



NBP
FINANCIAL SECTOR INCOME
PLUS FUND

ANNUAL REPORT
JUNE 30, 2026



MISSION STATEMENT

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



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FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

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

Chief Financial Officer & Company Secretary

Mr. Muhammad Murtaza Ali

Audit & Risk Committee

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

Human Resource & Remuneration Committee

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

Business Strategy & IT Committee

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

Trustee

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

Bankers to the Fund

U Microfinance Bank Limited
HBL Microfinance Bank Limited
Mobilink Microfinance Bank Limited
Bank Makramah Limited
United Bank Limited
Bank Alfalah Limited
BankIslami Pakistan Limited
National Bank of Pakistan
Soneri 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.nbpfund.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



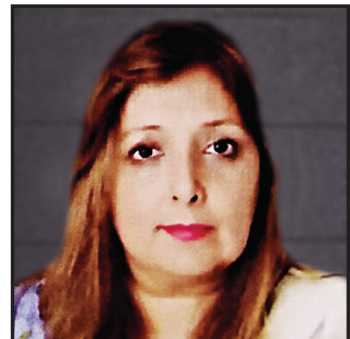
Mr. Imran Zaffar
Director



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 1st Annual Report of **NBP Financial Sector Income Plus Fund (NFSIPF)** for the year ended June 30, 2026.

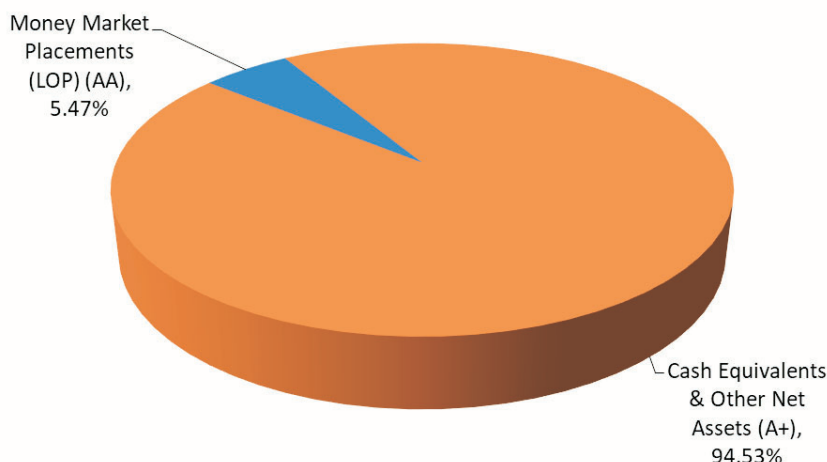
Fund's Performance

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 size of NBP Financial Sector Income Plus Fund has increased from Rs. 15.4 billion since inception, to Rs. 45.7 billion during the period, increasing 2.97 times. The unit price of the Fund has increased from Rs. 9.8113 since inception to Rs. 10.0249 on June 30, 2026, thus showing a return of 11.2% as compared to the benchmark return of 11.3%. The performance of the Fund is net of management fee and other expenses.

The Fund has earned a total income of Rs. 917.04 million during the year. After deducting total expenses of Rs. 74.21 million, the net income is Rs. 842.83 million. The asset allocation of NFSIPF as on June 30, 2026 is as follows:



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 1.92% of the opening ex-NAV (1.92% 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, retired and, being eligible, offer themselves for re-appointment for the year ending June 30, 2027.

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

1. The financial statements, prepared by the management company, present fairly the state of affairs of the Fund, the result of its operations, cash flows and statement of movement in unit holders' funds.
2. Proper books of account of the Fund have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts upon the Fund's ability to continue as a going concern.
7. There has been no material departure from the best practices of Corporate Governance.
8. A performance table/ key financial data is given in this annual report.
9. Outstanding statutory payments on account of taxes, duties, levies and charges, if any, have been fully disclosed in the financial statements.
10. The Board of Directors of the Management Company held six meetings during the year. The attendance of all directors is disclosed in the note 28 to these financial statements.
11. The detailed pattern of unit holding is disclosed in the note 27 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 19 to these financial statements.
13. The Management Company encourages representation of independent non-executive directors on its Board. The Company, being an un-listed company, does not have any minority interest. As at June 30, 2026, the Board included:

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



Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of
NBP Fund Management Limited

Chief Executive Officer

Director

Date: September 04, 2026

Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ منیجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز NBP فنانشل سیکٹر انکم پلس فنڈ (NFSIPF) کی پہلی سالانہ رپورٹ برائے مختتمہ سال 30 جون 2026ء پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

