1 July 2019 the Trustee has charged remuneration at the rate of 0.075% (2025: 0.075%) per annum of net assets of the Fund. The remuneration is paid to the Trustee monthly in arrears.

- 11.2** The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011, effective from July 01, 2011. During the year, Sindh Sales Tax at the rate of 15% (2025: 15%) was charged on trustee remuneration.

		2026	2025
12	PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	----- (Rupees in '000) -----
	Fee payable	12.1	2,813
			4,178

- 12.1** Under the provisions of the NBFC Regulations, a collective investment scheme categorized as an "Income scheme" is required to pay as annual fee to the SECP, an amount equal to 0.075% (2025: 0.075%) of the average annual net assets of the Fund.

The fee is payable to the Securities and Exchange Commission of Pakistan monthly in arrears.



		2026	2025
13	ACCRUED EXPENSES AND OTHER LIABILITIES	Note ----- (Rupees in '000) -----	
	Federal Excise Duty on remuneration to Management Company	13.1	14,948
	Federal Excise Duty on sales and transfer load		467
	Auditors' remuneration payable		1,219
	Printing charges payable		8
	Bank, settlement and CDC charges payable		2,449
	Withholding tax payable		97,931
	Capital gain tax payable		262,749
	Professional charges payable		126
	Brokerage payable		29
	Others payable		50,392
			430,318
			1,421,930

- 13.1** As per the requirement of Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence a petition was collectively filed by the Mutual Fund Association of Pakistan with the Honorable Sindh High Court (SHC) on September 04, 2013.

The Honorable Sindh High Court (SHC) through its order dated 2 June 2016, in CPD-3184 of 2014 (and others) filed by various taxpayers, has interalia declared that Federal Excise Act 2005 (FED Act) on services, other than shipping agents and related services, is ultra vires to the Constitution from July 01, 2011. However, the declaration made by the Honorable Court, as directed, will have effect in the manner prescribed in the judgment. The Sindh High Court in its decision dated July 16, 2016 in respect of constitutional petition filed by management companies of mutual funds maintained the previous order on the FED.

Sindh Revenue Board and Federal Board of Revenue have filed appeals before Honourable Supreme Court against the Sindh High Court's decision dated June 02, 2016, which is pending for the decision. However, after the exclusion of the mutual funds from federal statute on FED from July 01, 2016, the Fund has discontinued recognising the provision in this regard.

Since the appeal is pending in the Supreme Court of Pakistan, the Management Company as a matter of abundant caution has retained provision for FED on management fee aggregating to Rs. 14.948 million (2025: Rs. 14.948 million). Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Re. 0.0033 (2025: Re. 0.0021) per unit.

14 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2026 (2025: Nil), except as disclosed elsewhere in these financial statements.

15	NUMBER OF UNITS IN ISSUE	2026 ----- (Units) -----	2025
	Total units in issue at the beginning of the year	7,029,574,848	5,599,238,081
	Add: Units issued during the year	14,318,105,034	13,044,671,522
	Less: Units redeemed during the year	(16,861,451,979)	(11,614,334,755)
	Total units in issue at the end of the year	4,486,227,903	7,029,574,848



	2026	2025
	(Units)	
16 AUDITORS' REMUNERATION		
Annual audit fee	679	617
Half yearly review	280	254
Other certifications	116	105
Out of pocket expenses and others including government levy	202	237
	<u>1,277</u>	<u>1,213</u>

17 TAXATION

- 17.1** The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as a cash dividend. Provided that for the purpose of determining the distribution of at least 90% of accounting income, the income distributed through bonus shares, units as the case may be shall not be taken into account. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has 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 has been made in the financial statements for the year ended June 30, 2026.

"The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, the super tax introduced through the Finance Act, 2015 is not applicable to the Fund under Section 4B of the Income Tax Ordinance, 2001."

18 EARNINGS PER UNIT

Earnings Per Unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

19 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 01, 2025. The previously applicable TER limit of 2.50% for a collective investment scheme categorised as an "Income Scheme" has been replaced with a management fee, which is disclosed in note 10.1 to these financial statements for collective investment schemes categorised as an "Income Scheme".

20 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

- 20.1** Connected persons include 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 managed by the Management Company, directors and officers of the Management Company, any entity in which the Management Company, its CISs 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.
- 20.2** Transactions with connected persons / related parties are essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments. The transactions with connected persons / related parties are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 20.3** Remuneration to the Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.



