



**TOGETHER  
CREATING  
TOMORROW**

**HALF YEARLY FINANCIAL  
REPORT 2017**

الامين فنڊز  
al-ameen funds



Managed by UBL Fund Managers Limited  
Rated AM1 by JCR-VIS Exhibiting Excellent Management Characteristics.

## CORPORATE INFORMATION

### Board of Directors

Azhar Hamid  
Chairman

Yasir Qadri  
Chief Executive Officer

Syed Furrugh Zaeem  
Director

Zia Ijaz  
Director

Sharjeel Shahid  
Director

Mirza Muhammad Sadeed  
Hassan Barlas - Director

Naz Khan  
Director

### Audit Committee

Naz Khan  
Chair

Zia Ijaz  
Member

Sharjeel Shahid  
Member

Mirza Muhammad Sadeed  
Hassan Barlas  
Member

### Risk Management Committee

Mirza Muhammad Sadeed Barlas  
Chairman

Syed Furrugh Zaeem  
Member

Yasir Qadri  
Member

Azhar Hamid  
Member

Sharjeel Shahid  
Member

### HR & Compensation Committee

Azhar Hamid  
Chairman

Naz Khan  
Member

Syed Furrugh Zaeem  
Member

Zia Ijaz  
Member

Yasir Qadri  
Member

### Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem  
Member

Mufti Muhammad Najeed Khan  
Member

### Chief Financial Officer

Umair Ahmed

### Company Secretary

Fawaz Taj Siddiqui

### Registered Office

4th Floor, STSM Building,  
Beaumont Road, Civil Lines,  
Karachi, Pakistan.

### Operations Office

4th Floor, STSM Building,  
Beaumont Road, Civil Lines,  
Karachi, Pakistan.

UAN: (92-21) 111-825-262  
Fax: (92-21) 32214930

### Date of incorporation of the Management

#### Company/ Pension Fund Manager

Incorporated in Pakistan on  
3 April 2001 as a Public Limited  
Company under the Companies  
Ordinance, 1984

### Management Quality Rating

AM1 by JCR-VIS Credit Rating Company

### Funds Under Management

UBL Liquidity Plus Fund  
Launch Date: 21 June 2009

UBL Government Securities Fund  
Launch Date: 27 July 2011

UBL Money Market Fund  
Launch Date: 14 October 2010

UBL Income Opportunity Fund  
Launch Date: 29 March 2013

UBL Growth & Income Fund  
(Formerly United Growth & Income Fund)  
Launch Date: 2 March 2006

UBL Asset Allocation Fund  
Launch Date: 20 August 2013

UBL Stock Advantage Fund  
Launch Date: 4 August 2006

Al-Ameen Islamic Sovereign Fund  
Launch Date: 07 November 2010

Al-Ameen Islamic Aggressive Income Fund  
Launch Date: 20 October 2007

Al-Ameen Islamic Cash Fund  
Launch Date: 17 September 2012

Al-Ameen Shariah Stock Fund  
Launch Date: 24 December 2006

Al-Ameen Islamic Asset Allocation Fund  
Launch Date: 10 December 2013

Al-Ameen Islamic Financial Planning Fund  
Launch Date: 23 June 2015

UBL Retirement Savings Fund  
Launch Date: 10 May 2010

Al-Ameen Islamic Retirement Savings Fund  
Launch Date: 10 May 2010

Al-Ameen Islamic Dedicated Equity Fund  
Launch Date: 05 Jan 2016

Al-Ameen Islamic Financial Planning Fund - II  
Launch Date: 21 February 2017

UBL Capital Protected Fund - III  
Launch Date: 26 January 2017

UBL Financial Planning Fund  
Launch Date: 28 September 2017

**Conventional Investment Plans**  
UBL Mahana Munafa Plan

UBL Children Savings Plan

UBL Equity Builder Plan

UBL Wealth Builder Plan

### Islamic Investment Plans

Al-Ameen Mahana Munafa Plan

Al-Ameen Children Savings Plan

Al-Ameen Equity Builder Plan

Al-Ameen Wealth Builder Plan

Al-Ameen Hajj Savings Plan

## Directors' Report

The Board of Directors of UBL Fund Managers Limited is pleased to present to you the report of "Al-Ameen Islamic Retirement Savings Fund (AIRSF) for the six-months ended December 31, 2017.

### **Economy & Money Market Review – 1HFY18**

Pakistan's economy continued to uptick during the 1HFY18 concocting positive prospects to post a robust above 5% GDP amid accelerated growth in LSM index, expansion in private credit off-take for both working capital and fixed investment, coupled with better security & energy situation. Further, progress into the CPEC and PSDP related activities and GoP policy reforms to arrest twin deficit situation are favorable for sustained GDP growth for the remaining fiscal year.

The Large Scale Manufacturing (LSM) Index continued its strong momentum posting a growth of 7.19% during 5MFY18. Growth was primarily driven by Electronics (+55.70%), Iron & Steel (+40.38%) and Automobile (+24.40%) sectors. We expect LSM growth to remain strong during the rest of the fiscal year on the back of improving performance of export oriented sector, better outlook of major crop production and capacity additions in the infrastructure sector. Private sector credit off take also remained robust, rising by 18%YoY in November while increasing by PKR ~464bn in 11MCY17.

The State Bank of Pakistan in its last monetary policy decided to keep the policy rate unchanged at 5.75% (Discount rate at 6.25%) on account of benign inflation and support from foreign inflows. However, we expect the SBP to raise policy rates during 2018 as the inflationary impact of currency devaluation and escalating oil prices sets in. FDI during the 1HFY18 stood at USD 1.38bn with 70% inflow coming from China.

Average inflation for 1HFY18 remained benign at 3.75% as against 3.88% SPLY remaining well below the full year target of 6.0%. The increase in Headline Inflation witnessed in 2QFY18 (+4.13%) was mainly due to low base effect. We expect the impact of PKR devaluation and higher oil prices to be visible in CPI of the remaining fiscal year. International Oil prices increased to USD 65/barrel during the 1HFY18 on account of tight compliance between OPEC and Non-OPEC members to cut production along with robust demand emanating globally. The key risk to this oil-price hike is the US shale gas production. Persistent surge in oil prices poses risks to the overall current account situation and remains a major threat to a strong growth momentum.

The current account deficit for 6MFY18 widened by 59% YoY to USD 7.4bn, compared to a deficit of USD 4.7bn SPLY. The primary reason was a rise in trade deficit increasing by 24%. The GoP increased Regulatory Duty on non-essential imported items and allowed ~5% PKR devaluation against US Dollar to curtail the overall trade deficit situation. We expect the recent GoP's policy reforms to greatly benefit the export oriented industries and aid in curbing the overall worsened CAD position while increase in machinery imports should bode well for the economy in the long run.

The Government in the last six PIB auctions only managed to eke up PKR ~52bn while majority interest was seen in the short term instrument of ~7.9tm. Yields on short term instruments largely remained unchanged (3M:+2bps 6M:+2bps) whereas long term instruments were adjusted upwards (3Y:+80bps, 5Y:+82bps 10Y:+22bps) during 1HFY18.

Going forward, we expect recent PKR devaluation to greatly benefit the export oriented industries and aid in curbing the current account deficit position. Moreover timely advancements on the USD 62Bn CPEC project and expedited efforts by GoP into the infrastructural development projects following election year presents a promising outlook for higher GDP growth. Improved private sector credit off-take, better security & energy situation coupled

with favorable policy environment to ease cost of doing business creates encouraging prospects conducive to investment environment. However, we expect higher international oil prices to remain a key risk to this thesis.

### Stock Market Review – 1HFY18

The KSE-100 index underwent a round of bear-run as witnessed in its 13.1% decline closing at 40,471pts at end of 1HFY18. The primary elements that aided to the benchmark index's dismal performance included high political uncertainty, some adverse corporate developments (HBL penalty, Mari SPO, NBP pension decision) along with burgeoning current account position on the macro-economic level.

During the 1HFY18, foreign investors sold heavily (USD 155.1mn worth of shares) while local institutions absorbed this selling pressure. The local companies and insurance companies leading the buying rally buying shares worth USD 71.7mn and USD 63.4mn respectively. The average daily traded shares during this period also remained low at ~78mn as the above mentioned events kept investors wary.

The recent major positive developments including GoP increasing Regulatory Duty of non-essential imported items, raising capital worth USD 2.5bn from the International bond market, ~5% PKR devaluation against greenbacks, passing of Elections Act 2017 by the senate, appointment of Finance Advisor for PM along with stout support by China against Trump's harsh comment over Pakistan's efforts in war against terror all aided to market's recovery against an otherwise abysmal performance.

Going forward, the impact of currency devaluation for export oriented sectors, clarity on recently announced tax amnesty scheme, relief in taxes for taxpayers (individual & corporate) accompanied by expedited efforts into infrastructural plans given election year is expected to fuel further interest by market participants. Furthermore, the index currently trades at a steep discount of ~46% relative to MSCI-EM and offers an earnings yield of ~11% is at an exceptional ~500bps premium over comparable short-term government paper. We believe market fundamentals are intact and as GoP further deepens policy actions to address the concerns into the twin deficit situation, the benchmark index should register healthy double-digit returns over a 1-year time horizon.

### Fund performance and operational review

#### Al-Ameen Islamic Retirement Savings Fund

The Fund comprises of three sub funds namely Equity sub-fund, Debt sub-fund and Money Market sub-fund. The Fund as a whole earned a net loss of PKR (-241.278) million during the period and fund size stood at PKR 2,281.991 million as at December 31, 2017.

| UBL Islamic Retirement Savings Fund | ESF       | DSF           | MMSF          |
|-------------------------------------|-----------|---------------|---------------|
| Gross Income (PKR Mn)               | (244.972) | 10.663        | 7.357         |
| Net Income (PKR Mn)                 | (251.361) | 4.902         | 5.180         |
| Fund Size as of Dec 31 '17 (PKR Mn) | 1,364.927 | 560.390       | 356.675       |
| NAV as of Dec31 '17 (PKR)           | 618.78    | 160.69        | 155.25        |
| FYTD Return (%)                     | 7.56%     | 3.94%<br>p.a. | 4.08%<br>p.a. |

The table below illustrates the returns an investor would have earned depending on their portfolio allocations. With the rally witnessed in the equity markets during the year, it's not surprising that the high-volatility portfolio has generated the highest return

| Allocations       | ESF | RSE | AI-RSE |
|-------------------|-----|-----|--------|
| High Volatility   | 80% | 20% | 0%     |
| Medium volatility | 50% | 40% | 10%    |
| Low volatility    | 25% | 60% | 15%    |
| Lower volatility  | 0%  | 60% | 40%    |

| Al-Ameen Islamic Retirement Savings Fund | Since Inception p.a. | 12 Month Rolling |
|--|----------------------|------------------|
| <b>High Volatility</b>                   | 22.8%                | -10.3%           |
| <b>Medium volatility</b>                 | 16.6%                | -5.3%            |
| <b>Low volatility</b>                    | 11.4%                | -1.2%            |
| <b>Lower volatility</b>                  | 6.2%                 | 3.0%             |

### Future Outlook

We continue to maintain a positive outlook on the local equity market in the short to medium-term. Recent PKR devaluation is expected to support the export oriented industries greatly and aid in curbing the current account deficit position. Progress into the USD 62Bn CPEC project and speedy completion of PSDP projects following election year has a positive outlook for higher GDP growth. Improved private sector credit off-take, better security & energy situation coupled with favorable policy environment to ease cost of doing business creates encouraging prospects conducive for investment environment. However, we expect higher international oil prices to remain a key risk to this thesis.

We expect impact of PKR devaluation against USD for export oriented sectors, clarity on recently announced tax amnesty scheme, relief in taxes for taxpayers (individual & corporate) accompanied by expedited efforts into infrastructural development projects given election year to be vivid in coming months which is expected to fuel further interest by market participants. The fundamentals of the stock market are intact and the market is trading at a significant discount as compared to the regional peers. Over and above, growth in corporate earnings, revival of distressed units, expansion stories by different sectors and potential investments in new business opportunities should bode well for the equity market. Low yields on fixed income securities and the positive outlook of the country's economy make it all the more important for investors to allocate a portion of their portfolios to equity.

### Acknowledgements

We would like to thank our valued unit holders for their confidence and trust in UBL Fund Managers Limited. In addition, we would like to acknowledge the Securities and Exchange Commission of Pakistan, State Bank of Pakistan, the Shariah Advisory Board and Central Depository Company Limited (Trustee) for their continued support, guidance and cooperation. The Board also likes to take this opportunity to express its appreciation to the employees for their dedication, commitment, enthusiasm and hard work.