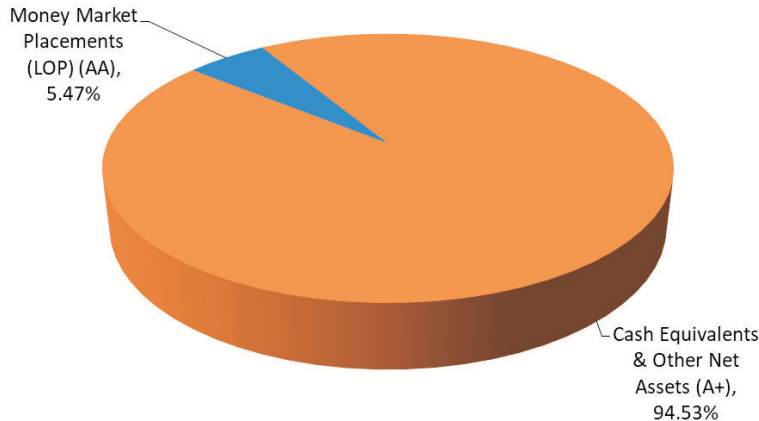
فنڈ کی کارکردگی

مالی سال 26 کے دوران افراط زر اور بیرونی حالات میں تبدیلی کے باعث مانیٹری پالیسی کا موقف 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-فلسفہ نیلامیوں میں تقریباً 4.5 ٹریلین روپے کا حتمی حجم حاصل ہوا، جبکہ کٹ آف شرحیں 10.14 فیصد سے 13.25 فیصد کے درمیان رہیں۔ اس کے علاوہ، 10 سالہ فلوئز کے ذریعے اس عرصے کے دوران 1.96 ٹریلین روپے حاصل ہوئے، جن پر اسپریڈز 0.49 فیصد سے 1.0 فیصد کے درمیان رہے۔ لیکویڈیٹی منیجمنٹ میں مارکیٹ کی طلب، میچورٹی 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 سکوک جاری کیے گئے، جبکہ مجموعی زیر گردش مالیت 96 بلین روپے رہی۔

NBP فنانشل سیکٹر انکم پلس فنڈ کا سائز اپنے آغاز کو 15.4 بلین روپے سے 2.97 گنا بڑھ کر موجودہ مدت کے دوران 45.7 بلین روپے ہو گیا۔ مدت کے دوران فنڈ کے یونٹ کی قیمت آغاز کے بعد 9.8113 روپے سے بڑھ کر 30 جون 2026 کو 10.0249 روپے ہو چکی ہے، لہذا فنڈ نے اسی مدت کے دوران 11.3% شیئنگ مارک منافع کے مقابلے میں 11.2% منافع دیا۔ فنڈ کی یہ کارکردگی منیجمنٹ فیس اور دیگر تمام اخراجات منہا کرنے کے بعد خالص ہے۔

فنڈ کو سال کے دوران 917.04 بلین روپے کی کل آمدنی ہوئی۔ 74.21 بلین روپے کے مجموعی اخراجات منہا کرنے کے بعد، خالص آمدنی 842.83 بلین روپے ہے۔ 30 جون 2026 تک NFSIPF کی ایسٹ ایلویشن حسب ذیل ہے:



آمدنی کی تقسیم

منیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے سال 30 جون 2026 کے اختتام کے بعد اویپنگ ex-NAV کا 1.92% (بنیادی قدر کا 1.92%) 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 آگم 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 اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے ہیں اور اہل ہونے کی بناء پر 30 جون 2027 کو ختم ہونے والے سال کے لئے اپنے آپ کو دوبارہ تقرری کے لئے پیش کرتے ہیں۔

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

1. منجمنٹ کمپنی کی طرف سے تیار کردہ، مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کیش فلو اور یونٹ ہولڈرز فنڈز میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔
2. فنڈ کے اکاؤنٹس کے کھاتے درست انداز میں رکھے ہوئے ہیں۔
3. مالی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کی مسلسل پیروی کی گئی ہے۔ شہریاتی تخمینے مناسب اور معقول نظریات پر مبنی ہیں۔
4. ان مالیاتی گوشواروں کی تیاری میں مالیاتی رپورٹنگ کے بین الاقوامی، معیاروں، جہاں تک وہ پاکستان میں قابل اطلاق ہیں، کی پیروی کی گئی ہے۔
5. انٹرنل کنٹرول کا نظام مستحکم اور موثر طریقے سے نافذ ہے اور اس کی مسلسل نگرانی کی جاتی ہے۔
6. فنڈ کی رواں دواں رہنے کی صلاحیت کے بارے میں کوئی شکوک و شبہات نہیں ہیں۔
7. کارپوریٹ گورننس کی اعلیٰ ترین روایات سے کوئی پہلو تہی نہیں کی گئی۔
8. پرفارمنس ٹیلیں / اہم مالیاتی ڈیٹا سالانہ رپورٹ میں شامل ہیں۔
9. ٹیکسوں، ڈیویڈنڈ، محصولات اور چارجز کی مد میں واجب الادا سرکاری ادائیگیاں مالیاتی گوشواروں میں پوری طرح ظاہر کر دی گئی ہیں۔
10. اس مدت کے دوران منجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے چھ اجلاس منعقد ہوئے۔ تمام ڈائریکٹرز کی حاضری ان مالیاتی گوشواروں کے نوٹ 28 میں ظاہر کی گئی ہے۔
11. یونٹ ہولڈنگ کا تفصیلی پیرن مالیاتی گوشواروں کے نوٹ 27 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 19 میں ظاہر کی گئی ہے۔
13. کمپنی اپنے بورڈ آف ڈائریکٹرز میں غیر جانبدار نان ایگزیکٹو ڈائریکٹرز کی نمائندگی کی حوصلہ افزائی کرتی ہے۔ کمپنی ایک غیر فہرست شدہ کمپنی ہونے کے ناطہ کوئی منارٹی انٹریسٹ نہیں رکھتی۔ 30 جون 2026 کو بورڈ آف ڈائریکٹرز درج ذیل اراکان پر مشتمل ہیں:

نام	کمپنی
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 منجمنٹ کمپنی پر اپنے اعتماد اور بھروسہ کا اظہار کیا اور اسے اپنی خدمت کا موقع فراہم کیا۔ بورڈ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور اسٹیٹ بینک آف پاکستان (SBP) کی سرپرستی، رہنمائی اور تعاون پر بھی تہہ دل سے شکریہ ادا ہے۔

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

منجانب بورڈ آف ڈائریکٹرز

NBP منجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 04 ستمبر 2026ء

مقام: کراچی



TRUSTEE REPORT TO THE UNIT HOLDERS

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

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Financial Sector Income Plus 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 period from April 20, 2026 to 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 Plus Fund

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

Investment Objective of the Fund

The objective of NBP Financial Sector Income Plus Fund is to provide income enhancement by investing in 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 1st Annual report since the launch of the Fund on April 20, 2026. The Fund size increased by 2.96 times and stands at Rs. 45.7 billion as of June 30, 2026. Since inception the Fund posted a return of 11.2% p.a. versus the benchmark return of 11.3% p.a. The performance is net of management fee and all other expenses.

The Fund, besides investing in Government securities, debt securities and placements with Banks & DFIs - with the entity rating of "A" and above - can also invest in MTS and Spread transactions. This minimizes credit risk and at the same time enhances liquidity 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.

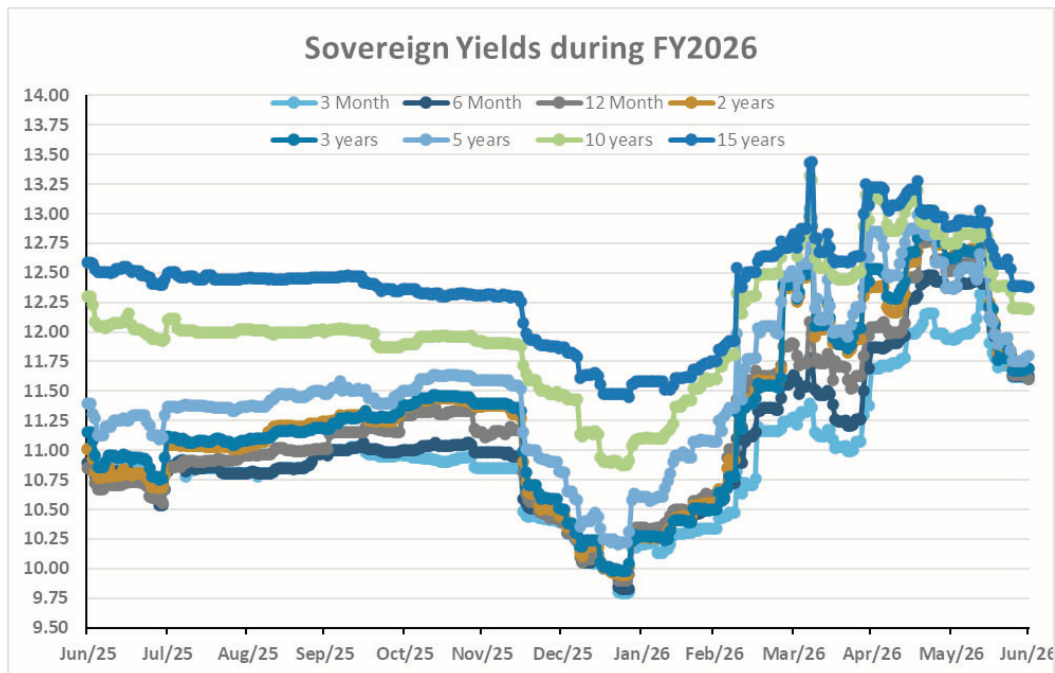
The twelve (12) PIB-Fixed auctions conducted by SBP generated a realized volume of around Rs. 4.5 trillion, with cut-offs ranging from 10.14% to 13.25%. In addition, 10-year floaters realized Rs. 1.96 trillion during the period, with spreads ranging from 0.49% to 1.0%. Liquidity management reflected 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
Money Market Placements	5.3%
Cash, Bank Placements & Other Assets	94.7%
Total	100%