20.5	Details of transactions with related parties / connected persons during the year are as follows:	2026 ----- (Rupees in '000) -----	2025 -----
	NBP Fund Management Limited - Management Company		
	Units issued: 57,143 units (2025: 275 units)	610	1
	Units redeemed: 6,348,369 units (2025: 6,397,123 units)	69,893	74,183
	Dividend re-invested: 2,543 units (2025: 640,954 units)	27	6,837
	Remuneration of Management Company	626,887	681,285
	Sindh Sales Tax on remuneration of Management Company	94,033	102,193
	Reimbursement of selling and marketing expenses	-	45,488
	Sindh Sales Tax reimbursement of selling and marketing expenses	-	6,823
	Reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	-	41,484
	Sindh Sales Tax reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	-	6,223
	Sales load and transfer load including Sindh Sales Tax	17,710	47,035
	ADC charges including Sindh Sales Tax	4,189	4,054
	Central Depository Company Of Pakistan Limited - Trustee		
	Remuneration of Trustee	50,892	48,408
	Sindh Sales Tax on Trustee remuneration	7,634	7,261
	Settlement charges	3,111	1,512
	National Bank of Pakistan - Parent of the Management Company		
	Profit on bank balances	259	727
	National Fullerton Asset Management Limited - Employees Provident Fund *		
	Units issued: Nil units (2025: 1 units)	-	-
	Units redeemed: 12 units (2025: Nil units)	-	-
	Dividend re-invested: Nil units (2025: 11 units)	-	-
	Baltoro Partners (Private) Limited - Sponsor		
	Units Issued / Transferred In 2,201,845 units (2025: 3,169,287 units)	24,000	34,000
	Units Redeemed / Transferred Out 2,128,592 units (2025: 3,456,842 units)	23,500	38,500
	Dividend Re-invest Units Issued 1,848 units (2025: 1,122 units)	20	13
	Employees of the Management Company		
	Units issued: 53,388,936 units (2025: 75,599,671 units)	591,632	857,164
	Units redeemed: 61,309,086 units (2025: 72,032,151 units)	681,683	830,687
	Dividend re-invested: 19,260 units (2025: 72,840 units)	206	782
	Mr. Faisal Ahmed - Director *		
	Units issued: Nil units (2025: 3 units)	-	-
	Dividend re-invested: 7 units (2025: 41 units)	-	-
	Mr. Imran Zaffar - Director		
	Units issued: Nil units (2025: 25 units)	-	-
	Units redeemed: 1,199,778 units (2025: 1,550,374 units)	13,698	18,058
	Dividend re-invested: Nil units (2025: 119,166 units)	-	1,271

NBP FINANCIAL SECTOR INCOME FUND



NBP FUNDS
Managing Your Savings

NBP Fund Management Limited

	2026 ----- (Rupees in '000) -----	2025 -----
Mr. Umar Ahsan Khan - Director		
Units issued: Nil units (2025: 17 units)	-	-
Units redeemed: Nil units (2025: Nil units)	-	-
Dividend re-invested: 16 units (2025: 197 units)	-	2
Mr. Syed Mujataba Abbas - Director		
Units redeemed: 1,033 units (2025: 78 units)	12	1
Dividend re-invested: 50 units (2025: 215 units)	1	2
Fauji Fertilizer Company Limited - Common Directorship **		
Units issued: Nil units (2025: 689,493,463 units)	-	7,735,860
Units redeemed: Nil units (2025: 488,336,975 units)	-	5,619,107
Dividend re-invested: Nil units (2025: 447,713 units)	-	5,146
Bank Islami Pakistan Limited - Common Directorship **		
Profit on bank balances	-	13,022
Khushhali Microfinance Bank Limited - Common Directorship **		
Profit on bank balances	-	116
Telenor Microfinance Bank Limited - Common Directorship		
Profit on bank balances	160	60
First Credit and Investment Bank Limited - Common Directorship		
Brokerage charges	3	28
Ansaar Management Company Pvt Ltd - Common Directorship **		
Units Issued / Transferred In Nil Units (2025: 315 units)	-	-
Units redeemed: Nil units (2025: 3,351,976 units)	-	40,000
Dividend re-invest Nil units (2025: 399,540 units)	-	4,264
Mr. Haider Amjad - Shareholder of Management Company		
Units Issued / Transferred In 142,626 units (2025: 106 units)	1,616	1
Units Redeemed / Transferred Out 142,626 units (2025: 47,221 units)	1,616	509
Dividend re-invested: Nil units (2025: 11 units)	-	-
CDC Trustee NBP Income Plan-I		
Units issued: 90,056,310 units (2025: 441,269,263 units)	964,721	4,853,707
Units redeemed: 194,552,342 units (2025: 473,845,087 units)	2,106,500	5,512,600
Portfolio managed by the Management Company		
Units issued: 63,180,990 units (2025: 291,285,215 units)	698,027	3,373,068
Units redeemed: 63,630,892 units (2025: 291,797,578 units)	716,896	3,376,907
Dividend re-invested: 342,370 units (2025: 491,811 units)	3,658	5,326
Purchase of Market Treasury Bills	1,295,519	-
Sale of Market Treasury Bills	19,302	2,236,895
Sale of Government Ijarah Sukuks	98,552	-
Purchase of Pakistan Investment Bonds	10,799	-
Sale of Pakistan Investment Bonds	-	299,771