FOR & ON BEHALF OF THE BOARD



**Yasir Qadri**  
CHIEF EXECUTIVE

Karachi, Dated: 22 February 2018

# AIRSF

## Al-Ameen Islamic Retirement Savings Fund

### INVESTMENT OBJECTIVE

AIRSF is a Shariah-compliant open-end fund that aims to provide a secure source of savings and regular income after retirement to the Participants. The Participants would contribute to the Fund during their working life and would typically withdraw from the Fund on or after retirement.

|                             |  |
|-----------------------------|--|
| <b>Pension Fund Manager</b> | UBL Fund Managers Limited  |
| <b>Trustee</b>              | Central Depository Company of Pakistan Limited<br>99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal,<br>Karachi. Tel: (9221) 111-111-500   |
| <b>Distribution Company</b> | United Bank Limited<br>(for detail of others, please visit our website:<br><a href="http://www.ublfunds.com.pk">www.ublfunds.com.pk</a> )  |
| <b>Auditors</b>             | Deloitte Yousuf Adil   |
| <b>Bankers</b>              | Bank Al Baraka Limited<br>Bank Alfalah Limited<br>Bank Alhabib<br>BankIslami Pakistan Limited<br>Faysal Bank Limited- Islamic Banking<br>Habib Bank Limited<br>Habib Metropolitan Bank Limited- Islamic Banking<br>Muslim Commercial Bank<br>Meezan Bank Limited<br>Soneri Bank Limited - Islamic Banking<br>United Bank Limited |
| <b>Management Co.Rating</b> | AM1 (JCR-VIS)  |

## **AUDITORS' REPORT TO THE PARTICIPANTS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION**

### **Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AL AMEEN ISLAMIC RETIREMENT SAVINGS FUND** (here-in-after referred to as the "Fund") as at December 31, 2017, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in participants' sub funds, condensed interim cash flow statement, and notes to the accounts (here-in-after referred to as the 'condensed interim financial information') for the half year ended December 31, 2017. UBL Fund Managers Limited ("Pension Fund Manager") is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2017 and 2016 have not been reviewed and we do not express a conclusion on them.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

  
Chartered Accountants

### **Engagement Partner:**

Nadeem Yousuf Adil

**Date:** February 26, 2018

**Place:** Karachi

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND  
CONDENSED INTERIM BALANCE SHEET  
AS AT DECEMBER 31, 2017**

|   | December 31, 2017 (Un-Audited) |                  |                             |                | June 30, 2017 (Audited) |                  |                             |                |                  |
|---|--------------------------------|------------------|-----------------------------|----------------|-------------------------|------------------|-----------------------------|----------------|------------------|
|   | Equity<br>Sub-Fund             | Debt<br>Sub-Fund | Money<br>Market<br>Sub-Fund | Total          | Equity<br>Sub-Fund      | Debt<br>Sub-Fund | Money<br>Market<br>Sub-Fund | Total          |                  |
| Note  | (Rupees in '000)               |                  |                             |                | (Rupees in '000)        |                  |                             |                |                  |
| <b>ASSETS</b>   |                                |                  |                             |                |                         |                  |                             |                |                  |
| Bank balances   | 4                              | 103,160          | 196,359                     | 136,294        | 435,813                 | 218,725          | 66,425                      | 222,003        | 507,153          |
| Investments - net   | 5                              | 1,270,407        | 181,485                     | 50,355         | 1,502,247               | 1,483,018        | 406,130                     | 50,995         | 1,940,143        |
| Term deposit receipts   |                                | -                | 180,000                     | 164,000        | 344,000                 | -                | -                           | -              | -                |
| Dividend and other receivables  |                                | 20,860           | 8,197                       | 12,907         | 41,964                  | 42,421           | 15,353                      | 9,423          | 67,197           |
| Advance tax   | 6                              | 510              | 234                         | 142            | 886                     | 510              | 233                         | 131            | 874              |
| <b>Total assets</b>   |                                | <b>1,394,937</b> | <b>566,275</b>              | <b>363,698</b> | <b>2,324,910</b>        | <b>1,744,674</b> | <b>488,141</b>              | <b>282,552</b> | <b>2,515,367</b> |
| <b>LIABILITIES</b>  |                                |                  |                             |                |                         |                  |                             |                |                  |
| Payable to UBL Fund Managers Limited - Pension Fund Manager             |                                | 3,415            | 1,506                       | 688            | 5,609                   | 3,250            | 1,047                       | 430            | 4,727            |
| Payable to the Central Depository Company of Pakistan Limited - Trustee |                                | 161              | 68                          | 40             | 269                     | 188              | 56                          | 30             | 274              |
| Payable to the Securities and Exchange Commission of Pakistan           |                                | 246              | 92                          | 49             | 387                     | 477              | 144                         | 75             | 696              |
| Accrued expenses and other liabilities                                  | 7                              | 26,189           | 4,219                       | 6,246          | 36,654                  | 24,520           | 4,570                       | 2,279          | 31,369           |
| <b>Total liabilities</b>  |                                | <b>30,011</b>    | <b>5,885</b>                | <b>7,023</b>   | <b>42,919</b>           | <b>28,435</b>    | <b>5,817</b>                | <b>2,814</b>   | <b>37,066</b>    |
| <b>NET ASSETS</b>   |                                | <b>1,364,926</b> | <b>560,390</b>              | <b>356,675</b> | <b>2,281,991</b>        | <b>1,716,239</b> | <b>482,324</b>              | <b>279,738</b> | <b>2,478,301</b> |
| <b>PARTICIPANTS' SUB-FUNDS<br/>(as per statement attached)</b>          |                                | <b>1,364,926</b> | <b>560,390</b>              | <b>356,675</b> | <b>2,281,991</b>        | <b>1,716,239</b> | <b>482,324</b>              | <b>279,738</b> | <b>2,478,301</b> |
| <b>Contingencies and commitments</b>                                    |                                |                  |                             |                |                         |                  |                             |                |                  |
| Number of Units in Issue  | 10                             | 2,205,847        | 3,487,353                   | 2,297,391      |                         | 2,333,120        | 3,028,072                   | 1,828,383      |                  |
|   |                                | Rupees           |                             |                |                         | Rupees           |                             |                |                  |
| <b>Net Asset Value Per Unit</b>   |                                | <b>618.78</b>    | <b>160.69</b>               | <b>155.25</b>  |                         | <b>735.60</b>    | <b>159.28</b>               | <b>153.00</b>  |                  |

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited  
(Pension Fund Manager)**

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2017**

|  | For the half year ended December 31, 2017 |                  |                             |                  | For the half year ended December 31, 2016 |                  |                             |                |
|--|---|------------------|-----------------------------|------------------|---|------------------|-----------------------------|----------------|
|  | Equity<br>Sub-Fund                        | Debt<br>Sub-Fund | Money<br>Market<br>Sub-Fund | Total            | Equity<br>Sub-Fund                        | Debt<br>Sub-Fund | Money<br>Market<br>Sub-Fund | Total          |
| Note ----- (Rupees in '000) ----- (Rupees in '000) -----   |   |                  |                             |                  |   |                  |                             |                |
| <b>Income</b>  |   |                  |                             |                  |   |                  |                             |                |
| Financial income   | 2,677                                     | 15,571           | 7,997                       | 26,245           | 1,402                                     | 11,784           | 5,636                       | 18,822         |
| (Loss) / gain on sale of investments - net   | (64,001)                                  | 193              | -                           | (63,808)         | 103,026                                   | -                | -                           | 103,026        |
| Dividend income  | 38,919                                    | -                | -                           | 38,919           | 24,486                                    | -                | -                           | 24,486         |
| Unrealized (loss) / gain on revaluation of<br>investments classified as financial assets<br>at fair value through profit or loss - net | (222,567)                                 | (5,101)          | (640)                       | (228,308)        | 200,037                                   | 3,762            | 830                         | 204,629        |
| <b>Total income</b>  | <b>(244,972)</b>                          | <b>10,663</b>    | <b>7,357</b>                | <b>(226,952)</b> | <b>328,951</b>                            | <b>15,546</b>    | <b>6,466</b>                | <b>350,963</b> |
| <b>Expenses</b>  |   |                  |                             |                  |   |                  |                             |                |
| Remuneration of UBL Fund Managers Limited -<br>Pension Fund Manager  | 11,162                                    | 4,203            | 2,232                       | 17,597           | 9,649                                     | 3,288            | 1,487                       | 14,424         |
| Sindh sales tax on Pension fund Manager's remuneration   | 1,451                                     | 546              | 290                         | 2,287            | 1,254                                     | 427              | 193                         | 1,874          |
| Provision for indirect duties and taxes  | -   | -                | -                           | -                | -   | -                | -                           | -              |
| Remuneration of Central Depository Company<br>of Pakistan Limited - Trustee  | 1,024                                     | 387              | 206                         | 1,617            | 903                                       | 323              | 147                         | 1,373          |
| Annual fee to the Securities and<br>Exchange Commission of Pakistan  | 246                                       | 92               | 49                          | 387              | 213                                       | 72               | 33                          | 318            |
| Auditors' remuneration   | 69  | 69               | 69                          | 207              | 71  | 71               | 71                          | 213            |
| Securities transaction costs   | 523                                       | 71               | 7                           | 601              | 2,905                                     | 4                | -                           | 2,909          |
| Legal and professional charges   | 16  | 14               | 14                          | 44               | 94  | 34               | 17                          | 145            |
| Custody and settlement charges   | 434                                       | 3                | -                           | 437              | 755                                       | 2                | -                           | 757            |
| Charity  | 399                                       | -                | -                           | 399              | 300                                       | -                | -                           | 300            |
| Printing expense   | 6   | 6                | 6                           | 18               | -   | -                | -                           | -              |
| Bank and other charges   | 119                                       | 141              | 142                         | 402              | 29  | 58               | 24                          | 111            |
| <b>Total expenses</b>  | <b>15,449</b>                             | <b>5,532</b>     | <b>3,015</b>                | <b>23,996</b>    | <b>16,173</b>                             | <b>4,279</b>     | <b>1,972</b>                | <b>22,424</b>  |
| <b>Net operating (loss) / income for the period</b>  | <b>(260,421)</b>                          | <b>5,131</b>     | <b>4,342</b>                | <b>(250,948)</b> | <b>312,778</b>                            | <b>11,267</b>    | <b>4,494</b>                | <b>328,539</b> |
| Element of income / (loss) and capital gains / (losses) included<br>in the prices of units less those in units redeemed - net          | 9,061                                     | (229)            | 838                         | 9,670            | (3,371)                                   | (775)            | 606                         | (3,540)        |
| Provision for Workers' Welfare Fund  | 8   | -                | -                           | -                | (6,068)                                   | (206)            | (100)                       | (6,374)        |
| <b>Net (loss) / income for the period before taxation</b>  | <b>(251,360)</b>                          | <b>4,902</b>     | <b>5,180</b>                | <b>(241,278)</b> | <b>303,339</b>                            | <b>10,286</b>    | <b>5,000</b>                | <b>318,625</b> |
| Taxation   | 12  | -                | -                           | -                | -   | -                | -                           | -              |
| <b>Net (loss) / income for the period after taxation</b>   | <b>(251,360)</b>                          | <b>4,902</b>     | <b>5,180</b>                | <b>(241,278)</b> | <b>303,339</b>                            | <b>10,286</b>    | <b>5,000</b>                | <b>318,625</b> |

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited  
(Pension Fund Manager)**