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
April-2026	0.087%	10.0087	10
June-2026	1.835%	10.1835	10

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

Size of Unit Holding (Units)	# of Unit Holders
1-1000	32
1001-5000	24
5001-10000	27
10001-50000	95
50001-100000	85
100001-500000	206
500001-1000000	74
1000001-5000000	86
5000001-10000000	21
10000001-100000000	23
Total	676

During the period under question:

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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **NBP Financial Sector Income Plus 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 period 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 period 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 period. This matter was 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 this matter.

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Existence of bank balances (Refer to note 5 of the financial statements) Bank balances are disclosed in note 5 to the financial statements and represent 119.11% 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.	In this respect, we performed the following procedures: - Independently obtained direct bank 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

Karachi

Date: September 08, 2026

UDIN: AR202610091N14FMQ87B



STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

	Note	2026 (Rupees in '000)
ASSETS		
Bank balances	5	54,552,499
Investments	6	2,500,000
Profit receivable	7	193,475
Receivables from funds under management by Management Company against conversion of units		4,741,314
Preliminary expenses and flotation cost	8	481
Deposits and prepayment	9	433
Total assets		61,988,202
LIABILITIES		
Payable to NBP Fund Management Limited - Management Company	10	53,051
Payable to Central Depository Company of Pakistan Limited - Trustee	11	3,384
Payable to Securities and Exchange Commission of Pakistan	12	2,943
Payable against conversion and redemption of units		16,017,969
Accrued expenses and other liabilities	13	196,138
Total liabilities		16,273,485
NET ASSETS		45,714,717
UNITHOLDERS' FUND (AS PER STATEMENT ATTACHED)		45,714,717
CONTINGENCIES AND COMMITMENTS	14	(Number of units)
NUMBER OF UNITS IN ISSUE	15	4,560,136,687
NET ASSETS VALUE PER UNIT		(Rupees) 10.0249

The annexed notes from 1 to 30 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 PERIOD ENDED JUNE 30, 2026

	Note	From April 20, 2026 to June 30, 2026 (Rupees in '000)
INCOME		
Income on term deposit receipts		41,096
Income on letter of placement		22,240
Profit on bank balances		853,703
Total income		917,039
EXPENSES		
Remuneration of NBP Fund Management Limited - Management Company	10.1	53,210
Sindh Sales Tax on remuneration of Management Company	10.2	7,981
Remuneration of Central Depository Company of Pakistan Limited -Trustee	11.1	5,697
Sindh Sales Tax on remuneration of Trustee	11.2	854
Annual fee - Securities and Exchange Commission of Pakistan		5,697
Settlement and bank charges		125
Auditors' remuneration	16	426
Fund rating fee		91
Securities transaction cost		8
Professional charges		75
Amortisation of preliminary expenses and flotation cost		47
Total expenses		74,211
Net income from operating activities		842,828
Net income for the period before taxation		842,828
Taxation	17	-
Net income for the period after taxation		842,828
Earnings per unit	18	
Allocation of net income for the period		
Net income for the period after taxation		842,828
Income already paid on units redeemed		(732,158)
		110,670
Accounting income available for distribution		
- Relating to capital gains		-
- Excluding capital gains		110,670
		110,670

The annexed notes from 1 to 30 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 PERIOD ENDED JUNE 30, 2026

From April 20,
2026 to June
30, 2026
(Rupees in '000)

Net income for the period after taxation	842,828
Other comprehensive income for the period	-
Total comprehensive income for the period	842,828

The annexed notes from 1 to 30 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 PERIOD ENDED JUNE 30, 2026