2026
----- (Rupees in '000) -----

2025

NBP Money Market Fund

Sale of Market Treasury Bills	-	4,243,928
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NBP Mustahkam Fund II - NBP Fixed Term Munafa Plan XVII

Sale of Market Treasury Bills	-	1,009,535
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NBP Islamic Government Securities Plan-III

NBP Islamic Government Securities Fund-I

Sale of Government Ijarah Sukuks	-	106,073
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Persons holding directly or indirectly 10% or more of the units in issue / net assets of the Fund

Ibrahim Holdings Private Limited **

Units issued: Nil units (2025: 2,617,009,765 units)	-	28,149,803
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Units redeemed: Nil units (2025: 2,163,707,035 units)	-	26,380,939
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Dividend re-invested: Nil units (2025: 1,114,726 units)	-	12,476
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Headquarters XI Corps Ops Fund ***

Units issued: 327,752,182 units (2025: Nil units)	3,500,000	-
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Dividend re-invested: 45,483,533 units (2025: Nil units)	485,882	-
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Funds managed by the Management Company

Profit on bank balances	36,274	-
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20.6 Amounts outstanding as at year end are as follows:

NBP Fund Management Limited - Management Company

Management remuneration	33,383	55,674
Sindh Sales Tax on management remuneration	5,007	8,351
Reimbursement of selling and marketing expenses	-	10,161
Sindh Sales Tax on reimbursement of selling and marketing expenses	-	1,524
Reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	-	26,166
Sindh Sales Tax on reimbursement of allocation of expenses related to registrar services, accounting, operation and valuation services	-	3,925
Sales load and transfer load	3,293	6,698
Sindh Sales Tax on sales and transfer load	464	974
ADC payable including Sindh Sales Tax	2,430	362
Other payable to management company	169	169
Units held: 59,687 units (2025: 6,438,369 units)	640	68,754

	2026 ----- (Rupees in '000) -----	2025 ----- (Rupees in '000) -----
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration	2,811	4,183
Sindh Sales Tax on Trustee remuneration	421	627
Security deposit	100	100
National Bank of Pakistan - Parent of the Management Company		
Bank balances:		
- In current account	325	325
- In savings account	4,528	3,439
Profit receivable on bank balances	374	176
National Fullerton Asset Management Limited - Employees Provident Fund - Retirement benefit fund of Management Company *		
Units held: 12 units (2025: 12 units)	-	-
Baltoro Partners Pvt Limited - Sponsor		
80,628 units held (2025: 5,527 units)	864	59
Employees of the Management Company		
4,693,792 units held (2025: 12,611,575 units)	50,308	134,676
Mr. Faisal Ahmed - Director		
94 units held (2025: 122 units)	1	-
Mr. Syed Mujtaba Abbas - Director		
708 units held (2025: Nil units)	8	-
Mr. Imran Zaffar - Director		
Nil units held (2025: 1,199,778 units)	-	12,812
Mr. Umar Ahsan Khan - Director		
230 units held (2025: 213 units)	2	2
Fauji Fertilizer Company Limited - Common Directorship **		
Nil units held: (2025: 201,604,201 units)	-	2,152,891
Telenor Microfinance Bank Limited - Common Directorship		
Bank balances	28	27
Profit receivable on bank deposit	1,494	1,334
NBP Income Plan-I		
11,465,694 units held: (2025: 115,961,726 units)	122,888	1,238,332