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED DECEMBER 31, 2017**

|  | For the quarter ended December 31, 2017 |                  |                             |                 | For the quarter ended December 31, 2016 |                  |                             |                |
|--|---|------------------|-----------------------------|-----------------|---|------------------|-----------------------------|----------------|
|  | Equity<br>Sub-Fund                      | Debt<br>Sub-Fund | Money<br>Market<br>Sub-Fund | Total           | Equity<br>Sub-Fund                      | Debt<br>Sub-Fund | Money<br>Market<br>Sub-Fund | Total          |
| Note   | (Rupees in '000)                        |                  |                             |                 | (Rupees in '000)                        |                  |                             |                |
| <b>Income</b>  |   |                  |                             |                 |   |                  |                             |                |
| Financial income   | 1,411                                   | 7,655            | 4,148                       | 13,214          | 461                                     | 6,132            | 2,778                       | 9,371          |
| (Loss) / gain on sale of investments - net   | (45,407)                                | (27)             | -                           | (45,434)        | 52,433                                  | -                | -                           | 52,433         |
| Dividend income  | 27,105                                  | -                | -                           | 27,105          | 18,091                                  | -                | -                           | 18,091         |
| Unrealized (loss) / gain on revaluation of<br>investments classified as financial assets<br>at fair value through profit or loss - net | (46,638)                                | (105)            | (15)                        | (46,758)        | 157,976                                 | 2,879            | 685                         | 161,540        |
| <b>Total income</b>  | <b>(63,529)</b>                         | <b>7,523</b>     | <b>4,133</b>                | <b>(51,873)</b> | <b>228,961</b>                          | <b>9,011</b>     | <b>3,463</b>                | <b>241,435</b> |
| <b>Expenses</b>  |   |                  |                             |                 |   |                  |                             |                |
| Remuneration of UBL Fund Managers Limited -<br>Pension Funds Manager   | 5,218                                   | 2,062            | 1,163                       | 8,443           | 4,826                                   | 1,629            | 744                         | 7,199          |
| Sindh sales tax on Pension fund Manager's remuneration   | 678                                     | 268              | 151                         | 1,097           | 627                                     | 107              | 50                          | 784            |
| Remuneration of Central Depository Company<br>of Pakistan Limited - Trustee  | 533                                     | 191              | 100                         | 824             | 444                                     | 166              | 76                          | 686            |
| Annual fee to the Securities and<br>Exchange Commission of Pakistan  | 115                                     | 44               | 25                          | 184             | 106                                     | 35               | 17                          | 158            |
| Auditors' remuneration   | 14                                      | 37               | 37                          | 88              | 29                                      | 29               | 29                          | 87             |
| Securities transaction costs   | 58                                      | 2                | 7                           | 67              | 1,390                                   | -                | -                           | 1,390          |
| Legal and professional charges   | 6                                       | 4                | -                           | -               | -                                       | -                | -                           | -              |
| Custody and settlement charges   | 279                                     | 1                | -                           | 280             | 317                                     | 2                | -                           | 319            |
| Charity  | 399                                     | -                | -                           | 399             | -                                       | -                | -                           | -              |
| Printing expense   | 6                                       | 6                | 6                           | 18              | -                                       | -                | -                           | -              |
| Bank and other charges   | 59                                      | 127              | 265                         | 451             | 18                                      | 43               | 9                           | 70             |
| <b>Total expenses</b>  | <b>7,365</b>                            | <b>2,742</b>     | <b>1,754</b>                | <b>11,851</b>   | <b>7,757</b>                            | <b>2,011</b>     | <b>925</b>                  | <b>10,693</b>  |
| <b>Net operating (loss) / income for the period</b>  | <b>(70,894)</b>                         | <b>4,781</b>     | <b>2,379</b>                | <b>(63,724)</b> | <b>221,204</b>                          | <b>7,000</b>     | <b>2,538</b>                | <b>230,742</b> |
| Element of income / (loss) and capital gains / (losses) included<br>in the prices of units less those in units redeemed - net          | 5,833                                   | 110              | 953                         | 6,896           | 3,601                                   | (775)            | 605                         | 3,431          |
| Provision for Workers' Welfare Fund  | 8                                       | -                | -                           | -               | (4,380)                                 | (206)            | (100)                       | (4,686)        |
| <b>Net (loss) / income for the period before taxation</b>  | <b>(65,061)</b>                         | <b>4,891</b>     | <b>3,332</b>                | <b>(56,828)</b> | <b>220,425</b>                          | <b>6,019</b>     | <b>3,043</b>                | <b>229,487</b> |
| Taxation   | 12                                      | -                | -                           | -               | -                                       | -                | -                           | -              |
| <b>Net (loss) / income for the period after taxation</b>   | <b>(65,061)</b>                         | <b>4,891</b>     | <b>3,332</b>                | <b>(56,828)</b> | <b>220,425</b>                          | <b>6,019</b>     | <b>3,043</b>                | <b>229,487</b> |

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited  
(Pension Fund Manager)**

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2017**

|   | For the half year ended December 31, 2017 |                  |                             |                  | For the half year ended December 31, 2016 |                  |                             |          |
|---|---|------------------|-----------------------------|------------------|---|------------------|-----------------------------|----------|
|   | Equity<br>Sub-Fund                        | Debt<br>Sub-Fund | Money<br>Market<br>Sub-Fund | Total            | Equity<br>Sub-Fund                        | Debt<br>Sub-Fund | Money<br>Market<br>Sub-Fund | Total    |
|   | ----- (Rupees in '000) -----              |                  |                             |                  | ----- (Rupees in '000) -----              |                  |                             |          |
| <b>Net (loss) / income for the period after taxation</b>                                  | <b>(251,360)</b>                          | <b>4,902</b>     | <b>5,180</b>                | <b>(241,278)</b> | 303,339                                   | 10,286           | 5,000                       | 318,625  |
| <b>Other comprehensive income for the period</b>  |   |                  |                             |                  |   |                  |                             |          |
| <b>Items that may be reclassified subsequently to income statement</b>                    |   |                  |                             |                  |   |                  |                             |          |
| Unrealized (loss) on re-measurement of investments classified as available-for-sale - net | (6,330)                                   | -                | -                           | (6,330)          | -   | -                | -                           | -        |
| <b>Items that will not be reclassified subsequently to income statement</b>               | <b>-</b>                                  | <b>-</b>         | <b>-</b>                    | <b>-</b>         | <b>-</b>                                  | <b>-</b>         | <b>-</b>                    | <b>-</b> |
| <b>Total comprehensive income for the period</b>  | <b>(257,690)</b>                          | <b>4,902</b>     | <b>5,180</b>                | <b>(247,608)</b> | 303,339                                   | 10,286           | 5,000                       | 318,625  |

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited  
(Pension Fund Manager)**

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED DECEMBER 31, 2017**

|   | For the quarter ended December 31, 2017 |                  |                             |                 | For the quarter ended December 31, 2016 |                  |                             |         |
|---|---|------------------|-----------------------------|-----------------|---|------------------|-----------------------------|---------|
|   | Equity<br>Sub-Fund                      | Debt<br>Sub-Fund | Money<br>Market<br>Sub-Fund | Total           | Equity<br>Sub-Fund                      | Debt<br>Sub-Fund | Money<br>Market<br>Sub-Fund | Total   |
|   | ----- (Rupees in '000) -----            |                  |                             |                 | ----- (Rupees in '000) -----            |                  |                             |         |
| <b>Net income for the period after taxation</b>   | <b>(65,061)</b>                         | <b>4,891</b>     | <b>3,332</b>                | <b>(56,838)</b> | 220,425                                 | 6,019            | 3,043                       | 229,487 |
| <b>Other comprehensive income for the quarter</b>   |   |                  |                             |                 |   |                  |                             |         |
| <b>Items that may be reclassified subsequently to income statement</b>                    |   |                  |                             |                 |   |                  |                             |         |
| Unrealized (loss) on re-measurement of investments classified as available-for-sale - net | (7,122)                                 | -                | -                           | (7,122)         | -                                       | -                | -                           | -       |
| <b>Items that will not be reclassified subsequently to income statement</b>               | -                                       | -                | -                           | -               | -                                       | -                | -                           | -       |
| <b>Total comprehensive income for the period</b>  | <b>(72,183)</b>                         | <b>4,891</b>     | <b>3,332</b>                | <b>(63,960)</b> | 220,425                                 | 6,019            | 3,043                       | 229,487 |

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited  
(Pension Fund Manager)**

**SD**  
Chief Executive Officer

**SD**  
Chief Financial Officer

**SD**  
Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2017**

|   | For the half year ended December 31, 2017 |                |                       |                  | For the half year ended December 31, 2016 |                |                       |                  |
|---|---|----------------|-----------------------|------------------|---|----------------|-----------------------|------------------|
|   | Equity Sub-Fund                           | Debt Sub-Fund  | Money Market Sub-Fund | Total            | Equity Sub-Fund                           | Debt Sub-Fund  | Money Market Sub-Fund | Total            |
|   | ------(Rupees in '000)-----               |                |                       |                  | ------(Rupees in '000)-----               |                |                       |                  |
| Net assets at beginning of the period   | 1,716,239                                 | 482,324        | 279,738               | 2,478,301        | 1,202,111                                 | 404,740        | 189,717               | 1,796,568        |
| Amount received on issuance of units  | 379,123                                   | 124,778        | 199,292               | 703,193          | 255,570                                   | 161,249        | 141,817               | 558,636          |
| Amount paid on redemption of units - net  | (430,976)                                 | (76,177)       | (135,072)             | (642,225)        | (314,723)                                 | (178,366)      | (114,697)             | (607,786)        |
| Reallocation among Sub-Funds  | (32,709)                                  | 24,334         | 8,375                 | -                | (20,298)                                  | 16,899         | 3,399                 | -                |
|   | (84,562)                                  | 72,935         | 72,595                | 60,968           | (79,451)                                  | (218)          | 30,519                | (49,150)         |
| Element of (income) / loss and capital (gains) / losses included in the prices of units sold less those in units redeemed - net | (9,061)                                   | 229            | (838)                 | (9,670)          | 3,371                                     | 775            | (606)                 | 3,540            |
| Unrealised (loss) on remeasurement of investments classified as available-for-sale - net  | (6,330)                                   | -              | -                     | (6,330)          | -   | -              | -                     | -                |
| (Loss) / gain on sale of investments - net  | (64,001)                                  | 193            | -                     | (63,808)         | 103,026                                   | -              | -                     | 103,026          |
| Unrealized gain on revaluation of investments classified as financial assets at fair value through profit or loss - net         | (222,567)                                 | (5,101)        | (640)                 | (228,308)        | 200,037                                   | 3,762          | 830                   | 204,629          |
| Other net income  | 35,208                                    | 9,810          | 5,820                 | 50,838           | 276                                       | 6,524          | 4,170                 | 10,970           |
|   | (251,360)                                 | 4,902          | 5,180                 | (241,278)        | 303,339                                   | 10,286         | 5,000                 | 318,625          |
| <b>Net assets at the end of the period</b>  | <b>1,364,926</b>                          | <b>560,390</b> | <b>356,675</b>        | <b>2,288,321</b> | <b>1,429,370</b>                          | <b>415,583</b> | <b>224,630</b>        | <b>2,069,583</b> |

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited**  
**(Pension Fund Manager)**