	From April 20, 2026 to June 30, 2026		
	Capital Value	Undistributed income	Total
	(Rupees in '000)		
Net assets at beginning of the period	-	-	-
Issuance of 13,927,028,681 units			
- Capital value (at ex - net assets value per unit)	139,270,287	-	139,270,287
- Element of income	983,293	-	983,293
Total proceeds on issuance of units	140,253,580	-	140,253,580
Redemption of 9,366,891,994 units			
- Capital value (at ex - net assets value per unit)	(93,668,920)	-	(93,668,920)
- Element of loss	(840,754)	(732,158)	(1,572,912)
Total payments on redemption of units	(94,509,674)	(732,158)	(95,241,832)
Interim distribution during the period ended June 30, 2026			
Cash Distribution @ Re. 0.0087 per unit declared on Apr 24, 2026	(13,479)	(13,422)	(26,901)
Final distribution during the period ended June 30, 2026			
Cash Distribution @ Re. 0.1835 per unit declared on June 23, 2026	(99,702)	(13,256)	(112,958)
Total comprehensive income for the period	-	842,828	842,828
Net assets at end of the period	45,621,725	83,992	45,714,717
Undistributed income brought forward			
- Realised income		-	-
- Unrealised income		-	-
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		110,670	110,670
Distribution during the period		(26,678)	
Undistributed income carried forward		83,992	
Undistributed income carried forward			
- Realised income		83,992	
- Unrealised income		-	
		83,992	
			(Rupees)
Net assets value per unit at end of the period			10.0249

The annexed notes from 1 to 30 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 PERIOD ENDED JUNE 30, 2026

		From April 20, 2026 to June 30, 2026 (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES	Note	
Net income for the period before taxation		842,828
Adjustment		
Amortisation of formation cost		47
		<u>842,875</u>
Increase in assets		
Profit receivable		(193,475)
Preliminary expenses and flotation cost		(528)
Deposits and prepayment		(433)
		<u>(194,436)</u>
Increase in liabilities		
Payable to NBP Fund Management Limited - Management Company		53,051
Payable to Central Depository Company of Pakistan Limited - Trustee		3,384
Payable to Securities and Exchange Commission of Pakistan		2,943
Accrued expenses and other liabilities		196,138
		<u>255,516</u>
Net cash generated from operating activities		<u>903,955</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received against issuance of units		135,399,085
Payment against redemption of units		(79,223,863)
Cash dividend paid		(26,678)
Net cash generated from financing activities		<u>56,148,544</u>
Net increase in cash and cash equivalents during the period		<u>57,052,499</u>
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	20	<u><u>57,052,499</u></u>
The annexed notes from 1 to 30 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 PERIOD ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** NBP Financial Sector Income Plus Fund (the Fund) was established under a Trust Deed entered into June 10, 2024 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 June 10, 2024 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2** 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).
- 1.3** 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.
- 1.4** The core objective of the Fund is to provide income enhancement by investing in financial sector Term Finance Certificates / Sukuks, bank deposits and short-term money market instruments.
- 1.5** The Pakistan Credit Rating Agency Limited (PACRA) has reaffirmed an asset manager rating of AM1 on May 05, 2026 to the Management Company and a performance ranking of A+(f) on April 29, 2026 to the Fund.
- 1.6** 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.
- 1.7** 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)". Accordingly, the Fund had applied IFRS-9 during the year ended June 30, 2026 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 amendments 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 Standard and amendments to IFRS 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.

	Effective from Accounting period 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
	Effective from Accounting period beginning on or after:
- 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

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 within 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 (Rupees in '000)
	In current accounts		5,450
	In savings accounts	5.1	54,547,049
			54,552,499

5.1 These include a balance of Rs 1.191 million maintained with National Bank of Pakistan (a related party) that carry profit at the rate of 6% per annum. Other savings accounts of the Fund carry profit rates ranging from 10.35% to 13% per annum.

6	INVESTMENTS	Note	2026 (Rupees in '000)
	Financial assets 'at amortised cost'		
	Letter of placement	6.1	2,500,000
	Term deposit receipts	6.2	-
			2,500,000

6.1 Letter of placement

Counter Party	Profit rate per annum	Maturity date	Face Value			Carrying value as at June 30, 2026	Carrying value as a percentage of	
			Purchases during the period	Sales / matured during the period	As at June 30, 2026		Net assets	Total investments
			(Rupees in '000)					(%)
Zarai Taraqiat Bank	11.50%	June 12, 2026	4,000,000	4,000,000	-	-	-	-
Pak Kuwait Investment Company	11.45%	June 16, 2026	3,000,000	3,000,000	-	-	-	-
Pak Brunei Investment Company	11.50%	June 17, 2026	3,000,000	3,000,000	-	-	-	-
PAIR Investment Company	11.50%	July 16, 2026	1,000,000	-	1,000,000	1,000,000	2.19	40.00
PAIR Investment Company	11.50%	July 17, 2026	1,500,000	-	1,500,000	1,500,000	3.28	60.00
PAIR Investment Company	11.50%	June 24, 2026	2,000,000	2,000,000	-	-	-	-
PAIR Investment Company	11.50%	June 24, 2026	2,100,000	2,100,000	-	-	-	-
Total as at June 30, 2026			16,600,000	14,100,000	2,500,000	2,500,000	5.47	100.00