	2026 ----- (Rupees in '000) -----	2025
Ansaar Management Company - Common Directorship **		
Nil units held (2025: 3,998,180 units)	-	42,696
The Bank of Khyber - Common Directorship ***		
Bank balances	14	-
Profit receivable on bank deposit	-	-
Portfolio managed by the Management Company		
Units held: 5,597,232 units (2025: 8,778,156 units)	59,989	93,742
Persons holding directly or indirectly 10% or more of the units in issue / net assets of the Fund		
Ibrahim Holdings Private Limited **		
Units held: Nil units (2025: 2,405,652,343 units)	-	25,689,480
Headquarters XI Corps Ops Fund ***		
Units held: 578,672,945 units (2025: Nil units)	6,202,159	-
Receivable / (payable) against conversion and redemption of units		
NBP Money Market Fund	(43,693)	-
NBP Income Fund of Fund - NBP Cash Plan - I	(17,433)	-
NBP Mahana Amdani Fund	(13,937)	-
NBP Islamic Mahana Amdani Fund	(8,727)	-
NBP Riba Free Savings Fund	(13)	-
NBP Islamic Government Securities Plan - III	10,666	-
NBP Government Securities Savings Fund	10,913	-
NBP Income Fund of Fund - NBP Income Plan - I	13,577	-
NBP Income Opportunity Fund	76,300	-
NBP Income Fund of Fund - NBP Cash Plan - II	102,306	-
NBP Islamic Daily Dividend Fund	185,035	-
NBP Islamic Savings Fund	232,655	-
NBP Government Securities Plan - IV	287,813	-
NBP Islamic Money Market Fund	441,676	-
NBP Islamic Income Fund	1,111,884	-
NBP Savings Fund	1,771,357	-
NBP Government Securities Liquid Fund	3,659,232	-
NBP Financial Sector Income Plus Fund	4,941,457	-
Funds managed by the Management Company		
Profit receivable	36,274	-

* Nil due to rounding off.

** Current balances with these parties have not been disclosed as they did not remain connected persons and related parties as at the year end.

*** Comparative balances with these parties have not been disclosed as these parties were not related parties in the prior year.



		2026	2025
	Note	----- (Rupees in '000) -----	
21 CASH AND CASH EQUIVALENTS			
Bank balances	5	23,581,329	54,322,183
Term deposit receipts	6.7	-	3,000,000
		<u>23,581,329</u>	<u>57,322,183</u>

June 30, 2026

Amortised Cost	At Fair value through profit or loss	Total
----------------	--------------------------------------	-------

22 FINANCIAL INSTRUMENTS BY CATEGORY

(Rupees in '000)

Financial assets

Bank balances	23,581,329	-	23,581,329
Investments	548,490	10,053,891	10,602,381
Profit receivable	279,439	-	279,439
Receivables from funds under management by Management Company against conversion of units	14,545,090	-	14,545,090
Receivable against margin trading system	22,343	-	22,343
Security deposit	2,750	-	2,750
	<u>38,979,441</u>	<u>10,053,891</u>	<u>49,033,332</u>

Financial liabilities

Payable to NBP Fund Management Limited - Management Company	44,746	-	44,746
Payable to Central Depository Company of Pakistan Limited - Trustee	3,232	-	3,232
Payable against redemption / conversion of units	473,864	-	473,864
Accrued expenses and other liabilities	54,223	-	54,223
	<u>576,065</u>	<u>-</u>	<u>576,065</u>
Net assets attributable to unit holders	<u>48,082,742</u>	<u>-</u>	<u>48,082,742</u>

June 30, 2025

Amortised Cost	At Fair value through profit or loss	Total
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(Rupees in '000)

Financial assets

Bank balances	54,322,183	-	54,322,183
Investments	4,000,000	16,221,149	20,221,149
Profit receivable	299,353	-	299,353
Receivables from funds under management by Management Company against conversion of units	6,521,650	-	6,521,650
Security deposit	2,850	-	2,850
	<u>65,146,036</u>	<u>16,221,149</u>	<u>81,367,185</u>



June 30, 2025

Amortised Cost	At Fair value through profit or loss	Total
----------------	--------------------------------------	-------

----- (Rupees in '000) -----

Financial liabilities

Payable to NBP Fund Management Limited -

Management Company

114,004

-

114,004

Payable to Central Depository Company of

Pakistan Limited -Trustee

4,810

-

4,810

Payable against redemption of units

4,826,205

-

4,826,205

Accrued expenses and other liabilities

61,770

-

61,770

5,006,789

-

5,006,789

Net assets attributable to unit holders

75,067,635

-

75,067,635

23 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'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.

The Fund primarily invest in a portfolio of money market investments such as government securities, secured privately placed instruments, Term finance certificate and investments in other money market instruments (including the clean placements). Such investments are subject to varying degrees of risk. These risks emanate from various factors that include, but are not limited to market risk, credit risk and liquidity risk.

23.1 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.