SD  
**Chief Executive Officer**

SD  
**Chief Financial Officer**

SD  
**Director**

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2017**

|  | For the half year ended December 31, 2017 |                |                       |                  | For the half year ended December 31, 2016 |               |                       |           |
|--|---|----------------|-----------------------|------------------|---|---------------|-----------------------|-----------|
|  | Equity Sub-Fund                           | Debt Sub-Fund  | Money Market Sub-Fund | Total            | Equity Sub-Fund                           | Debt Sub-Fund | Money Market Sub-Fund | Total     |
|  | ------(Rupees in '000)-----               |                |                       |                  | ------(Rupees in '000)-----               |               |                       |           |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |   |                |                       |                  |   |               |                       |           |
| <b>Net (loss) / income for the period before taxation</b>  | <b>(251,360)</b>                          | <b>4,902</b>   | <b>5,180</b>          | <b>(241,278)</b> | 303,339                                   | 10,286        | 5,000                 | 318,625   |
| <b>Adjustments for:</b>  |   |                |                       |                  |   |               |                       |           |
| Financial income   | (2,677)                                   | (15,571)       | (7,997)               | (26,245)         | (1,402)                                   | (11,784)      | (5,636)               | (18,822)  |
| Dividend income  | (38,919)                                  | -              | -                     | (38,919)         | (24,486)                                  | -             | -                     | (24,486)  |
| Capital (loss) / gain on sale of investments   | 64,001                                    | (193)          | -                     | 63,808           | (103,026)                                 | -             | -                     | (103,026) |
| Unrealized (loss) / gain on revaluation of investments classified as financial assets at fair value through profit or loss - net | 222,567                                   | 5,101          | 640                   | 228,308          | (200,037)                                 | (3,762)       | (830)                 | (204,629) |
| Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net    | (9,061)                                   | 229            | (838)                 | (9,670)          | 3,371                                     | 775           | (606)                 | 3,540     |
| Provision for Workers' Welfare Fund  | -   | -              | -                     | -                | 6,068                                     | 206           | 100                   | 6,374     |
|  | <b>(15,449)</b>                           | <b>(5,532)</b> | <b>(3,015)</b>        | <b>(23,996)</b>  | (16,173)                                  | (4,279)       | (1,972)               | (22,424)  |
| <b>Decrease in assets</b>  |   |                |                       |                  |   |               |                       |           |
| Investments - net  | (80,287)                                  | 219,737        | -                     | 139,450          | 23,179                                    | (23,239)      | 8,000                 | 7,940     |
| Dividend and other receivables   | 22,827                                    | 5,268          | (1,860)               | 26,235           | 13,767                                    | 7,167         | 1,305                 | 22,239    |
|  | <b>(57,460)</b>                           | <b>225,005</b> | <b>(1,860)</b>        | <b>165,685</b>   | 36,946                                    | (16,072)      | 9,305                 | 30,179    |
| <b>Increase / (decrease) in liabilities</b>  |   |                |                       |                  |   |               |                       |           |
| Payable to UBL Fund Managers Limited - Pension Fund Manager  | 165                                       | 459            | 258                   | 882              | 18  | (205)         | (25)                  | (212)     |
| Payable to the Central Depository Company  | (27)                                      | 12             | 10                    | (5)              | 13  | 13            | 9                     | 35        |
| Payable to the Securities and Exchange - Commission of Pakistan  | (231)                                     | (52)           | (26)                  | (309)            | (75)                                      | (34)          | (23)                  | (132)     |
| Accrued expenses and other liabilities   | 1,669                                     | (352)          | 3,967                 | 5,284            | (2,370)                                   | 100           | 44                    | (2,226)   |
|  | <b>1,576</b>                              | <b>67</b>      | <b>4,209</b>          | <b>5,852</b>     | (2,414)                                   | (126)         | 5                     | (2,535)   |
| Dividend income received   | (71,333)                                  | 219,540        | (666)                 | 147,541          | 18,359                                    | (20,477)      | 7,338                 | 5,220     |
| Financial income received  | 37,358                                    | -              | -                     | 37,358           | 25,939                                    | -             | -                     | 25,939    |
| Tax refunded paid to withholding tax agent in respect of prior year  | 2,972                                     | 17,460         | 6,373                 | 26,805           | 1,578                                     | 11,483        | 5,544                 | 18,605    |
|  | -   | (1)            | (11)                  | (12)             | 193                                       | (33)          | -                     | 160       |
| <b>Net cash generated from operating activities</b>  | <b>(31,003)</b>                           | <b>236,999</b> | <b>5,696</b>          | <b>211,692</b>   | 46,069                                    | (9,027)       | 12,882                | 49,924    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |   |                |                       |                  |   |               |                       |           |
| Amount received on issue of units  | 379,123                                   | 124,778        | 199,292               | 703,193          | 255,570                                   | 161,249       | 141,817               | 558,636   |
| Amount paid on redemption of units   | (430,976)                                 | (76,177)       | (135,072)             | (642,225)        | (314,723)                                 | (178,366)     | (114,697)             | (607,786) |
| Reallocation among Sub-Funds   | (32,709)                                  | 24,334         | 8,375                 | -                | (20,298)                                  | 16,899        | 3,399                 | -         |
| <b>Net cash generated from / (used in) financing activities</b>  | <b>(84,562)</b>                           | <b>72,935</b>  | <b>72,595</b>         | <b>60,968</b>    | (79,451)                                  | (218)         | 30,519                | (49,150)  |
| <b>Net decrease in cash and cash equivalents</b>   | <b>(115,565)</b>                          | <b>309,934</b> | <b>78,291</b>         | <b>272,660</b>   | (33,382)                                  | (9,245)       | 43,401                | 774       |
| Cash and cash equivalents at beginning of the period   | 218,725                                   | 66,425         | 222,003               | 507,153          | 107,053                                   | 151,336       | 127,512               | 385,901   |
| <b>Cash and cash equivalents at end of the period</b>  | <b>103,160</b>                            | <b>376,359</b> | <b>300,294</b>        | <b>779,813</b>   | 73,671                                    | 142,091       | 170,913               | 386,675   |
| <b>Cash and cash equivalents</b>   |   |                |                       |                  |   |               |                       |           |
| Bank balances  | 103,160                                   | 196,359        | 136,294               | 435,813          | 73,671                                    | 37,091        | 60,913                | 171,675   |
| Placements and term deposit receipts   | -   | 180,000        | 164,000               | 344,000          | -   | 105,000       | 110,000               | 215,000   |
|  | <b>103,160</b>                            | <b>376,359</b> | <b>300,294</b>        | <b>779,813</b>   | 73,671                                    | 142,091       | 170,913               | 386,675   |

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited  
(Pension Fund Manager)**

SD  
**Chief Executive Officer**

SD  
**Chief Financial Officer**

SD  
**Director**

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND  
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2017**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

Al-Ameen Islamic Retirement Savings Fund ("the Fund") has been established under the Voluntary Pension System Rules, 2005 (the VPS Rules) and has been approved as a pension fund by the Securities and Exchange Commission of Pakistan (SECP) on January 29, 2010. It has been constituted under a Trust Deed, dated November 17, 2009, between UBL Fund Managers Limited as the Pension Fund Manager, a company incorporated under the Companies Ordinance, 1984 and the MCB Financial Services Limited as the Trustee. The trusteeship of the Fund was transferred to Central Depository Company Of Pakistan Limited (CDC) (the Trustee) effective from March 31, 2014 through a supplemental trust deed dated February 21, 2014. The title to the assets of the Fund is held in the name of the Trustee.

The Fund is a pension fund and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in the VPS Rules and can be redeemed by surrendering to the Fund. As per the offering document the Fund cannot distribute any income from the Fund whether in cash or otherwise.

The Fund has been formed to provide a secure source of savings and regular income after retirement to the participants. The participants would contribute to the Fund during their working life and would typically withdraw from the Fund on or after retirement age. The Fund invests in a Shariah compliant diversified portfolio of securities under the Trust Deed. All the conducts and acts of the Fund are based on Shariah. The Pension Fund Manager has appointed Shariah Advisory Council to ensure that the activities of the Fund are in compliance with the principles of Shariah.

The Fund consists of three sub-funds namely, Al-Ameen Islamic Retirement Savings Fund Equity Sub-Fund ("Equity Sub-Fund"), Al-Ameen Islamic Retirement Savings Fund Debt Sub-Fund ("Debt Sub-Fund") and Al-Ameen Islamic Retirement Savings Fund Money Market Sub-Fund ("Money Market Sub-Fund") (collectively the "Sub-Funds"). The main features of the investment policy for each of the Sub-Funds are as follows:

- The Equity Sub-Fund shall invest primarily in listed equity securities with a minimum investment of 90% of its net asset value in listed shares. The investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) or the paid-up capital of the investee company. The investment in a single stock exchange sector is restricted to the higher of 30% of the NAV or the index weight, subject to a maximum of 35% of the NAV. The remaining assets of the Equity Sub-Fund shall be invested in any government security having less than one year time to maturity, or in a scheduled commercial bank having credit rating of 'A'.
- The Debt Sub-Fund shall invest primarily in tradable debt securities with weighted average duration of the investment portfolio of the Debt Sub-Fund not exceeding five years. At least twenty five percent (25%) of the assets in the Debt Sub-Fund shall be invested in securities issued by the Federal Government and upto twenty five (25%) of the Fund may be deposited with banks having not less than "AA +" rating. Composition of the remaining portion of the investments shall be as defined in the offering document.
- The Money Market Sub-Fund shall invest in short term debt instruments with time to maturity not exceeding six months, and in case of Shariah compliant Government securities, upto three years. The Fund can make investment in Shariah compliant securities issued by the Federal Government and the commercial banks having A+ rating. There are no restrictions placed by the VPS rules on such investments. The Fund can also make investment in securities issued by the provincial government, city government and government or a corporate entity (having credit rating of 'A' or higher) upto 10%, 5% and 5% of net assets of the Money Market Sub-Fund respectively.

As prescribed under the VPS rules, the Fund offers five types of allocation schemes to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility and Life Cycle Allocation. The contributors have the option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub-Funds. The allocation to the Sub-Funds has to be done at the date of opening of contributor's pension account and on an anniversary date thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis.

The registered office of the Pension Fund Manager is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi, (Previously it was situated at 8th floor, State life building No 1, I.I. Chundrigar Road, Karachi, Pakistan).

## **2. BASIS OF PREPARATION**

### **2.1 Statement of compliance**

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the VPS Rules and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the VPS Rules or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the VPS Rules or the directives issued by the SECP prevail.

**2.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2017.

**2.3** This condensed interim financial information is being submitted to the participants as required under Regulation 7(f) of the VPS Rules.

**2.4** This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

### **2.5 Functional and presentation currency**

Items included in the condensed interim financial information are measured using the currency of the primary economic environment in which the Fund operates. This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.

## **3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGMENT AND CHANGES THEREIN**

**3.1** The accounting policies applied for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual published audited financial statements of the Fund for the year ended June 30, 2017.

**3.2** The preparation of this condensed interim financial information in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

**3.3** The significant estimates, judgments and assumptions made by management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual published audited financial statements as at and for the year ended June 30, 2017.

**3.4** The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2017.

**3.5** Certain amendments to approved accounting standards have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2018. None of these amendments are expected to have a significant effect on this condensed interim financial information except for IFRS 9: Financial Instruments, which will replace IAS 39: Financial Instruments: Recognition and Measurement of Financial assets and Financial liabilities.

With respect to the classification and measurement, the number of categories of financial assets under IFRS 9 has been reduced; all recognized financial assets that are currently within in the scope of IAS 39 will be subsequently measured at either amortized cost or fair value under IFRS 9. Specifically:

- A debt instrument that (i) is held within a business model whose objective is to collect the contractual cash flows and (ii) has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding must be measured at amortized cost (net of any write down for impairment), unless the asset is designated at fair value through profit or loss (FVTPL) under the fair value option.

- A debt instrument that (i) is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets and (ii) has contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding, must be measured at FVTOCI, unless the asset is designated at FVTPL under the fair value option.
- All other debt instruments must be measured at FVTPL.
- All equity investments are to be measured in the statement of financial position at fair value, with gains and losses recognized in profit or loss except that if an equity investment is not held for trading, nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, an irrevocable election can be made at initial recognition to measure the investment at FVTOCI, with dividend income recognized in profit or loss.

The impairment model under IFRS 9 reflects expected credit losses, as opposed to incurred credit losses under IAS 39. Under the impairment approach in IFRS 9, it is no longer necessary for a credit event to have occurred before credit losses are recognized. Instead, an entity always accounts for expected credit losses and changes in those expected credit losses. The amount of expected credit losses should be updated at each reporting date to reflect changes in credit risk since initial recognition.

However, as per SECP letter dated November 21, 2017, applicability of impairment requirements for debt securities on mutual funds is deferred till further instructions. Meanwhile, asset management companies continue to follow the requirements of Circular 33 of 2012.

The new IFRS 9 requirements may have a material impact on accounting for investments in equity and debt securities made by the Fund and Management Company is in the process of assessing its impact on the financial statements of the Fund.

#### 4. BANK BALANCES

|                                  | Note | December 31, 2017 (Un-audited) |                |                       |                | June 30, 2017 (Audited)     |               |                       |                |
|----------------------------------|------|--------------------------------|----------------|-----------------------|----------------|-----------------------------|---------------|-----------------------|----------------|
|                                  |      | Equity Sub-Fund                | Debt Sub-Fund  | Money Market Sub-Fund | Total          | Equity Sub-Fund             | Debt Sub-Fund | Money Market Sub-Fund | Total          |
|                                  |      | ------(Rupees in '000)-----    |                |                       |                | ------(Rupees in '000)----- |               |                       |                |
| Profit and loss sharing accounts | 4.1  | 85,897                         | 189,587        | 131,465               | 406,949        | 138,401                     | 60,060        | 220,822               | 419,283        |
| Current accounts                 |      | 17,263                         | 6,772          | 4,829                 | 28,864         | 80,324                      | 6,365         | 1,181                 | 87,870         |
|                                  |      | <b>103,160</b>                 | <b>196,359</b> | <b>136,294</b>        | <b>435,813</b> | <b>218,725</b>              | <b>66,425</b> | <b>222,003</b>        | <b>507,153</b> |

- 4.1 Profit rate on these accounts ranges between 2.4% to 5.95% (June 30, 2017: 3.75% to 5.8%) per annum.