6.2 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	
			Purchases during the period	Sales / matured during the period	As at June 30, 2026		Net assets	Total investments
			----- (Rupees in '000) -----					----- (%) -----
U Microfinance Bank Limited	12.00%	May 24, 2026	2,000,000	2,000,000	-	-	-	-
U Microfinance Bank Limited	13.00%	June 24, 2026	2,000,000	2,000,000	-	-	-	-
Total as at June 30, 2026			4,000,000	4,000,000	-	-	-	-

7	PROFIT RECEIVABLE	2026 (Rupees in '000)
	Profit receivable on:	
	Savings accounts	182,133
	Letter of placement	11,342
		193,475

8	PRELIMINARY EXPENSES AND FLOTATION COST	
	Preliminary expenses and flotation cost	528
	Less: amortisation charged during the period	(47)
	At the end of the period	481



		2026 (Rupees in '000)
9	DEPOSITS AND PREPAYMENT	Note
	Security deposits with:	
	- Central Depository Company of Pakistan Limited	100
	- National Clearing Company of Pakistan Limited	250
	Prepaid Mutual Fund Rating Fee	83
		433
10	PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY	
	Management remuneration	10.1 27,466
	Sindh Sales Tax on management remuneration	10.2 4,120
	Sales load and transfer load	17,647
	Sindh Sales Tax on sales and transfer load	2,647
	Payable against formation cost	525
	ADC charges including Sindh Sales Tax	54
	Other payable to management company	592
		53,051
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 1.5% per annum of the average daily net assets, applicable to "Income Scheme", with effect from July 01, 2025. Accordingly, during the period ended June 30, 2026, the Management Company has charged its remuneration as follows:	
	- On April 21, 2026 at the rate of 0.8% of the average annual net assets of the Fund.	
	- From April 22, 2026 to June 30, 2026 at the rate of 0.7% of the average annual net assets of the Fund.	
	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 period, Sindh Sales Tax at the rate of 15% was charged on management remuneration and sales load.	
11	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note
	Trustee remuneration	11.1 2,943
	Sindh Sales Tax on Trustee remuneration	11.2 441
		3,384
11.1	The Trustee has charged remuneration at the rate of 0.075% per annum of the 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 period, Sindh Sales Tax at the rate of 15% was charged on trustee remuneration.	



		2026 (Rupees in '000)
12	PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	
	Fee payable	12.1 <u><u>2,943</u></u>

- 12.1** 'Under the provisions of the NBFC Regulations, a collective investment scheme categorized as an "Income scheme" is required to pay fee to the SECP, an amount equal to 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 (Rupees in '000)
13	ACCRUED EXPENSES AND OTHER LIABILITIES	
	Auditors' remuneration payable	426
	Settlement and bank charges payable	124
	Withholding tax payable	2,589
	Capital gain tax payable	172,295
	Professional charges payable	75
	Other payable	20,621
	Brokerage payable	8
		<u><u>196,138</u></u>

14 CONTINGENCIES AND COMMITMENTS

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

	2026 (Number of units)
15	NUMBER OF UNITS IN ISSUE
	Units issued during the period
	13,927,028,681
	Less: Units redeemed during the period
	<u>(9,366,891,994)</u>
	Total units in issue at end of the period
	<u><u>4,560,136,687</u></u>

	2026 (Rupees in '000)
16	AUDITORS' REMUNERATION
	Annual audit fee
	180
	Other certifications
	185
	Out of pocket expenses and others including government levy
	<u>61</u>
	<u><u>426</u></u>

17 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as 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 period 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 period 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 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / Related parties

- 19.1** 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), 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.
- 19.2** 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.
- 19.3** Remuneration to the Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.
- 19.4** The details of significant transactions and balances with connected persons at period end except those disclosed elsewhere in these financial statements are as follows:

	2026 (Rupees in '000)
19.5 Details of transactions with related parties / connected persons during the period are as follows:	
NBP Fund Management Limited - Management Company	
Remuneration of Management Company	53,210
Sindh Sales Tax on remuneration of Management Company	7,981
Sales load and transfer load including Sindh Sales Tax	20,293
ADC charges including Sindh Sales Tax	54
Central Depository Company Of Pakistan Limited - Trustee	
Remuneration of Trustee	5,697
Sindh Sales Tax on Trustee remuneration	854
Settlement charges	50
Units issued / transferred in: 34,682,804 units	352,759
Units redeemed / transferred out: 34,682,804 units	352,866
Employees of the Management Company	
Units issued / transferred in: 13,704,747 units	138,197
Units redeemed / transferred out: 12,319,674 units	124,792
Dividend re-invested: 1,100 units	11