23.1.1 (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, Pakistan Investment Bonds, Market Treasury Bills, Term Finance Certificates, Corporate Sukuks and GoP Ijarah. 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's variable rate risk arises from bank balances in saving accounts, floating rate Pakistan Investment Bonds, variable rate GoP Ijarah and Corporate Sukuks. In case of 100 basis points increase / decrease on the last repricing date of these term finance certificates with all other variables held constant, the net assets of the Fund and net income for the year would have been higher / lower by Rs. 251.320 million (2025: Rs 614.480 million).

(b) Sensitivity analysis for fixed rate instruments

The Fund is exposed to fair value interest rate risk for investment in government securities (i.e. Market Treasury Bills, fixed rate GoP Ijarah and listed GoP Ijarah)

Presently, the Fund holds Market Treasury Bills, Letter of Placement and Commercial Papers which expose the Fund to cash flow interest rate risk. In case of 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 net assets of the Fund would have been higher / lower by Rs. 14.166 million (2025: Rs. 9.230 million).

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

Effective yield / interest rate (%)	Exposed to yield / interest risk			Not exposed to Yield/ Interest risk	Total
	Upto three months	More than three months and upto one year	More than one year		

----- (Rupees in '000) -----

On-balance sheet financial instruments

Financial Assets

Bank balances	0.1% - 13.00%	23,567,688	-	-	13,641	23,581,329
Investments		548,490	868,087	9,185,804	-	10,602,381
Profit receivable		-	-	-	279,439	279,439
Receivables from fund under management by Management Company against conversion of units		-	-	-	14,545,090	14,545,090
Security deposit		-	-	-	2,750	2,750
Receivable against margin trading system		-	-	-	22,343	22,343
		24,116,178	868,087	9,185,804	14,863,263	49,033,332

Financial liabilities

Payable to NBP Fund Management Limited - Management Company	-	-	-	44,746	44,746
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	3,232	3,232
Payable against redemption / conversion of units	-	-	-	473,864	473,864
Accrued expenses and other liabilities	-	-	-	54,223	54,223
Net Assets attributable to unit holder	48,082,742	-	-	-	48,082,742
	48,082,742	-	-	576,065	48,658,807

On-balance sheet gap	(23,966,564)	868,087	9,185,804	14,287,198	374,525
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Off-balance sheet financial instruments	-	-	-	-	-
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Off-balance sheet gap	-	-	-	-	-
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Total interest rate sensitivity gap	(23,966,564)	868,087	9,185,804	14,287,198	374,525
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Cumulative interest rate sensitivity gap	(23,966,564)	(23,098,477)	(13,912,673)		
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June 30, 2025					
Effective yield / interest rate (%)	Exposed to yield / interest risk			Not exposed to Yield/ Interest risk	Total
	Upto three months	More than three months and upto one year	More than one year		

(Rupees in '000)

On-balance sheet financial instruments

Financial Assets

Bank balances	0.1% - 11.55%	54,304,703	-	-	17,480	54,322,183
Investments		4,000,000	9,234,967	6,986,182	-	20,221,149
Profit receivable		-	-	-	299,353	299,353
Receivables from fund under management by Management Company against conversion of units		-	-	-	-	-
		-	-	-	6,521,650	6,521,650
Security deposit		-	-	-	2,850	2,850
Receivable against margin trading system		-	-	-	67,278	67,278
		58,304,703	9,234,967	6,986,182	6,908,611	81,434,463

Financial liabilities

Payable to NBP Fund Management Limited - Management Company	-	-	-	114,004	114,004
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	4,810	4,810
Payable against redemption / conversion of units	-	-	-	4,826,205	4,826,205
Accrued expenses and other liabilities	-	-	-	61,770	61,770
Net Assets attributable to unit holder	75,067,635	-	-	-	75,067,635
	75,067,635	-	-	5,006,789	80,074,424
On-balance sheet gap	(16,762,932)	9,234,967	6,986,182	1,901,822	1,360,039
Off-balance sheet financial instruments	-	-	-	-	-
Off-balance sheet gap	-	-	-	-	-
Total interest rate sensitivity gap	(16,762,932)	9,234,967	6,986,182	1,901,822	1,360,039
Cumulative interest rate sensitivity gap	(16,762,932)	(7,527,965)	(541,783)		

(ii) Currency risk

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

The fund does not have any instruments that expose it to price risk as of June 30, 2026 and June 30, 2025.

23.2 Credit risk

Credit risk represents the risk of a loss if counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to its bank balances. Risks attributable to bank balances are managed by maintaining balances in banks with a reasonably high credit rating.



The analysis below summarises the credit quality of the Fund's bank balances. The bank ratings are based on The Pakistan Credit Rating Agency Limited (PACRA) and VIS Credit Rating Company Limited.

