



Quarterly Report

September 2020



Rated 'AM1' by VIS

CORPORATE INFORMATION

Board of Directors

Azhar Hamid (Chairman)

Yasir Qadri (Chief Executive Officer)

Syed Furrugh Zaeem

Huma Pasha

Arif Akmal Saifie

Sadia Saeed

Imran Sarwar

Audit Committee

Huma Pasha (Chair)

Imran Sarwar

Sadia Saeed

Arif Akmal Saifie

Risk and Compliance Committee

Imran Sarwar (Chairman)

Syed Furrugh Zaeem

Yasir Qadri

Azhar Hamid

Arif Akmal Saifie

HR & Compensation Committee

Azhar Hamid (Chairman)

Huma Pasha

Syed Furrugh Zaeem

Sadia Saeed

Yasir Qadri

Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem
Member

Mufti Muhammad Najeeb Khan
Member

Chief Financial Officer

Umair Ahmed

Company Secretary

Bilal Javaid

Registered Office

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

Head 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 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

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 Cash Plan-I

Launch Date: 29 May 2020

Al-Ameen Islamic Dedicated Equity Fund

Launch Date: 05 Jan 2016

Al-Ameen Islamic Financial Planning Fund - II

Launch Date: 21 February 2017

UBL Pakistan Enterprise Exchange Traded Fund

Launch Date: 24 March 2020

UBL Financial Planning Fund

Launch Date: 28 September 2017

Al-Ameen Islamic Financial Planning Fund - III

Launch Date: 28 May 2018

UBL Dedicated Equity Fund

Launch Date: 29 May 2018

UBL Financial Sector Fund

Launch Date: 06 April 2018

UBL Special Saving Fund

Launch Date: 09 November 2018

UBL Cash Fund

Launch Date: 23 September 2019

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

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 Energy Fund

Launch Date: 13 December 2019

Al-Ameen Islamic Special Saving Plan-II

Launch Date: 09 March 2020

Al-Ameen Islamic Aggressive Income Plan-I

Launch Date: 16 April 2020



Directors' Report

The Board of Directors of UBL Fund Managers Limited is pleased to present to you the reports of its **UBL Liquidity Plus Fund (ULPF)**, **UBL Money Market Fund (UMMF)**, **UBL Cash Fund (UCF)**, **UBL Government Securities Fund (UGSF)**, **UBL Income Opportunity Fund (UIOF)**, **UBL Growth and Income Fund (UGIF)**, **UBL Asset Allocation Fund (UAAF)**, **UBL Stock Advantage Fund (USF)**, **UBL Dedicated Equity Fund (UDEF)**, **UBL Financial Sector Fund (UFSF)**, **UBL Financial Planning Fund** [comprising UBL Active Principal Preservation Plan I (UAPPP-I), UBL Active Principal Preservation Plan II (UAPPP-II), UBL Active Principal Preservation Plan III (UAPPP-III)], **UBL Pakistan Enterprise Exchange Traded Fund (UBLPEETF)**, **UBL Special Saving Fund (USSF)** [comprising UBL Special Savings Plan - I (USSP-I), UBL Special Savings Plan - II (USSP-II), UBL Special Savings Plan - III (USSP-III), UBL Special Savings Plan - IV (USSP-IV), UBL Special Savings Plan - V (USSP-V) and UBL Special Savings Plan - VI (USSP-VI)], and **UBL Special Saving Fund II (USSF II)** [comprising UBL Special Savings Plan - VIII (USSP-VIII)], for the period ended September 30, 2020.

Economy and Money Market outlook 1QFY21

The 1QFY21 witnessed some recovery in economic activity as the results of previously imposed strict lockdown came in effect with Covid-19 daily cases significantly decline to less than 500 from peak of 6,000 cases. This, also manifested in LSM data, posting growth of 3.66% YoY during 2MFY21 as compared to decline of 5.91% in the SPLY. Growth was primarily driven by food, beverage & tobacco, pharmaceuticals, coke & petroleum products, chemicals, and cements. However recent resurgence of Covid-19 cases in last few days indicates that a second wave cannot be ruled out and could potentially hamper the nascent economic recovery.