2026
(Rupees in '000)

Mr. Haider Amjad - Shareholder of Management Company

Units issued / transferred in: 49,959 units

501

Portfolio managed by the Management Company

Units issued / transferred in: 129,102,752 units

Units redeemed / transferred out: 67,617,246 units

1,301,901

Dividend re-invested: 233,300 units

688,222

2,334

Funds managed by NBP Fund Management Limited - Management Company

Profit

(20,621)

**Persons holding directly or indirectly 10% or more of
the units in issue / net assets of the Fund**

Ibrahim Holdings (Private) Limited

Units issued / transferred in: 6,171,217,022 units

61,722,128

Units redeemed / transferred out: 3,065,138,570 units

31,213,839

Dividend reinvest: 947,797 units

9,481

19.6 Amounts outstanding at period end are as follows:

NBP Fund Management Limited - Management Company

Management remuneration

27,466

Sindh Sales Tax on management remuneration

4,120

Sales load and transfer load

17,647

Sindh Sales Tax on sales and transfer load

2,647

Payable against formation cost

525

ADC charges including Sindh Sales Tax

54

Other payable to management company

592

Central Depository Company of Pakistan Limited - Trustee

Trustee remuneration

2,943

Sindh Sales Tax on Trustee remuneration

441

Security deposit

100

National Bank of Pakistan - Parent of the Management Company

Bank balance

1,191

Employees of the Management Company

Units held: 1,386,173 units

13,896

Portfolio managed by the Management Company

Units held: 61,718,806 units

618,724

Mr. Haider Amjad - Shareholder of Management Company

Units held: 49,959 units

501

**Persons holding directly or indirectly 10% or more of
the units in issue / net assets of the Fund**

Ibrahim Holdings Private Limited

Units held: 3,107,026,249 units

31,147,627


2026
(Rupees in '000)
**Receivable / (payable) from funds under management by
Management Company against conversion of units**

NBP Mahana Amdani Fund	4,291,015
NBP Islamic Daily Dividend Fund	160,916
NBP Cash Plan – II	16,034
NBP Savings Fund	13,683
NBP Islamic Savings Fund	11,416
NBP Islamic Income Fund	11,177
NBP Islamic Money Market Fund	7,552
NBP Government Securities Liquid Fund	7,371
NBP Islamic Government Securities Plan – III	1,898
NBP Income Plan – I	586
NBP Cash Plan – I	(4,383)
NBP Islamic Mahana Amdani Fund	(4,745)
NBP Government Securities Savings Fund	(5,504)
NBP Riba Free Savings Fund	(51,041)
NBP Islamic Opportunity Fund	(947,263)
NBP Financial Sector Income Fund	(4,941,457)
NBP Money Market Fund	(8,425,092)

Funds managed by NBP Fund Management Limited - Management Company

Profit payable	20,621
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2026
(Rupees in '000)
20 CASH AND CASH EQUIVALENTS

	Note	
Bank balances	5	54,552,499
Letter of placement	6.1	2,500,000
		57,052,499

June 30, 2026

Amortised Cost	At Fair value through profit or loss	Total
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21 FINANCIAL INSTRUMENTS BY CATEGORY
(Rupees in '000)
Financial assets

Bank balances	54,552,499	-	54,552,499
Investments	2,500,000	-	2,500,000
Profit receivable	193,475	-	193,475
Receivables from funds under management by Management Company against conversion of units	4,741,314	-	4,741,314
Deposits	350	-	350

Financial liabilities

Payable to NBP Fund Management Limited - Management Company	53,051	-	53,051
Payable to Central Depository Company of Pakistan Limited - Trustee	3,384	-	3,384
Payable against redemption / conversion of units	16,017,969	-	16,017,969
Accrued expenses and other liabilities	21,254	-	21,254
	16,095,658	-	16,095,658
Net assets attributable to unit holders	45,714,717	-	45,714,717



22 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.

22.1 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.

22.1.1 (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. 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.

	Note	2026 (Rupees in '000)
Variable rate instruments		
Bank balances	5	54,547,049

(a) Sensitivity analysis for variable rate instruments

Presently, the fund holds balances with banks which expose the Fund to cash flow profit 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 / loss for the year and net assets of the Fund would have been lower / higher by Rs. 545.470 million



(b) Sensitivity analysis for fixed rate instruments

As at June 30, 2026, the Fund holds fixed-rate Letters of Placement, which expose the Fund to fair value interest rate risk.

Presently, the Fund holds bank balances and Letter of Placements 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. 25 million.