Ratings	2026	2025
	----- (Rupees in '000) -----	
AAA	21,220,779	17,811,509
AA+	128,213	186,785
AA	15,554	1,789
AA-	1,593,103	11,352,128
A+	623,235	13,823,172
A	-	11,146,737
A-	445	63
	23,581,329	54,322,183

The maximum exposure to credit risk before any credit enhancement as at June 30, 2026 is the carrying amount of the financial assets.

Concentration of the credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities, in the same geographic region or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The Fund's transactions are entered into with credit worthy counterparties thereby mitigating any significant concentration of credit risk.

23.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Fund.

Management of liquidity risk

The Fund is exposed to daily cash redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

The Fund has the ability to borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, during the current year, no borrowing was obtained by the Fund.

In order to manage the Fund's overall liquidity, the Fund also has the ability to 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 significant redemptions during the year.



Maturity analysis for financial liabilities

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

June 30, 2026						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto 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	44,746	-	-	-	-	44,746
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Payable to Central Depository Company

of Pakistan Limited - Trustee	3,232	-	-	-	-	3,232
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Payable against conversion and

redemption of units	473,864	-	-	-	-	473,864
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Accrued expenses and other liabilities

53,004	1,219	-	-	-	-	54,223
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574,846	1,219	-	-	-	-	576,065
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Net assets attributable to unit holders

48,082,742	-	-	-	-	-	48,082,742
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June 30, 2025						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto 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	114,004	-	-	-	-	114,004
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Payable to Central Depository

Company of Pakistan Limited - Trustee	4,810	-	-	-	-	4,810
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Payable against conversion and

redemption of units	4,826,205	-	-	-	-	4,826,205
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Accrued expenses and other liabilities

60,971	799	-	-	-	-	61,770
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5,005,990	799	-	-	-	-	5,006,789
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Net assets attributable to unit holders

75,067,635	-	-	-	-	-	75,067,635
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24 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 movement in unit holders' fund.

The Fund has no restrictions on the subscription and redemption of units.

"As at 30 June 2026, the Fund meets the requirement of sub-regulation 54 (3a) which requires that the minimum size of an Open End Scheme shall be one hundred million rupees at all time during the life of the Fund."

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 23, 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.

25 FAIR VALUE MEASUREMENT

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

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

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:

		June 30, 2026						
		Carrying value			Fair value			
		At Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		----- (Rupees in '000) -----						
Financial assets measured at fair value								
Investment								
	Investment in term finance certificates - listed	271,488	-	271,488	271,488	-	-	271,488
	Investment in term finance certificates - unlisted	822,322	-	822,322	-	822,322	-	822,322
	Government securities - Pakistan Investment Bonds	7,838,598	-	7,838,598	-	7,838,598	-	7,838,598
	Government securities - Market Treasury Bills	868,087	-	868,087	-	868,087	-	868,087
	Government securities - GoP Ijarah Sukuk Certificates	253,396	-	253,396	-	253,396	-	253,396
		10,053,891	-	10,053,891				
Financial assets not measured at fair value								
25.1	Investment							
	Letter of placement	-	500,000	500,000				
	Commercial paper	-	48,490	48,490				
	Bank balances	-	23,581,329	23,581,329				
	Profit receivable	-	279,439	279,439				
	Receivables from fund under management by							
	Management Company against conversion of units	-	14,545,090	14,545,090				
	Receivable against margin trading system	-	22,343	22,343				
	Security deposit	-	2,750	2,750				
		-	38,979,441	38,979,441				