#### 5. INVESTMENTS - NET

|   | Note | December 31, 2017 (Un-audited) |                |                       |                  | June 30, 2017 (Audited)     |                |                       |                  |
|---|------|--------------------------------|----------------|-----------------------|------------------|-----------------------------|----------------|-----------------------|------------------|
|   |      | Equity Sub-Fund                | Debt Sub-Fund  | Money Market Sub-Fund | Total            | Equity Sub-Fund             | Debt Sub-Fund  | Money Market Sub-Fund | Total            |
|   |      | ------(Rupees in '000)-----    |                |                       |                  | ------(Rupees in '000)----- |                |                       |                  |
| <b>Investments by category:</b>                       |      |                                |                |                       |                  |                             |                |                       |                  |
| <b>Fair value through profit or loss - Held</b>       |      |                                |                |                       |                  |                             |                |                       |                  |
| Listed equity securities                              | 5.1  | 1,033,245                      | -              | -                     | 1,033,245        | 1,483,018                   | -              | -                     | 1,483,018        |
| Government securities - Ijarah Sukuk Certificates     | 5.3  | -                              | 157,610        | 50,355                | 207,965          | -                           | 392,609        | 50,995                | 443,604          |
| Debt securities - privately placed sukuk certificates | 5.4  | -                              | 23,875         | -                     | 23,875           | -                           | 13,521         | -                     | 13,521           |
| <b>Available for sale</b>                             |      |                                |                |                       |                  |                             |                |                       |                  |
| Listed equity securities                              | 5.2  | 237,162                        | -              | -                     | 237,162          | -                           | -              | -                     | -                |
|   |      | <b>1,270,407</b>               | <b>181,485</b> | <b>50,355</b>         | <b>1,502,247</b> | <b>1,483,018</b>            | <b>406,130</b> | <b>50,995</b>         | <b>1,940,143</b> |

## 5.1 Equity securities - Held-for-trading

### (Ordinary Shares of Rs. 10 each unless indicated otherwise)

| Sector and Name of Security                         | As at July 1, 2017 | Purchased / bonus received during the period | Sold during the period | As at Dec 31, 2017 | Total carrying value as at Dec 31, 2017 | Total market value as at Dec 31, 2017 | (Diminution) as at December 31, 2017 | Market value of investment as a percentage of net assets | Market value of investment as a percentage of total investment | Investment as a percentage of investees' paid up capital |
|---|--------------------|--|------------------------|--------------------|---|---------------------------------------|--------------------------------------|--|--|--|
| Note  | (Number of shares) |  |                        |                    | (Rupees '000)                           |                                       |                                      | (%)  |  |  |
| <b>AUTOMOBILE ASSEMBLER</b>                         |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Honda Atlas Cars (Pakistan) Limited                 | 42,600             | -  | -                      | 42,600             | 36,964                                  | 21,829                                | (15,135)                             | 1.60   | 1.72   | 0.04   |
| Pak Suzuki Motor Company Limited                    | 44,200             | -  | 37,200                 | 7,000              | 5,463                                   | 3,484                                 | (1,979)                              | 0.26   | 0.27   | 0.05   |
| Millat Tractors Limited                             | 15,000             | -  | -                      | 15,000             | 20,617                                  | 17,574                                | (3,043)                              | 1.29   | 1.38   | 0.00   |
| Ghandhara Industries Limited                        | 30,400             | -  | 30,400                 | -                  | -                                       | -                                     | -                                    | -  | -  | 0.00   |
|   |                    |  |                        |                    | 63,044                                  | 42,887                                | (20,157)                             | 3.15   | 3.37   |  |
| <b>CEMENT</b>                                       |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Cherat Cement Company Limited                       | 250,000            | -  | -                      | 250,000            | 44,695                                  | 27,728                                | (16,967)                             | 2.03   | 2.18   | 0.14   |
| Lucky Cement Limited                                | 124,800            | -  | 19,050                 | 105,750            | 88,435                                  | 54,716                                | (33,719)                             | 4.01   | 4.31   | 0.04   |
| D.G. Khan Cement Company Limited                    | 270,700            | 5.1.1  | 148,400                | 122,300            | 26,069                                  | 16,354                                | (9,715)                              | 1.20   | 1.29   | 0.07   |
| Pioneer Cement Limited                              | 376,900            | -  | -                      | 376,900            | 48,997                                  | 23,790                                | (25,207)                             | 1.74   | 1.87   | 0.18   |
| Fauji Cement Company Limited                        | 642,500            | -  | 206,500                | 436,000            | 17,889                                  | 10,904                                | (6,985)                              | 0.80   | 0.86   | 0.06   |
| Kohat Cement Company Limited                        | -                  | 117,000                                      | -                      | 117,000            | 24,348                                  | 16,608                                | (7,740)                              | 1.22   | 1.31   | 0.00   |
|   |                    |  |                        |                    | 250,433                                 | 150,100                               | (100,333)                            | 11.00  | 11.82  |  |
| <b>FERTILIZER</b>                                   |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Engro Corporation Limited                           | 262,000            | 28,000                                       | 60,000                 | 230,000            | 74,792                                  | 63,193                                | (11,599)                             | 4.63   | 4.96   | 0.03   |
| Engro Fertilizers Limited                           | 846,000            | 210,000                                      | 30,000                 | 1,026,000          | 56,549                                  | 69,481                                | 12,932                               | -  | -  | 0.00   |
|   |                    |  |                        |                    | 131,341                                 | 132,674                               | 1,333                                | 4.63   | 4.96   |  |
| <b>POWER GENERATION &amp; DISTRIBUTION</b>          |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Hub Power Company Limited                           | 690,800            | 82,000                                       | 63,000                 | 709,800            | 82,863                                  | 64,592                                | (18,271)                             | 4.73   | 5.08   | 0.05   |
| K-Electric Limited (Ordinary Shares Of Rs 3.5 Each) | 1,500,000          | -  | -                      | 1,500,000          | 10,350                                  | 9,465                                 | (885)                                | 0.69   | 0.75   | 0.01   |
|   |                    |  |                        |                    | 93,213                                  | 74,057                                | (19,156)                             | 5.42   | 5.83   |  |
| <b>OIL &amp; GAS EXPLORATION COMPANIES</b>          |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Oil and Gas Development Company Limited             | 377,700            | 63,000                                       | 10,000                 | 430,700            | 60,868                                  | 70,114                                | 9,246                                | 5.14   | 5.52   | 0.01   |
| Pakistan Petroleum Limited                          | 368,400            | 30,000                                       | 69,500                 | 328,900            | 49,304                                  | 67,724                                | 18,420                               | 4.96   | 5.33   | 0.03   |
| Pakistan Oilfields Limited                          | 43,200             | -  | 3,300                  | 39,900             | 18,280                                  | 23,711                                | 5,431                                | 1.74   | 1.87   | 0.04   |
| Mari Petroleum Company Limited                      | 48,050             | 5,000  | 1,000                  | 52,050             | 81,838                                  | 75,518                                | (6,320)                              | 5.53   | 5.94   | 0.01   |
|   |                    |  |                        |                    | 210,290                                 | 237,067                               | 26,777                               | 17.37  | 18.66  |  |
| <b>OIL &amp; GAS MARKETING COMPANIES</b>            |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Pakistan State Oil Company Limited                  | 103,950            | 18,490                                       | 81,500                 | 40,940             | 13,215                                  | 12,000                                | (1,215)                              | 0.88   | 0.94   | 0.05   |
| Attock Petroleum Limited                            | 29,000             | -  | 9,350                  | 19,650             | 12,309                                  | 10,279                                | (2,030)                              | 0.75   | 0.81   | 0.06   |
|   |                    |  |                        |                    | 25,524                                  | 22,279                                | (3,245)                              | 1.63   | 1.75   |  |
| <b>PHARMACEUTICALS</b>                              |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| The Searle Company Limited                          | 59,910             | 3,422  | 42,800                 | 20,532             | 8,760                                   | 6,465                                 | (2,295)                              | 0.47   | 0.51   | 0.04   |
| Highnoon Laboratories Limited                       | 28,392             | -  | 3,500                  | 24,892             | 15,589                                  | 10,623                                | (4,966)                              | 0.78   | 0.84   | 0.00   |
|   |                    |  |                        |                    | 24,349                                  | 17,088                                | (7,261)                              | 1.25   | 1.35   |  |
| <b>TEXTILE COMPOSITE</b>                            |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Nishat Mills Limited                                | 452,200            | -  | 130,500                | 321,700            | 51,047                                  | 48,094                                | (2,953)                              | 3.52   | 3.80   | 0.08   |
|   |                    |  |                        |                    | 51,047                                  | 48,094                                | (2,953)                              | 3.52   | 3.80   |  |
| <b>TRANSPORT</b>                                    |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Pakistan International Bulk Terminal Limited        | -                  | -  | -                      | -                  | -                                       | -                                     | -                                    | -  | -  | -  |
| <b>PAPER &amp; BOARD</b>                            |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Century Paper & Board Mills Limited                 | 171,500            | 121,100                                      | -                      | 292,600            | 27,553                                  | 18,179                                | (9,374)                              | 1.33   | 1.43   | 0.07   |
| Packages Limited                                    | 85,450             | -  | 53,350                 | 32,100             | 22,328                                  | 16,366                                | (5,962)                              | 1.20   | 1.29   | 0.27   |
|   |                    |  |                        |                    | 49,881                                  | 34,545                                | (15,336)                             | 2.53   | 2.72   |  |
| <b>ENGINEERING</b>                                  |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| International Steels                                | 233,500            | 25,000                                       | 32,000                 | 226,500            | 28,909                                  | 24,093                                | (4,816)                              | -  | -  | -  |
| Mughal Iron And Steel Industries Limited            | 182,000            | -  | 132,000                | 50,000             | 4,037                                   | 2,905                                 | (1,132)                              | 0.21   | 0.23   | 0.21   |
| Amreli Steels Limited                               | 103,500            | -  | -                      | 103,500            | 12,725                                  | 9,590                                 | (3,135)                              | 0.70   | 0.75   | 0.00   |
| Ittefaq Iron Industries Limited                     | 1,112,000          | 150,000                                      | -                      | 1,262,000          | 37,932                                  | 21,378                                | (16,554)                             | 1.57   | 1.68   | 0.08   |
|   |                    |  |                        |                    | 83,603                                  | 57,966                                | (25,637)                             | 2.48   | 2.66   |  |
| <b>GLASS &amp; CERAMICS</b>                         |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Tariq Glass Industries Limited                      | 531,000            | -  | 150,000                | 381,000            | 42,200                                  | 36,191                                | (6,009)                              | 2.65   | 2.85   | 0.70   |
|   |                    |  |                        |                    | 42,200                                  | 36,191                                | (6,009)                              | 2.65   | 2.85   |  |
| <b>CHEMICAL</b>                                     |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Sitara Chemicals Industries                         | 62,800             | -  | -                      | 62,800             | 27,922                                  | 18,902                                | (9,020)                              | 1.38   | 1.49   | 0.00   |
| Ici Pakistan Limited                                | 40,800             | -  | -                      | 40,800             | 44,658                                  | 31,332                                | (13,326)                             | 2.30   | 2.47   | 0.00   |
|   |                    |  |                        |                    | 72,580                                  | 50,234                                | (22,346)                             | 3.68   | 3.96   |  |
| <b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>           |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Thal Limited (Ordinary Shares of Rs 5 each)         | 89,500             | 5,400  | 10,750                 | 84,150             | 50,666                                  | 42,992                                | (7,674)                              | 3.15   | 3.38   | 0.17   |
|   |                    |  |                        |                    | 50,666                                  | 42,992                                | (7,674)                              | 3.15   | 3.38   |  |
| <b>CABLE &amp; ELECTRICAL GOODS</b>                 |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Pak Elektron Limited                                | 267,500            | 82,000                                       | 320,000                | 29,500             | 3,212                                   | 1,401                                 | (1,811)                              | 0.10   | 0.11   | 0.01   |
|   |                    |  |                        |                    | 3,212                                   | 1,401                                 | (1,811)                              | 0.10   | 0.11   |  |
| <b>FOOD &amp; PERSONAL CARE PRODUCTS</b>            |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Al-Shaheer Corporation Limited                      | 340,500            | 30,000                                       | -                      | 370,500            | 14,857                                  | 8,233                                 | (6,624)                              | 0.60   | 0.65   | 0.26   |
| Shezan International Limited                        | 35,300             | -  | -                      | 35,300             | 16,768                                  | 17,421                                | 653                                  | 1.28   | 1.37   | 0.44   |
|   |                    |  |                        |                    | 405,800                                 | 31,625                                | 25,654                               | (5,971)  | 1.88   | 2.02   |
| <b>MISCELLANEOUS</b>                                |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Synthetic Products Ltd                              | 484,500            | -  | -                      | 484,500            | 36,556                                  | 29,283                                | (7,273)                              | 2.15   | 2.31   | 0.57   |
|   |                    |  |                        |                    | 36,556                                  | 29,283                                | (7,273)                              | 2.15   | 2.31   |  |
| <b>TECHNOLOGY &amp; COMMUNICATION</b>               |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Avanceon Limited                                    | 35,938             | -  | -                      | 35,938             | 1,628                                   | 1,243                                 | (385)                                | 0.09   | 0.10   | 0.03   |
|   |                    |  |                        |                    | 1,628                                   | 1,243                                 | (385)                                | 0.09   | 0.10   |  |
| <b>COMMERCIAL BANKS</b>                             |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Meezan Bank Limited                                 | 414,500            | 25,000                                       | -                      | 439,500            | 34,620                                  | 29,490                                | (5,130)                              | 2.16   | 2.32   | 0.04   |
| Meezan Bank Limited- Lor                            | -                  | 26,370                                       | 26,370                 | -                  | -                                       | -                                     | -                                    | -  | -  | -  |
|   |                    |  |                        |                    | 439,500                                 | 34,620                                | 29,490                               | 2.16   | 2.32   |  |
| <b>Health Care Equipment And Services</b>           |                    |  |                        |                    |   |                                       |                                      |  |  |  |
| Shifa International Hospitals Limited               | -                  | -  | -                      | -                  | -                                       | -                                     | -                                    | -  | -  | -  |
| <b>Total Value as at December 31 2017</b>           |                    |  |                        |                    | <b>1,255,812</b>                        | <b>1,033,245</b>                      | <b>(222,567)</b>                     |  |  |  |
| <b>Total Value as at June 30 2017</b>               |                    |  |                        |                    | <b>1,372,119</b>                        | <b>1,483,018</b>                      | <b>110,899</b>                       |  |  |  |

5.1.1 The above equity securities include 0.12 million shares (June 30, 2017: 0.12 million shares) pledged with National Clearing Company of Pakistan Limited having market value of Rs. 16.05 million (June 30, 2017: Rs. 25.57 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.