The average headline inflation during the period under review came in at 8.8%YoY as compared to 10.1%YoY in SPLY. The rise in inflation reading was primarily driven by significant jump in certain food item prices and rise in petroleum product prices along with electricity prices (on account of monthly fuel price adjustments). On a note of caution, the recent surge in (food) inflation has been brought about by supply and administrative issues which if not addressed would seep into broader prices. Notwithstanding the above, we expect CPI inflation numbers to remain contained till Jan'21 due to high base effect but after that we expect inflation to increase and we might see CPI in high single digit in 4QFY21.

In the recent MPS meeting in Sept'20, the SBP kept the policy rate unchanged at 7.0% citing that current levels were appropriate in supporting ongoing economic recovery, while keeping the inflation at expected level and maintaining financial stability. This also manifested in the secondary market yields as the 3-year, 5-year and 10-year PIB yields rose by 9bps, 25bps and 30bps in sept'20 respectively, underscoring expectations of end of monetary easing cycle. In a knee-jerk reaction to the recent unexpected uptick in inflation, yield curve may move upwards in the coming months. However, we expect the central bank to continue with a neutral monetary policy stance in next few months but we cannot rule out any monetary response from Central Bank during second half of FY21 on account of rising inflation.

On the external side, the current account posted a surplus of USD792mn in 1QFY21 as compared to a deficit of USD 1492mn in SPLY. The aforesaid notable improvement during the period under review was driven by lower goods and services deficits and a strong uptick in worker remittance (up 31%YoY). We foresee overall balance of payments position to remain comfortable during 1HFY21 primarily due to a well contained current account balance. However, expected pick-up in import bill along with increasing income deficit may put some pressure on Balance of Payment in second half of FY21. To offset the above, the government will have to ensure sufficient flows on the financial account as the year progresses. We expect current account deficit to increase from 1.1% of GDP in FY20 to 1.5-2.0% of GDP in FY21.

On the fiscal side, as per recent news flows the budget deficit for 2MFY21 stood at 0.9% of GDP (PKR 440bn, -12% YoY) and primary balance posted a surplus of PKR 43bn. The notable improvement largely came on the back of significant rise in indirect tax revenue by which was up 70% on account of higher petroleum levy.

Fixed income Review for 1QFY21

SBP opted to wait and see approach in its last monetary policy statement held in mid-September 2020 to anchor the monetary easing cycle being watchful of a spike in food inflation amid focus on economic growth. During the quarter, longer tenor yields increased by approximately 100bps with yields of shorter tenor government securities increased by 39bps to 59bps. Secondary market yields of 3, 5 and 10-year PIBs increased by 90bps, 108bps and 109bps respectively while yields of 3, 6 and 12-month T-Bills increased by 39bps, 51bps and 56bps respectively. Government of Pakistan raised only PKR 249 bn through the PIB auction against a target of PKR 420 bn due to lack of interest. Latest cut-off yields stood at 8.20%, 8.45% and 8.99% for 3, 5 and 10-year PIBs respectively.

During the period under review, the government retired SBP borrowing by PKR 353bn and overall borrowing from SBP is reduced to PKR 6,204bn from PKR 6,557bn. However, during the same period Government borrowing from scheduled banks increased by PKR 507bn from PKR 7,210bn to 7,716bn. The government largely managed its borrowing requirements through



domestic sources and raised PKR 2,040bn via T-bills (including NCB) compared to the cumulative target of PKR 1,700 bn and maturities of PKR 4,353 bn.