NBP FINANCIAL SECTOR INCOME FUND



NBP FUNDS
Managing Your Savings

NBP Fund Management Limited

		June 30, 2026						
		Carrying value			Fair value			
		At Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
Financial liabilities not measured at fair value								
	25.1							
Payable to NBP Fund Management Limited - Management Company		-	44,746	44,746				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	3,232	3,232				
Payable against conversion and redemption of units		-	473,864	473,864				
Accrued expenses and other liabilities		-	54,223	54,223				
Net assets attributable to unit holders	25.2	-	48,082,742	48,082,742				
		-	48,658,807	48,658,807				
		June 30, 2025						
		Carrying value			Fair value			
		At Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)						
Financial assets measured at fair value								
Investment								
Investment in term finance certificates - listed		407,530	-	407,530	407,530	-	-	407,530
Investment in term finance certificates - unlisted		1,374,071	-	1,374,071	-	1,374,071	-	1,374,071
Government securities - Pakistan Investment Bonds		4,850,801	-	4,850,801	-	4,850,801	-	4,850,801
Government securities - Market Treasury Bills		9,234,967	-	9,234,967	-	9,234,967	-	9,234,967
Government securities - GoP Ijarah Sukuk Certificates		353,780	-	353,780	-	353,780	-	353,780
		16,221,149	-	16,221,149				
Financial assets not measured at fair value Investment								
	25.1							
Letter of placement		-	-	-				
Receivable against margin trading system		-	67,278	67,278				
Bank balances		-	54,322,183	54,322,183				
Profit receivable		-	299,353	299,353				
Receivables from fund under management by Management Company against conversion of units		-	6,521,650	6,521,650				
Security deposit		-	2,850	2,850				
		-	61,213,314	61,213,314				
Financial liabilities not measured at fair value								
	25.1							
Payable to NBP Fund Management Limited - Management Company		-	114,004	114,004				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	4,810	4,810				
Payable against conversion and redemption of units		-	4,826,205	4,826,205				
Accrued expenses and other liabilities		-	61,770	61,770				
Net assets attributable to unit holders	25.2	-	75,067,635	75,067,635				
		-	80,074,424	80,074,424				



25.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

25.2 Financial instruments not measured at FVTPL include Net assets attributable to unitholders. The Fund routinely redeems and issues the units at the amount equal to the proportionate share of net assets of the Fund at the time of redemption, calculated on a basis consistent with that used in these financial statements. Accordingly, the carrying amount of net assets attributable to unitholders approximates their fair value.

26 TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID / PAYABLE

List of top ten brokers / dealers by percentage of commission paid / payable during the year ended June 30, 2026:

S. No.	Particulars	2026 (%)
1.	BMA Capital Management Limited	26.93
2.	Summit Capital (Private) Limited	14.17
3.	Invest One Markets Limited	10.29
4.	Bright Capital (Private) Limited	10.12
5.	Paramount Capital (Private) Limited	6.55
6.	C & M Management (Private) Limited	6.09
7.	AKD Securities Limited	5.31
8.	Pearl Securities (Private) Limited	3.83
9.	Ktrade Securities Limited	3.78
10.	Currency Market Associates (Private) Limited	3.74

List of brokers / dealers by percentage of commission paid / payable during the year ended June 30, 2025:

S. No.	Particulars	2025 (%)
1.	Invest One Markets Limited	19.10
2.	BMA Capital Management Limited	15.53
3.	Continental Exchange (Private) Limited	13.73
4.	Alfalah Securities (Private) Limited	9.78
5.	C & M Management (Private) Limited	7.08
6.	Magenta Capital (Private) Limited	5.65
7.	AKD Securities Limited	5.42
8.	Summit Capital (Private) Limited	4.50
9.	J.S. Global Capital Limited	4.07
10.	Alfalah Securities (Private) Limited	3.89

27 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

Details of members of the investment committee of the Fund are as follows:

S. No.	Name	Designation	Qualifications	Experience in years
1	Dr. Amjad Waheed	Chief Executive Officer	Doctorate in Business Administration, MBA and CFA	38
2	Mr. Salman Ahmed (Note 27.1)	Head of Fixed Income	CFA	21



S. No.	Name	Designation	Qualifications	Experience in years
3	Mr. Asim Wahab Khan	Chief Investment Officer	CFA	20
4	Mr. Usama Bin Razi	Senior Manager Fixed Income	BE, MBA	22
5	Mr. Muhammad Waseem	Head of Research	CFA	11

27.1 Mr. Salman Ahmed is the Fund Manager of the Fund. Other Funds being managed by the Fund manager are as follows:

- NBP Islamic Daily Dividend Fund
- NBP Riba Free Savings Fund
- NBP Islamic Savings Fund
- NBP Islamic Income Fund
- NBP Islamic Money Market Fund
- NBP Islamic Mustahkam Fund
- NBP Government Securities Liquid Fund
- NBP Money Market Fund
- NBP Government Securities Savings Fund
- NBP Mahana Amdani Fund
- NBP Islamic Mahana Amdani Fund
- NBP Income Opportunity Fund
- NBP Savings Fund
- NBP Mustahkam Fund
- NBP Income Fund of Fund
- NBP Government Securities Fund - I
- NBP Government Securities Fund - II
- NBP Mustahkam Fund - II
- NBP Islamic Government Securities Fund - I
- NBP Financial Sector Income Plus Fund

As at June 30, 2026		
Number of unit holders	Investment amount	Percentage investment