5.1.2 The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by a shareholder are to be treated as income and tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the Company declaring bonus shares which shall be considered as final discharge of tax liability on such income. However, the management of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemption given to mutual funds under clause 47B and 99 of the Second Schedule of Income Tax Ordinance, 2001. The Honorable Sindh High Court dismissed the case against which the said parties have filed the appeal in Honourable Supreme Court of Pakistan which has granted stay order till the final outcome of the case. Accordingly, the investee Company(s) has withheld the shares equivalent to 5 % of bonus announcement and not deposited in CDC account of Income Tax department.

## 5.2 Listed equity securities - at fair value through profit or loss - available for sale

### (Ordinary Shares of Rs. 10 each unless indicated otherwise)

| Sector and Name of Security                | As at July 1, 2017 | Purchased / bonus received during the period | Sold during the period | As at December 31, 2017 | Total carrying value as at December 31, 2017 | Total market value as at December 31, 2017 | (Diminution) as at December 31, 2017 | Market value of investment as a percentage of net assets | Market value of investment as a percentage of total investment | Investment as a percentage of investees' paid up capital |
|--|--------------------|--|------------------------|-------------------------|--|--|--------------------------------------|--|--|--|
|  | (Number of shares) |  |                        |                         | (Rupees '000)                                |  |                                      | (%)  |  |  |
| <b>AUTOMOBILE ASSEMBLER</b>                |                    |  |                        |                         |  |  |                                      |  |  |  |
| Honda Atlas Cars (Pakistan) Limited        | -                  | 17,500                                       | -                      | 17,500                  | 9,423  | 8,967                                      | (456)                                | 1.00   | 1.00   | 0.00   |
|  |                    |  |                        |                         | <b>9,423</b>                                 | <b>8,967</b>                               | <b>(456)</b>                         | <b>1.00</b>  | <b>1.00</b>  | <b>-</b>   |
| <b>CEMENT</b>                              |                    |  |                        |                         |  |  |                                      |  |  |  |
| Kohat Cement Company Limited               | -                  | 142,800                                      | -                      | 142,800                 | 20,953                                       | 20,272                                     | (681)                                | 1.00   | 2.00   | 0.00   |
| Pioneer Cement Limited                     | -                  | 8,900  | -                      | 8,900                   | 726  | 562  | (164)                                | -  | -  | 0.00   |
| Lucky Cement Company Limited               | -                  | 1,500  | -                      | 1,500                   | 821  | 776  | (45)                                 | -  | -  | 0.00   |
| Cherat Cement Company Limited              | -                  | 13,500                                       | -                      | 13,500                  | 1,530  | 1,497                                      | (33)                                 | -  | -  | 0.00   |
| Fauji Cement Co. Limited                   | -                  | 25,000                                       | -                      | 25,000                  | 775  | 625  | (150)                                | -  | -  | 0.00   |
| D.G.Khan Cement Co. Limited                | -                  | 3,000  | -                      | 3,000                   | 445  | 401  | (44)                                 | -  | -  | 0.00   |
|  |                    |  |                        |                         | <b>25,250</b>                                | <b>24,133</b>                              | <b>(1,117)</b>                       | <b>1.00</b>  | <b>2.00</b>  | <b>-</b>   |
| <b>FERTILIZER</b>                          |                    |  |                        |                         |  |  |                                      |  |  |  |
| Engro Fertilizer Limited                   | -                  | 143,000                                      | -                      | 143,000                 | 9,224  | 9,684                                      | 460                                  | 1.00   | 1.00   | 0.04   |
| Engro Corporation                          | -                  | 37,800                                       | -                      | 37,800                  | 11,974                                       | 10,386                                     | (1,588)                              | 1.00   | 1.00   | 0.00   |
|  |                    |  |                        |                         | <b>21,198</b>                                | <b>20,070</b>                              | <b>(1,128)</b>                       | <b>2.00</b>  | <b>2.00</b>  | <b>0.04</b>  |
| <b>POWER GENERATION &amp; DISTRIBUTION</b> |                    |  |                        |                         |  |  |                                      |  |  |  |
| Hub Power Company Limited                  | -                  | 34,000                                       | -                      | 34,000                  | 3,953  | 3,094                                      | (859)                                | -  | -  | 0.00   |
| K Electric Limited                         | -                  | 1,000,000                                    | -                      | 1,000,000               | 6,313  | 6,310                                      | (3)                                  | -  | -  | 0.00   |
|  |                    |  |                        |                         | <b>10,266</b>                                | <b>9,404</b>                               | <b>(862)</b>                         | <b>-</b>   | <b>-</b>   | <b>-</b>   |
| <b>OIL &amp; GAS EXPLORATION COMPANIES</b> |                    |  |                        |                         |  |  |                                      |  |  |  |
| Pak Oilfields Limited                      | -                  | 68,200                                       | -                      | 68,200                  | 38,314                                       | 40,528                                     | 2,214                                | 3.00   | 3.00   | 0.00   |
| Pak Petroleum Limited                      | -                  | 60,000                                       | -                      | 60,000                  | 11,792                                       | 12,355                                     | 563                                  | 1.00   | 1.00   | 0.00   |
| Oil & Gas Development Co. Limited          | -                  | 35,000                                       | -                      | 35,000                  | 5,340  | 5,698                                      | 358                                  | -  | -  | 0.00   |
|  |                    |  |                        |                         | <b>55,446</b>                                | <b>58,581</b>                              | <b>3,135</b>                         | <b>4.00</b>  | <b>4.00</b>  | <b>-</b>   |
| <b>OIL &amp; GAS MARKETING COMPANIES</b>   |                    |  |                        |                         |  |  |                                      |  |  |  |
| Pakistan State Oil Company Limited         | -                  | 15,000                                       | -                      | 15,000                  | 4,112  | 4,397                                      | 285                                  | -  | -  | 0.00   |
|  |                    |  |                        |                         | <b>4,112</b>                                 | <b>4,397</b>                               | <b>285</b>                           | <b>-</b>   | <b>-</b>   | <b>-</b>   |
| <b>TEXTILE COMPOSITE</b>                   |                    |  |                        |                         |  |  |                                      |  |  |  |
| Nishat Mills Limited                       | -                  | 46,000                                       | -                      | 46,000                  | 6,897  | 6,877                                      | (20)                                 | 1.00   | 1.00   | 0.00   |
| Kohinoor Textile Mills Limited             | -                  | 175,000                                      | -                      | 175,000                 | 10,349                                       | 11,594                                     | 1,245                                | 1.00   | 1.00   | 0.00   |
|  |                    |  |                        |                         | <b>17,246</b>                                | <b>18,471</b>                              | <b>1,225</b>                         | <b>2.00</b>  | <b>2.00</b>  | <b>-</b>   |
| <b>ENGINEERING</b>                         |                    |  |                        |                         |  |  |                                      |  |  |  |
| Ittefaq Iron Industries Limited            | -                  | 25,000                                       | -                      | 25,000                  | 538  | 424  | (114)                                | -  | -  | 0.00   |
| Amreli Steels Limited                      | -                  | 80,000                                       | -                      | 80,000                  | 7,397  | 7,413                                      | 16                                   | 1.00   | 1.00   | 0.00   |
| International Steels                       | -                  | 60,000                                       | -                      | 60,000                  | 7,301  | 6,382                                      | (919)                                | -  | 1.00   | 0.00   |
|  |                    |  |                        |                         | <b>15,236</b>                                | <b>14,219</b>                              | <b>(1,017)</b>                       | <b>1.00</b>  | <b>2.00</b>  | <b>-</b>   |
| <b>CHEMICAL</b>                            |                    |  |                        |                         |  |  |                                      |  |  |  |
| Sitara Chemicals Industries                | -                  | 11,500                                       | -                      | 11,500                  | 3,469  | 3,460                                      | (9)                                  | -  | -  | 0.00   |
| Engro Polymer & Chemicals Limited          | -                  | 992,500                                      | 100,000                | 892,500                 | 30,647                                       | 25,490                                     | (5,157)                              | 2.00   | 2.00   | 0.00   |
|  |                    |  |                        |                         | <b>34,116</b>                                | <b>28,950</b>                              | <b>(5,166)</b>                       | <b>2.00</b>  | <b>2.00</b>  | <b>-</b>   |
| <b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>  |                    |  |                        |                         |  |  |                                      |  |  |  |
| General Tyre & Rubber Co. Of Pakistan Ltd. | -                  | 105,000                                      | -                      | 105,000                 | 20,228                                       | 19,772                                     | (456)                                | 1.00   | 2.00   | 0.00   |
|  |                    |  |                        |                         | <b>20,228</b>                                | <b>19,772</b>                              | <b>(456)</b>                         | <b>1.00</b>  | <b>2.00</b>  | <b>-</b>   |
| <b>FOOD AND PERSONAL CARE</b>              |                    |  |                        |                         |  |  |                                      |  |  |  |
| Shezan International Limited               | -                  | 30,000                                       | -                      | 30,000                  | 13,132                                       | 14,805                                     | 1,673                                | 1.00   | 1.00   | 0.00   |
| Al-Shaheer Corporation Limited             | -                  | 51,500                                       | -                      | 51,500                  | 1,551  | 1,144                                      | (407)                                | -  | -  | 0.00   |
|  |                    |  |                        |                         | <b>14,683</b>                                | <b>15,949</b>                              | <b>1,266</b>                         | <b>1.00</b>  | <b>1.00</b>  | <b>-</b>   |
| <b>LEATHER &amp; TANNERIES</b>             |                    |  |                        |                         |  |  |                                      |  |  |  |
| Service Industries Limited                 | -                  | 16,640                                       | -                      | 16,640                  | 14,969                                       | 12,480                                     | (2,489)                              | 1.00   | 1.00   | 0.00   |
|  |                    |  |                        |                         | <b>14,969</b>                                | <b>12,480</b>                              | <b>(2,489)</b>                       | <b>1.00</b>  | <b>1.00</b>  | <b>-</b>   |
| <b>COMMERCIAL BANKS</b>                    |                    |  |                        |                         |  |  |                                      |  |  |  |
| Meezan Bank Limited                        | -                  | 26,370                                       | -                      | 26,370                  | 1,319  | 1,769                                      | 450                                  | -  | -  | 0.00   |
|  |                    |  |                        |                         | <b>1,319</b>                                 | <b>1,769</b>                               | <b>450</b>                           | <b>-</b>   | <b>-</b>   | <b>-</b>   |
| <b>Total Value as at December 31, 2017</b> |                    |  |                        |                         | <b>243,492</b>                               | <b>237,162</b>                             | <b>(6,330)</b>                       |  |  |  |
| Total Value As At June 30 2017             |                    |  |                        |                         | -  | -  | -                                    |  |  |  |

### 5.3 Government securities - Ijarah Sukuk Certificates At fair value through profit and loss

#### At fair value through profit and loss

The details of investment in Ijarah Sukuk Certificates of Rs. 100,000 each are as follows:

| Particulars  | Note  | As at July 1, 2017 | Purchased during the period | Sold / matured during the period | As at December 31, 2017 | Cost as at December 31, 2017 | Market value as at December 31, 2017 | Unrealized gain as at December 31, 2017 | Percentage in relation to  |  |
|--|-------|--------------------|-----------------------------|----------------------------------|-------------------------|------------------------------|--------------------------------------|---|--|--|
|  |       |                    |                             |                                  |                         |                              |                                      |   | Market value as a percentage of Total Investment of the sub fund | Market value as a percentage of net assets of the Sub-Fund |
| ------(Rs in "000")----- %-----                              |       |                    |                             |                                  |                         |                              |                                      |   |  |  |
| <b>Government securities - held by Debt Sub-Fund</b>         |       |                    |                             |                                  |                         |                              |                                      |   |  |  |
| Ijarah Sukuk XVI   | 5.3.1 | 900                | 665                         | -                                | 1,565                   | 158,763                      | 157,610                              | (1,153)                                 | 0.87   | 0.28   |
| <b>Total as at December 31, 2017</b>                         |       |                    |                             |                                  |                         | <b>158,763</b>               | <b>157,610</b>                       | <b>(1,153)</b>                          | <b>0.87</b>  | <b>0.28</b>  |
| <b>Total as at June 30, 2017</b>                             |       |                    |                             |                                  |                         | <b>388,661</b>               | <b>392,609</b>                       | <b>3,948</b>                            |  |  |
| <b>Government securities - held by Money Market Sub-Fund</b> |       |                    |                             |                                  |                         |                              |                                      |   |  |  |
| Ijarah Sukuk XVI   | 5.3.1 | 500                | -                           | -                                | 500                     | 50,995                       | 50,355                               | (640)                                   | 1.00   | 0.14   |
| <b>Total as at December 31, 2017</b>                         |       |                    |                             |                                  |                         | <b>50,995</b>                | <b>50,355</b>                        | <b>(640)</b>                            | <b>100</b>   | <b>0.14</b>  |
| <b>Total as at June 30, 2017</b>                             |       |                    |                             |                                  |                         | <b>50,000</b>                | <b>50,395</b>                        | <b>395</b>                              |  |  |

5.3.1 These carry profit at the rate of 5.51% (June 30, 2017 : 5.24% to 6.1%) per annum receivable semi-annually in arrears, maturing in December 2018.