Stock Market Review for 1QFY21

The benchmark KSE-100 index gained steam of positive momentum, closing 17.8% higher during the period under review. The notable performance of the index driven by 1) major decline in domestic Covid-19 infection and increase in recovery rates, 2) foreign inflows from multilateral institutions, 3) improvement in macro-economic indicators (trade balance, remittance and FX reserves) and 4) significant decline in interest rates (625bps) which brought equities as the preferred assets class over other alternative assets. With risk on mood prevailing, investors even ignored a couple of negative developments i.e. adverse Supreme Court decision on GIDC case and downward revision in IPPs' ROE as per MOUs signed between the government and power companies.

Local participants led the rally with individuals mopping up shares worth USD108mn, mutual funds USD 26mn and insurance companies USD21mn respectively, while foreigners continued to remain sellers offloading shares worth USD95mn.

Fund-wise performance is as follows:

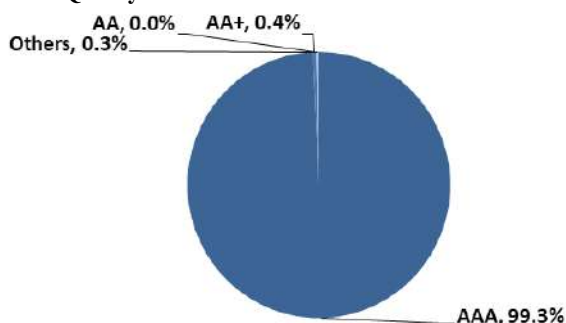
1) UBL LIQUIDITY PLUS FUND (ULPF)

UBL Liquidity Plus Fund (ULPF) is an open end Money Market Fund with investment objective to provide attractive daily returns while maintaining comparatively high liquidity. ULPF yielded return of 6.54% p.a. during 1QFY21. Major exposure was maintained in cash at the end of Sep20, thus maintaining high portfolio quality. The net assets of the fund were PKR 18,031mn at the end of 1QFY21. The Asset allocation was made as such to ensure high liquidity is kept intact. The weighted average maturity of the Fund was 1 day at the end 1QFY21.

	ULPF	Benchmark
1QFY'21 Return:	6.54%	6.72%
Standard Deviation (12m Rolling):	0.37%	2.61%
Sharpe Ratio (12m Rolling):	1.50	(0.11)

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
Cash	1.6%	5.1%	99.7%
Others	0.5%	0.2%	0.3%
T-Bills	74.3%	72.9%	0.0%
Placements with DFIs	23.7%	21.9%	0.0%
Leverage	Nil	Nil	Nil

ULPF-Portfolio Quality



ULPF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
ULPF (p.a)	6.54%	8.65%	11.00%	9.00%	7.72%	8.81%
Benchmark	6.72%	7.73%	10.17%	8.71%	7.32%	8.23%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 291.64 million for the three months' period ended September 30, 2020 which mainly includes markup / interest income on bank balances, placements and government securities. After accounting for the expenses of PKR 23.565 million, the Fund managed to earn a net income of PKR 268.075 million. The net assets of the Fund were PKR 18,031 million as at September 30, 2020 representing the net asset value of PKR 101.038 per unit.

VIS Credit Rating Company Limited (VIS) has maintained the stability rating of AA (f) assigned to the Fund.

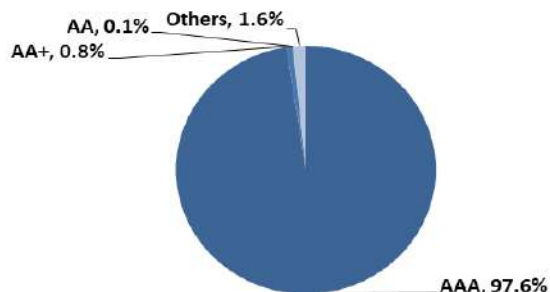
2) UBL MONEY MARKET FUND (UMMF)

The objective of UBL Money Market Fund is to generate competitive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors by investing a major chunk of the portfolio in short term government securities. During the period under review, UMMF generated a return of 5.77% p.a. whereas its net assets were PKR 3,013 mn at the end of 1QFY21. The Fund Manager maintained a high-quality liquid profile during the period with major allocation of 98.5% to cash & cash equivalents. The weighted average time to maturity of the Fund was 1 day at the end of 1QFY21.