(Rupees in '000) ---- (%) ---

28 PATTERN OF UNIT HOLDING

Category

Individuals	10,010	22,690,493	47.19
Others	256	15,151,474	31.51
Retirement Funds	107	1,961,096	4.08
Public Limited Companies	21	8,273,872	17.21
Associated Company & Directors	3	650	-
Insurance Companies	2	5,157	0.01
Banks and DFIs *	1	-	-
	10,400	48,082,742	100.00



As at June 30, 2025		
Number of unit holders	Investment amount	Percentage investment
	(Rupees in '000)	---- (%) ---
10,655	29,009,207	38.64
3	29,659	0.04
2	1,238,332	1.64
133	1,546,292	2.06
15	4,887,988	6.51
8	81,570	0.11
288	38,274,587	50.99
11,104	75,067,635	100.00

Category

Individuals	10,655	29,009,207	38.64
Insurance Companies	3	29,659	0.04
NBFCs	2	1,238,332	1.64
Retirement Funds	133	1,546,292	2.06
Public Limited Companies	15	4,887,988	6.51
Associated Companies and Directors	8	81,570	0.11
Others	288	38,274,587	50.99
	11,104	75,067,635	100.00

29 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

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

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

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

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

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



30 GENERAL

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

31 CORRESPONDING FIGURES

Certain corresponding figures have been reclassified wherever necessary to confirm to the presentation adopted in the current year.

32 DATE OF AUTHORISATION FOR ISSUE

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

**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 (Rs. '000')	48,082,742	75,067,635	59,664,604	25,716,803	39,200,106	40,637,598
Net Income (Rs. '000')	6,791,117	8,824,284	7,966,666	8,050,367	4,332,335	2,063,757
Net Asset Value per units (Rs.)	10.7179	10.6788	10.6558	10.6271	10.5510	10.5414
Offer price per unit	10.8412	10.8016	10.7762	10.7472	10.6702	10.6605
Redemption price per unit	10.7179	10.6788	10.6558	10.6271	10.5510	10.5414
Ex - Highest offer price per unit (Rs.)	10.8016	10.7993	11.1529	10.7472	10.6702	10.6605
Ex - Lowest offer price per unit (Rs.)	9.8034	9.4011	10.7524	9.0845	9.6419	9.8950
Ex - Highest redemption price per unit (Rs.)	10.6788	10.6766	11.0283	10.6271	10.5510	10.5414
Ex - Lowest redemption price per unit (Rs.)	9.6920	9.2942	10.6323	8.9829	9.5341	9.7844
Fiscal Year Opening Ex Nav	9.6895	9.2895	8.6609	8.9792	9.5310	9.7821
Total return of the fund (Annualized)	10.61%	14.96%	23.00%	18.35%	10.70%	7.76%
Capital growth	0.40%	0.25%	1.17%	2.02%	0.54%	0.34%
Income distribution as a % of ex nav	10.21%	14.70%	21.83%	16.33%	10.17%	7.42%
Income distribution as a % of par value	10.90%	15.67%	23.20%	17.23%	10.72%	7.81%
Distribution dates						
Interim						
19-Jun-26	1.0903					
30-Jun-25		0.0045				
24-Jun-25		1.5621				
29-Aug-23			0.3658			
24-Oct-23			0.3541			
27-Dec-23			0.4012			
27-Feb-24			0.3751			
24-Apr-24			0.3408			
26-Jun-24			0.3748			
30-Aug-22				0.2597		
27-Oct-22				0.2581		
27-Dec-22				0.2738		
28-Feb-23				0.2930		
27-Apr-23				0.3193		
16-May-23				0.1081		
21-Jun-23				0.2111		
26-Aug-21					0.1369	
26-Oct-21					0.1358	
28-Dec-21					0.1633	
24-Feb-22					0.1743	
27-Apr-22					0.2043	
29-Jun-22					0.2570	
29-Sep-20						0.2302
23-Dec-20						0.1729
29-Mar-21						0.1982
25-Jun-21						0.1798
26-Jun-20						
21-Dec-18						
24-Jun-19						
4-Jul-18						
Average annual return (launch date October 28, 2011)	11.19%					
(Since inception to June 30, 2026)						
(Since inception to June 30, 2025)		11.20%				
(Since inception to June 30, 2024)			10.90%			
(Since inception to June 30, 2023)				9.97%		
(Since inception to June 30, 2022)					9.22%	
(Since inception to June 30, 2021)						9.07%
(Since inception to June 30, 2020)						
(Since inception to June 30, 2019)						
(Since inception to June 30, 2018)						
Portfolio Composition (Please see Fund Manager Report)						
Weighted average portfolio duration	56 Days		11 Days	11 Days	10 Days	9 Days

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