### 5.4 Debt securities - Privately placed sukuk certificates - at fair value through profit and loss - held for trading

The details of investment in Sukuk certificates of Rs 5,000 each unless indicated otherwise are as follows:

| Particulars  | Note  | As at July 1, 2017 | Purchased during the period | Sold/ matured during the period | As at December 31, 2017 | Cost as at December 31, 2017 | Market value as at December 31, 2017 | Unrealized gain / (loss) as at December 31, 2017 | Percentage in relation to                                  |  |
|--|-------|--------------------|-----------------------------|---------------------------------|-------------------------|------------------------------|--------------------------------------|--|--|--|
|  |       |                    |                             |                                 |                         |                              |                                      |  | Market value as a percentage of net assets of the sub fund | Market value as a percentage of Total Investment of the sub fund |
| -----Number of certificates----- (Rs in 000) ----- (%) ----- |       |                    |                             |                                 |                         |                              |                                      |  |  |  |
| <b>Held by Debt Sub-Fund</b>                                 |       |                    |                             |                                 |                         |                              |                                      |  |  |  |
| Wapda (Certificates of Rs 3,571 each)                        | 5.3.1 | 1,500              | -                           | -                               | 1,500                   | 5057                         | 4,477                                | (580)  | 0.01   | 0.09   |
| Fatim Fertilizer   | 5.3.1 | 1,800              | -                           | -                               | 1,800                   | 8464                         | 7,398                                | (1,066)  | 0.02   | 0.15   |
| Dawood Hercules  | 5.3.1 | -                  | 2,400                       | -                               | 2,400                   | 12,000                       | 12,000                               | -  | 0.03   | 0.24   |
| <b>Total As at December 31, 2017</b>                         |       |                    |                             |                                 |                         | <b>25,521</b>                | <b>23,875</b>                        | <b>(1,646)</b>                                   | <b>0.06</b>  |  |
| <b>Total As at June 30, 2017</b>                             |       |                    |                             |                                 |                         | <b>13,388</b>                | <b>13,521</b>                        |  |  |  |

5.4.1 These are short term investments and carry a coupon rate of 7.16% to 7.28% (June 30, 2017: 7.06% to 7.25%) and will mature by November 2022.

## 6. ADVANCE INCOME TAX

The income of the Fund is exempt under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 (ITO 2001). Further, the fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding tax under section 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II-66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO 2001 from Commissioner Inland Revenue (CIR). During the financial year ended June 30, 2016, prior to receiving tax exemption certificate(s) from CIR various withholding agents had deducted advance tax under section 150, 150A and 151 of ITO 2001. The Management Company has filed refund application and is confident that the same shall be refunded.

## 7. ACCRUED EXPENSES AND OTHER LIABILITIES

|                                    | Note | December 31, 2017 (Un-audited) |               |                       |               | June 30, 2017 (Audited) |               |                       |              |
|------------------------------------|------|--------------------------------|---------------|-----------------------|---------------|-------------------------|---------------|-----------------------|--------------|
|                                    |      | Equity Sub-Fund                | Debt Sub-Fund | Money Market Sub-Fund | Total         | Equity Sub-Fund         | Debt Sub-Fund | Money Market Sub-Fund | Total        |
|                                    |      | (Rupees in '000)               |               |                       |               | (Rupees in '000)        |               |                       |              |
| Auditors' remuneration             |      | 67                             | 67            | 67                    | 201           | 58                      | 58            | 58                    | 174          |
| Brokerage and other payable        | 7.1  | 12,733                         | 3,326         | 5,722                 | 21,781        | 6,054                   | 1,304         | 528                   | 7,886        |
| Provision of Workers' Welfare Fund | 8.   | 13,389                         | 826           | 457                   | 14,672        | -                       | -             | -                     | -            |
|                                    |      | <b>26,189</b>                  | <b>4,219</b>  | <b>6,246</b>          | <b>36,654</b> | <b>6,112</b>            | <b>1,362</b>  | <b>586</b>            | <b>8,060</b> |

7.1 This includes provision for federal excise duty (FED) as at December 31, 2017 amounting to Rs.8.840 million (June 30, 2017: Rs. 8.840 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 11.1 to the annual audited financial statements for the year ended June 30, 2017. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 8.840 million till June 30, 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Rs. 0.03 (June 30, 2017: Rs. 0.03).

Further, through Finance Act, 2016, FED on services rendered by Non-Banking Financial Institutions (NBFIs) including Asset Management Companies, which are already subject to provincial sales tax, has been withdrawn. Therefore, during the current period, provision for FED has not been recorded.

## 8. PROVISION FOR WORKERS' WELFARE FUND

As disclosed in note 8 to the annual financial statements for the year ended June 30, 2017, the Provision for Workers' Welfare Fund (WWF) held in the books of accounts till June 30, 2015 was reversed on January 12, 2017. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 8 to the annual audited financial statements for the year ended June 30, 2017.

This includes provision for Sindh Workers' Welfare Fund (SWWF) as at December 31, 2017 amounting to Rs. 14.68 million (June 30, 2017: Rs. 14.68 million). The Management Company, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis. Had the SWWF not been provided for, the net assets value per unit would have been higher by Rs. 6.51 (June 30, 2017: Rs. 6.17).

## 9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2017 and June 30, 2017.

## 10. NUMBER OF UNITS IN ISSUE

|   | December 31, 2017 (Un-audited) |                  |                       |                  | June 30, 2017 (Audited) |                  |                       |                  |
|---|--------------------------------|------------------|-----------------------|------------------|-------------------------|------------------|-----------------------|------------------|
|   | Equity Sub-Fund                | Debt Sub-Fund    | Money Market Sub-Fund | Total            | Equity Sub-Fund         | Debt Sub-Fund    | Money Market Sub-Fund | Total            |
| Total units outstanding at the beginning of the period      | 2,333,120                      | 3,028,072        | 1,828,383             | 7,189,575        | 2,131,790               | 2,656,498        | 1,290,015             | 6,078,303        |
| Units issued during the period                              | 373,179                        | 768,128          | 651,207               | 1,792,514        | 779,022                 | 1,688,286        | 1,557,981             | 4,025,289        |
| Effect of reallocation                                      | (192,409)                      | 168,635          | 694,695               | 670,921          | (37,764)                | (147,902)        | 291,416               | 105,750          |
| Units redeemed during the period                            | (308,043)                      | (477,482)        | (876,894)             | (1,662,419)      | (539,928)               | (1,168,810)      | (1,311,029)           | (3,019,767)      |
| <b>Total units in issue at the end of the period / year</b> | <b>2,205,847</b>               | <b>3,487,353</b> | <b>2,297,391</b>      | <b>7,990,591</b> | <b>2,333,120</b>        | <b>3,028,072</b> | <b>1,828,383</b>      | <b>7,189,575</b> |

## 11. CONTRIBUTION TABLE

Contribution (net of front end fee) received during the period.

| As at December 31, 2017<br>(Unaudited) |              |               |              |                       |              |         |              |         |
|--|--------------|---------------|--------------|-----------------------|--------------|---------|--------------|---------|
| Equity Sub Fund                        |              | Debt Sub-Fund |              | Money Market Sub-Fund |              | Total   |              |         |
| Units                                  | Rupees (000) | Units         | Rupees (000) | Units                 | Rupees (000) | Units   | Rupees (000) |         |
| From:                                  |              |               |              |                       |              |         |              |         |
| Individuals                            | 373,179      | 379,123       | 768,128      | 124,778               | 651,207      | 199,292 | 1,792,514    | 703,193 |

| As at December 31, 2016<br>(Unaudited) |              |               |              |                       |              |         |              |         |
|--|--------------|---------------|--------------|-----------------------|--------------|---------|--------------|---------|
| Equity Sub Fund                        |              | Debt Sub-Fund |              | Money Market Sub-Fund |              | Total   |              |         |
| Units                                  | Rupees (000) | Units         | Rupees (000) | Units                 | Rupees (000) | Units   | Rupees (000) |         |
| From:                                  |              |               |              |                       |              |         |              |         |
| Individuals                            | 414,856      | 255,570       | 937,089      | 161,249               | 929,090      | 141,817 | 2,281,035    | 558,636 |

## 12. TAXATION

The income of the Fund is exempt from income tax under clause 57(3) (viii) of part I of the Second Schedule to the Income Tax Ordinance, 2001. Therefore, no provision has been made for current and deferred taxation in this condensed interim financial information.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. Accordingly, Supertax and any other taxes introduced in Finance Act, 2015 is also not applicable on fund.

## 13. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Fair value of investments classified as at fair value through profit or loss, which are tradable in an open market is based on the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from the carrying value as the items are short-term in nature.

The Fund classifies 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:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Fair value measurements using 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) (level 2); and
- Fair value measurements using Inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

| June 30, 2017                                  |                  |          |          |                  |
|--|------------------|----------|----------|------------------|
| Fair Value                                     |                  |          |          |                  |
| Level 1  | Level 2          | Level 3  | Total    |                  |
| ----- (Rupees in '000) -----                   |                  |          |          |                  |
| <b>Equity Sub-Fund</b>                         |                  |          |          |                  |
| <b>Financial assets measured at fair value</b> |                  |          |          |                  |
| Equity securities                              | 1,270,407        | -        | -        | 1,270,407        |
|  | <b>1,270,407</b> | <b>-</b> | <b>-</b> | <b>1,270,407</b> |

| June 30, 2017                           |                  |          |          |                  |
|---|------------------|----------|----------|------------------|
| Fair Value                              |                  |          |          |                  |
| Level 1                                 | Level 2          | Level 3  | Total    |                  |
| ----- (Rupees in '000) -----            |                  |          |          |                  |
| Financial assets measured at fair value |                  |          |          |                  |
| Equity securities                       | 1,483,018        | -        | -        | 1,483,018        |
|   | <b>1,483,018</b> | <b>-</b> | <b>-</b> | <b>1,483,018</b> |

| December 31, 2017                              |          |                |          |                |
|--|----------|----------------|----------|----------------|
| Fair Value                                     |          |                |          |                |
| Level 1  | Level 2  | Level 3        | Total    |                |
| ----- (Rupees in '000) -----                   |          |                |          |                |
| <b>Debt Sub-Fund</b>                           |          |                |          |                |
| <b>Financial assets measured at fair value</b> |          |                |          |                |
| <b>Debt securities - Sukuk certificates</b>    | -        | 181,485        | -        | 181,485        |
|  | <b>-</b> | <b>181,485</b> | <b>-</b> | <b>181,485</b> |

| June 30, 2017                           |          |                |          |                |
|---|----------|----------------|----------|----------------|
| Fair Value                              |          |                |          |                |
| Level 1                                 | Level 2  | Level 3        | Total    |                |
| ----- (Rupees in '000) -----            |          |                |          |                |
| Financial assets measured at fair value |          |                |          |                |
| Debt securities - Sukuk Certificates    | -        | 406,130        | -        | 406,130        |
|   | <b>-</b> | <b>406,130</b> | <b>-</b> | <b>406,130</b> |

| December 31, 2017                              |          |               |          |               |
|--|----------|---------------|----------|---------------|
| Fair Value                                     |          |               |          |               |
| Level 1  | Level 2  | Level 3       | Total    |               |
| ----- (Rupees in '000) -----                   |          |               |          |               |
| <b>Money Market Sub-Fund</b>                   |          |               |          |               |
| <b>Financial assets measured at fair value</b> |          |               |          |               |
| <b>Debt securities - Sukuk Certificates</b>    | -        | 50,995        | -        | 50,995        |
|  | <b>-</b> | <b>50,995</b> | <b>-</b> | <b>50,995</b> |

| December 31, 2017                       |               |          |          |               |
|---|---------------|----------|----------|---------------|
| Fair Value                              |               |          |          |               |
| Level 1                                 | Level 2       | Level 3  | Total    |               |
| ----- (Rupees in '000) -----            |               |          |          |               |
| Financial assets measured at fair value |               |          |          |               |
| Debt securities - Sukuk Certificates    | 50,995        | -        | -        | 50,995        |
|   | <b>50,995</b> | <b>-</b> | <b>-</b> | <b>50,995</b> |