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

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

June 30, 2026					
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	10.35% - 13.00%	54,547,049	-	-	5,450	54,552,499
Investments		2,500,000			-	2,500,000
Profit receivable		-	-	-	193,475	193,475
Receivables from fund under management by						
Management Company against conversion of units		-	-	-	4,741,314	4,741,314
Deposits		-	-	-	350	350
		57,047,049	-	-	4,940,589	61,987,638

Financial liabilities

Payable to NBP Fund Management Limited - Management Company	-	-	-	53,051	53,051
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	3,384	3,384
Payable against redemption / conversion of units	-	-	-	16,017,969	16,017,969
Accrued expenses and other liabilities	-	-	-	21,254	21,254
Net Assets attributable to unit holder	-	-	-	45,714,717	45,714,717
	-	-	-	61,810,375	61,810,375

On-balance sheet gap

57,047,049	-	-	(56,869,786)	177,263
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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

57,047,049	-	-		
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Cumulative interest rate sensitivity gap

57,047,049	57,047,049	57,047,049		
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(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate 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.

22.2 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
(Rupees in '000)

AAA	6,085,573
AA-	19,878,788
A+	18,564,691
A-	10,023,447
	<u>54,552,499</u>

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

22.3 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

Financial Liabilities

(Rupees in '000)

Payable to NBP Fund Management

Limited - Management Company	53,051	-	-	-	-	53,051
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Payable to Central Depository Company

of Pakistan Limited - Trustee	3,384	-	-	-	-	3,384
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Payable against conversion and

redemption of units	16,017,969	-	-	-	-	16,017,969
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Accrued expenses and other liabilities

	20,828	426	-	-	-	21,254
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	16,095,232	426	-	-	-	16,095,658
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Net assets attributable to unit holders

	45,714,717	-	-	-	-	45,714,717
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23 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 June 30, 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 scheme.

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 22, 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.



24 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, 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	At amortised cost	Total	Level 1	Level 2	Level 3
Note		(Rupees in '000)					
Financial assets not measured at fair value	24.1						
Investments		-	2,500,000	2,500,000	-	-	-
Bank balances		-	54,552,499	54,552,499			
Profit receivable		-	193,475	193,475			
Receivables from funds under management by							
Management Company against conversion of units		-	4,741,314	4,741,314			
Deposits		-	350	350			
		-	61,987,638	61,987,638			
Financial liabilities not measured at fair value	24.1						
Payable to NBP Fund Management							
Limited - Management Company		-	53,051	53,051			
Payable to Central Depository Company							
of Pakistan Limited - Trustee		-	3,384	3,384			
Payable against conversion and redemption of units		-	16,017,969	16,017,969			
Accrued expenses and other liabilities		-	21,254	21,254			
Net assets attributable to unit holders	24.2	-	45,714,717	45,714,717			
		-	61,810,375	61,810,375			



24.1 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.

24.2 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.

25 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID / PAYABLE

Name of broker	2026
	Percentage of commission paid
PEARL Securities (Pvt.) Limited	41.00%
Arif Habib Limited	39.00%
K-Trade Securities Limited	10.00%
BMA Capital Management Limited	10.00%
	100.00%

26 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 26.1)	Chief Investment Officer - Fixed Income	CFA	21
3	Mr. Asim Wahab Khan	Chief Investment Officer - Equity	CFA	20
4	Mr. Usama Bin Razi	Senior Manager Fixed Income	BE, MBA	22
5	Mr. Muhammad Waseem	Head of Research	CFA	11

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

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



27 PATTERN OF UNIT HOLDING

Category

	Number of unit holders	Investment amount	Percentage investment
Individuals	645	5,416,689	11.85%
Others	23	38,216,946	83.60%
Retirement Funds	5	527,017	1.15%
Public Limited Companies	2	1,256,031.00	2.75%
Insurance Companies	1	298,034	0.65%

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

676 45,714,717 100.00%

28 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:

Names of Directors	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



29 GENERAL

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

30 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
Net assets (Rs. '000')	45,714,717
Net Income (Rs. '000')	842,828
Net Asset Value per units (Rs.)	10.0249
Offer price per unit	10.3708
Redemption price per unit	10.0249
Ex - Highest offer price per unit (Rs.)	10.3708
Ex - Lowest offer price per unit (Rs.)	9.8113
Ex - Highest redemption price per unit (Rs.)	10.0249
Ex - Lowest redemption price per unit (Rs.)	9.8113
Fiscal Year Opening Ex Nav	9.8113
Total return of the fund (Annualized)	11.19%
Capital growth	9.27%
Income distribution as a % of ex nav	1.92%
Income distribution as a % of par value	1.92%
Distribution	
Interim distribution per unit	0.0087
Interim distribution per unit	0.1835
Distribution dates	
Interim	24-Apr-26
Interim	23-Jun-26
Average annual return (launch date April 20, 2026)	
(Since inception to June 30, 2026)	11.19%
Weighted average portfolio duration	1 Day

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