	UMMF	Benchmark
1QFY'21 Return:	5.77%	6.72%
Standard Deviation (12m Rolling):	0.35%	2.61%
Sharpe Ratio (12m Rolling):	(0.13)	(0.11)

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
Cash	5.3%	11.7%	98.5%
Others	1.5%	5.2%	1.6%
T-Bills	83.0%	74.9%	0.0%
Placements with DFIs	10.2%	8.2%	0.0%
Leverage	Nil	Nil	Nil

UMMF - Portfolio Quality



UMMF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UMMF (p.a)	5.77%	7.87%	10.40%	8.65%	7.25%	8.35%
Benchmark	6.72%	7.73%	10.17%	8.71%	7.41%	8.84%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 65.379 million for the three months' period ended September 30, 2020 which mainly includes markup / interest income on bank balances, placements and government securities. After accounting for the expenses of PKR 10.296 million, the Fund managed to earn a net income of PKR 55.083 million. The net assets of the Fund were PKR 3,013 million as at September 30, 2020 representing the net asset value of PKR 102.1491 per unit.

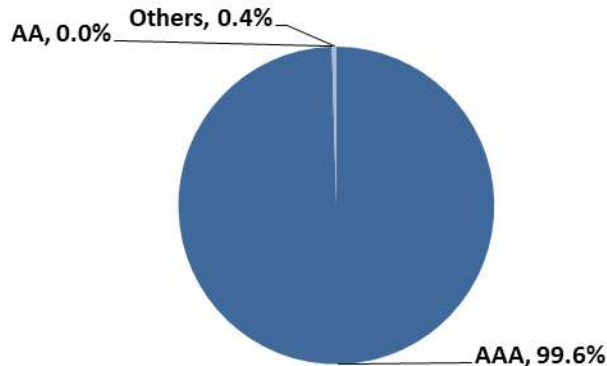
3) UBL CASH FUND (UCF)

The objective of UBL Cash Fund (UCF) is to generate attractive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors. During the period under review, UCF generated a return of 6.66% p.a. whereas its net assets were PKR 1,311mn at the end of 1QFY21. The weighted average time to maturity of the fund was 1 day at the end of 1QFY21.

	UCF	Benchmark
1QFY'21 Return:	6.66%	6.72%
Standard Deviation (12m Rolling):	0.39%	1.39%
Sharpe Ratio (12m Rolling):	0.03	0.00

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
Cash	15.9%	3.3%	99.6%
Others	0.8%	3.2%	0.4%
T-Bills	75.8%	73.0%	0.0%
Placements with DFIs	7.5%	20.6%	0.0%
Leverage	Nil	Nil	Nil

UCF - Portfolio Quality



UCF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UCF (p.a)	6.66%	8.98%	11.56%	-	-	11.59%
Benchmark	6.72%	6.73%	8.00%	-	-	8.03%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 22.114 million for the three months' period ended September 30, 2020 which mainly includes markup / interest income on bank balances, placements and government securities. After accounting for the expenses of PKR 1.431 million, the Fund managed to earn a net income of PKR 20.682 million. The net assets of the Fund were PKR 1,311 million as at September 30, 2020 representing the net asset value of PKR 101.6803 per unit.