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

**13.2** There were no transfers between various levels of fair value hierarchy during the period.

#### 14. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 14.1 Connected persons / related parties comprise of United Bank Limited (holding Company of Pension Fund Manager), UBL Fund Managers Limited (Pension Fund Manager), Al - Ameen Financial Services (Private) Limited (subsidiary of management Company), collective investment schemes managed by the Pension Fund Manager, directors and officers of the Pension Fund Manager, entities under common management or directorships, and Central Depository Company of Pakistan Limited (Trustee).
- 14.2 Remuneration of the Pension Fund Manager and trustee is determined in accordance with the provisions of VPS Rules, and the Trust Deed.
- 14.3 Other transactions with the related parties / connected persons are carried out at agreed / commercial terms.
- 14.4 Details of transaction with related parties / connected persons carried out during the period, and balances with them at the period end are as follows:

| Particulars | Pension Fund Manager | Associated companies and others * & ** | Trustee | Funds under Common Management | Directors and Key Executives*** | other connected persons |
|-------------|----------------------|--|---------|-------------------------------|---------------------------------|-------------------------|
|-------------|----------------------|--|---------|-------------------------------|---------------------------------|-------------------------|

----- Half year ended December 31, 2017 -----

##### Equity Sub Fund

##### Transactions during the period

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

|                                  |        |     |       |   |     |   |
|----------------------------------|--------|-----|-------|---|-----|---|
| Profit on PLS accounts           | -      | 193 | -     | - | -   | - |
| Bank charges                     | -      | 22  | -     | - | -   | - |
| Units issued                     | -      | -   | -     | - | 331 | - |
| Units redeemed                   | -      | -   | -     | - | 625 | - |
| Remuneration including sales tax | 12,613 | -   | 1,024 | - | -   | - |
| CDS expense                      | -      | -   | 41    | - | -   | - |

##### Balances held

----- As at December 31, 2017 -----

----- (Units in '000) -----

|            |   |   |   |   |   |   |
|------------|---|---|---|---|---|---|
| Units held | - | - | - | - | 9 | - |
|------------|---|---|---|---|---|---|

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

|   |        |        |       |   |       |   |
|---|--------|--------|-------|---|-------|---|
| Units held                                | -      | -      | -     | - | 5,569 | - |
| Bank balances                             | -      | 37,934 | -     | - | -     | - |
| Deposits                                  | -      | -      | 2,500 | - | -     | - |
| Remuneration payable                      | 12,613 | -      | 161   | - | -     | - |
| Sales load and conversion charges payable | 1,491  | 13     | -     | - | -     | - |
| Profit receivable                         | -      | -      | -     | - | -     | - |

| Particulars | Pension Fund Manager | Associated Companies and others*&** | Trustee | Funds under Common Management | Directors and Key Executives*** | other connected persons |
|-------------|----------------------|-------------------------------------|---------|-------------------------------|---------------------------------|-------------------------|
|-------------|----------------------|-------------------------------------|---------|-------------------------------|---------------------------------|-------------------------|

----- Half year ended December 31, 2016 -----

##### Equity Sub Fund

##### Transactions during the period

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

|                                  |        |         |     |   |       |   |
|----------------------------------|--------|---------|-----|---|-------|---|
| Profit on PLS accounts           | -      | 1,397   | -   | - | -     | - |
| Bank charges                     | -      | 15      | -   | - | -     | - |
| Units issued                     | -      | -       | -   | - | 5,390 | - |
| Units redeemed                   | -      | 181,341 | -   | - | 499   | - |
| Remuneration including sales tax | 10,903 | -       | 903 | - | -     | - |
| CDS expense                      | -      | -       | 99  | - | -     | - |

##### Balances held

----- As at June 30, 2017 -----

----- (Units in '000) -----

|            |   |   |   |   |   |   |
|------------|---|---|---|---|---|---|
| Units held | - | - | - | - | 9 | - |
|------------|---|---|---|---|---|---|

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

|   |       |         |     |   |       |   |
|---|-------|---------|-----|---|-------|---|
| Units held                                | -     | -       | -   | - | 6,620 | - |
| Bank balances                             | -     | 138,931 | -   | - | -     | - |
| Deposits                                  | -     | -       | 100 | - | -     | - |
| Remuneration payable                      | 2,364 | -       | 188 | - | -     | - |
| Sales load and conversion charges payable | 886   | 256     | -   | - | -     | - |
| Profit receivable                         | -     | 819     | -   | - | -     | - |

| Particulars | Pension Fund Manager | Associated Companies and others*&** | Trustee | Funds under Common Management | Directors and Key Executives*** | other connected persons |
|-------------|----------------------|-------------------------------------|---------|-------------------------------|---------------------------------|-------------------------|
|-------------|----------------------|-------------------------------------|---------|-------------------------------|---------------------------------|-------------------------|

----- Half year ended December 31, 2017 -----

**Debt Sub Fund**

**Transactions during the period**

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

|                                  |       |     |     |   |     |   |
|----------------------------------|-------|-----|-----|---|-----|---|
| Profit on PLS accounts           | -     | 466 | -   | - | -   | - |
| Bank charges                     | -     | 26  | -   | - | -   | - |
| Units issued                     | -     | -   | -   | - | 371 | - |
| Units redeemed                   | -     | -   | -   | - | -   | - |
| Remuneration including sales tax | 4,749 | -   | 387 | - | -   | - |
| CDS expense                      | -     | -   | 3   | - | -   | - |

**Balances held**

----- As at December 31, 2017 -----

----- (Units in '000) -----

|            |   |   |   |   |    |   |
|------------|---|---|---|---|----|---|
| Units held | - | - | - | - | 37 | - |
|------------|---|---|---|---|----|---|

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

|   |       |     |    |   |       |   |
|---|-------|-----|----|---|-------|---|
| Units held                                | -     | -   | -  | - | 5,946 | - |
| Bank balances                             | -     | 196 | -  | - | -     | - |
| Remuneration payable                      | 1,506 | -   | 61 | - | -     | - |
| Sales load and conversion charges payable | 717   | 16  | -  | - | -     | - |
| Profit receivable                         | -     | 466 | -  | - | -     | - |
| Deposits                                  | -     | -   | -  | - | -     | - |

| Particulars | Pension Fund Manager | Associated Companies and others*&** | Trustee | Funds under Common Management | Directors and Key Executives*** | other connected persons |
|-------------|----------------------|-------------------------------------|---------|-------------------------------|---------------------------------|-------------------------|
|-------------|----------------------|-------------------------------------|---------|-------------------------------|---------------------------------|-------------------------|

----- Half year ended December 31, 2016 -----

**Debt Sub Fund**

**Transactions during the period**

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

|                                  |       |        |     |   |       |   |
|----------------------------------|-------|--------|-----|---|-------|---|
| Profit on PLS accounts           | -     | 792    | -   | - | -     | - |
| Bank charges                     | -     | 23     | -   | - | -     | - |
| Units issued                     | -     | -      | -   | - | 3,494 | - |
| Units redeemed                   | -     | 46,095 | -   | - | 1,835 | - |
| Remuneration including sales tax | 3,715 | -      | 323 | - | -     | - |
| CDS expense                      | -     | -      | 2   | - | -     | - |

**Balances held**

----- As at June 30, 2017 -----

----- (Units in '000) -----

|            |   |   |   |   |    |   |
|------------|---|---|---|---|----|---|
| Units held | - | - | - | - | 34 | - |
|------------|---|---|---|---|----|---|

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

|   |     |     |     |   |       |   |
|---|-----|-----|-----|---|-------|---|
| Units held                                | -   | -   | -   | - | 5,416 | - |
| Bank balances                             | -   | 830 | -   | - | -     | - |
| Deposits                                  | -   | -   | 100 | - | -     | - |
| Remuneration payable                      | 694 | -   | 56  | - | -     | - |
| Sales load and conversion charges payable | 353 | 99  | -   | - | -     | - |
| Profit receivable                         | -   | 289 | -   | - | -     | - |

| Particulars | Pension Fund Manager | Associated Companies and others*&** | Trustee | Funds under Common Management | Directors and Key Executives*** | other connected persons |
|-------------|----------------------|-------------------------------------|---------|-------------------------------|---------------------------------|-------------------------|
|-------------|----------------------|-------------------------------------|---------|-------------------------------|---------------------------------|-------------------------|

----- Half year ended December 31, 2017 -----

**Money Market Sub Fund**

**Transactions during the period**

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

|                                  |       |     |     |   |     |   |
|----------------------------------|-------|-----|-----|---|-----|---|
| Profit on PLS accounts           | -     | 258 | -   | - | -   | - |
| Bank charges                     | -     | 25  | -   | - | -   | - |
| Units issued                     | -     | -   | -   | - | 401 | - |
| Units redeemed                   | -     | -   | -   | - | 199 | - |
| Remuneration including sales tax | 2,522 | -   | 206 | - | -   | - |

**Balances held**

----- As at December 31, 2017 -----

----- (Units in '000) -----

|            |   |   |   |   |    |   |
|------------|---|---|---|---|----|---|
| Units held | - | - | - | - | 14 | - |
|------------|---|---|---|---|----|---|

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

|   |     |        |    |   |       |   |
|---|-----|--------|----|---|-------|---|
| Units held                                | -   | -      | -  | - | 2,174 | - |
| Bank balances                             | -   | 73,551 | -  | - | -     | - |
| Deposits                                  | -   | -      | -  | - | -     | - |
| Remuneration payable                      | 473 | -      | 40 | - | -     | - |
| Sales load and conversion charges payable | 216 | -      | -  | - | -     | - |
| Profit receivable                         | -   | 258    | -  | - | -     | - |

| Particulars | Pension Fund Manager | Associated Companies and others*&** | Trustee | Funds under Common Management | Directors and Key Executives*** | other connected persons |
|-------------|----------------------|-------------------------------------|---------|-------------------------------|---------------------------------|-------------------------|
|-------------|----------------------|-------------------------------------|---------|-------------------------------|---------------------------------|-------------------------|

----- Half year ended December 31, 2016 -----

**Money Market Sub Fund**

**Transactions during the period**

|                                  |       |        |     |   |     |   |
|----------------------------------|-------|--------|-----|---|-----|---|
| Profit on PLS accounts           | -     | 824    | -   | - | -   | - |
| Bank charges                     | -     | 11     | -   | - | -   | - |
| Units issued                     | -     | -      | -   | - | 639 | - |
| Units redeemed                   | -     | 44,502 | -   | - | 555 | - |
| Remuneration including sales tax | 1,680 | -      | 147 | - | -   | - |

**Balances held**

----- As at June 30, 2017 -----

----- (Units in '000) -----

|            |   |     |   |   |    |   |
|------------|---|-----|---|---|----|---|
| Units held | - | 300 | - | - | 15 | - |
|------------|---|-----|---|---|----|---|

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

|   |     |        |    |   |       |    |
|---|-----|--------|----|---|-------|----|
| Units held                                | -   | 44,121 | -  | - | 2,206 | -  |
| Bank balances                             | -   | 32,204 | -  | - | -     | 97 |
| Remuneration payable                      | 257 | -      | 22 | - | -     | -  |
| Sales load and conversion charges payable | 79  | 18     | -  | - | -     | -  |
| Profit receivable                         | -   | 70     | -  | - | -     | -  |

\* This represents parent (including the related subsidiaries of the parent) of the Management Company, associated companies / undertakings of the Management Company, its parents and the related subsidiaries.

\*\* These include transactions and balances in relation to the entities where common directorship exists as at half year end. However, it does not include the transactions and balances whereby the common director resigned from the Board of the Management Company during the period.

\*\*\* These include transactions and balances in relation to those directors and key executives that exist as at half year end. However, it does not include the transactions and balances whereby the director and key executive has resigned from the Management Company during the period.

**15. DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information were authorised for issue by the Board of Directors of the Pension Fund Manager on February 16, 2018.

**16. GENERAL**

Figures have been rounded off to the nearest thousand rupees.

**For UBL Fund Managers Limited  
(Pension Fund Manager)**

\_\_\_\_\_  
SD  
Chief Executive Officer

\_\_\_\_\_  
SD  
Chief Financial Officer

\_\_\_\_\_  
SD  
Director

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