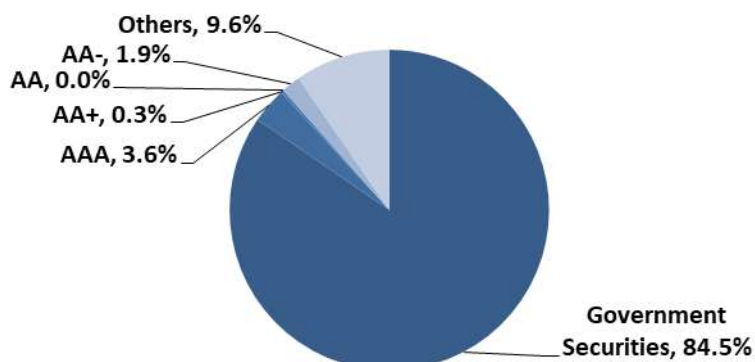
4) UBL GOVERNMENT SECURITIES FUND (UGSF)

The objective of the Fund is to generate a competitive return with minimum risk, by investing primarily in Government Securities. UBL Government Securities Fund posted a return of 4.30% p.a whereas its net assets were PKR 6,085 mn at the end of 1QFY21. The fund has 85% exposure in PIBs at the end of 1QFY21. The weighted average maturity of the Fund was 3.68 years at the end of 1QFY21.

	UGSF	Benchmark
1QFY'21 Return:	4.30%	6.96%
Standard Deviation (12m Rolling):	1.64%	2.91%
Sharpe Ratio (12m Rolling):	1.27	(0.02)

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
PIBs	68.4%	81.8%	84.5%
Others	13.3%	2.3%	9.6%
Cash	11.8%	14.7%	5.8%
T-Bills	6.5%	1.2%	0.0%
Leverage	Nil	Nil	Nil

UGSF - Portfolio Quality



UGSF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UGSF (p.a)	4.30%	9.39%	12.52%	8.97%	7.71%	9.39%
Benchmark	6.96%	7.58%	10.38%	9.51%	8.01%	8.44%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 76.028 million for the three months' period ended September 30, 2020 which mainly includes markup / interest income on bank balances, placements and government securities. After accounting for the expenses of PKR 19.450 million, the Fund managed to earn a net income of PKR 56.578 million. The net assets of the Fund were PKR 6,085 million as at September 30, 2020 representing the net asset value of PKR 105.6933 per unit.

VIS Credit Rating Company Limited (VIS) has assigned A+ (f) rating to the Fund.

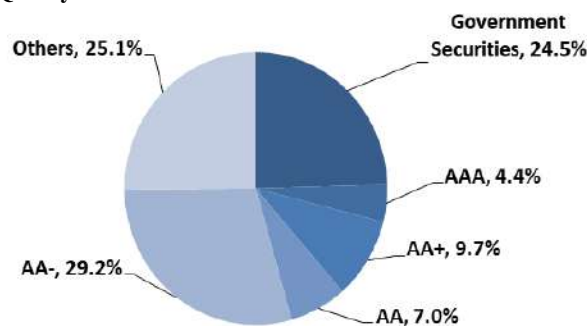
5) UNITED GROWTH & INCOME FUND (UGIF)

UGIF is an open end Aggressive Fixed Income Fund, investing in medium to long term fixed income instruments as well as short tenor money market instruments and seeks to generate superior, long term, risk adjusted returns while preserving capital over the long-term. The fund has posted a return of 8.43% p.a. during 1QFY21. Its fund size stood at PKR 1,174mn at end of Sep20. The fund manager had major exposure in Cash and PIBs, weighted average time to maturity of the fund was 2.51 years at the end of 1QFY21.

	UGIF	Benchmark
1QFY'21 Return:	8.43%	7.09%
Standard Deviation (12m Rolling):	1.71%	2.84%
Sharpe Ratio (12m Rolling):	1.14	(0.05)

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
Cash	13.2%	6.0%	34.2%
PIBs	43.2%	26.8%	24.5%
Term Finance Certificates/ Sukuks	18.6%	18.3%	16.1%
Spread Transaction	3.9%	10.8%	12.6%
Others	11.1%	38.2%	12.5%
T-Bills	9.9%	0.0%	0.0%
Leverage	Nil	Nil	Nil

UGIF Portfolio Quality



UGIF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UGIF (p.a)	8.43%	11.47%	12.39%	9.24%	9.10%	6.94%
Benchmark	7.09%	7.55%	10.30%	9.72%	8.35%	10.14%

Returns are annualized using the Morningstar Methodology

The Fund earned a net profit of PKR 20.04 million for the three months' period ended September 30, 2020. The net assets were PKR 1,174 million as at September 30, 2020 representing a net asset value of PKR 86.7157 per unit

VIS Credit Rating Company Limited (VIS) maintained A(f) fund stability rating of the Fund.

6) UNITED STOCK ADVANTAGE FUND (USF)

USF is an open-end Equity Fund, investing primarily in equities listed on the KSE. The Fund seeks to maximize total returns and outperform its benchmark by investing in a combination of securities offering long term capital gains and dividend yield potential. During the period under review, the Fund posted a return of 16.77%. The fund manager maintained the exposure in local equity market of around 93.1% while exposure in cash stood at 6.2% at the end of Sep20. The net assets of the fund were PKR 7,321mn as at September 30, 2020.

	USF	Benchmark
1QFY'21 Return:	16.77%	17.87%
Standard Deviation (12m Rolling):	25.39%	24.36%
Sharpe Ratio (12m Rolling):	0.82	0.66

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
Equities	93.0%	93.5%	93.1%
Cash	6.5%	6.0%	6.2%
Others	0.4%	0.6%	0.7%
Leverage	Nil	Nil	Nil

USF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USF	16.77%	40.35%	31.16%	1.91%	38.96%	419.44%
Benchmark	17.87%	38.79%	26.47%	-4.33%	23.34%	226.29%

Returns are on absolute basis

The Fund earned a net income of PKR 1,090.791 million for the three months' period ended September 30, 2020 (including an unrealized gain of PKR 895.073 million on revaluation of investments). The capital gain from the sale of securities amounted to PKR 142.321 million and dividend income amounting to PKR 46.362 million. As at September 30, 2020, net assets of the Fund were PKR 7,321 million representing the net asset value of PKR 70.26 per unit.

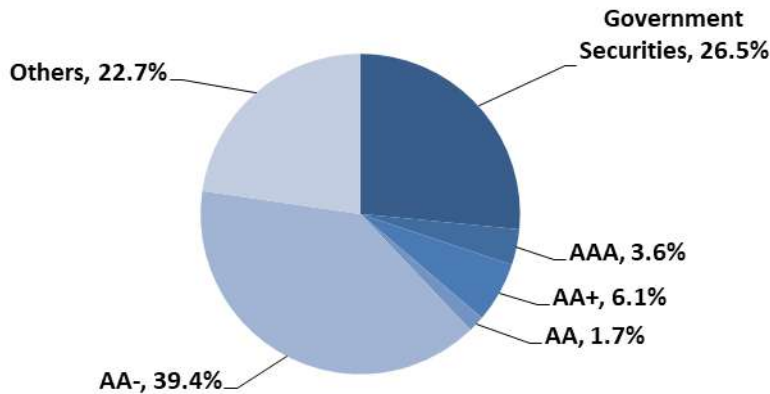
7) UBL INCOME OPPORTUNITY FUND (UIOF)

The objective of UBL Income Opportunity Fund is to provide a competitive rate of return to its investors by investing in quality TFCs / Sukuk, Government Securities, Bank Deposits, and short and long term debt instruments. The Fund posted a return of 5.77% p.a. during 1QFY21. The weighted average maturity of the fund was 1.10 year at the end of Sep'20. The Fund's Asset Size stood at PKR 1,630 mn as at Sep 30, 2020.

	UIOF	Benchmark
1QFY'21 Return:	5.77%	6.97%
Standard Deviation (12m Rolling):	1.83%	2.91%
Sharpe Ratio (12m Rolling):	1.73	(0.02)

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
Cash	4.5%	31.4%	47.2%
PIBs	46.1%	17.4%	26.5%
Others	12.5%	29.4%	16.3%
Spread Transaction	4.3%	17.4%	6.4%
Term Finance Certificates/ Sukuks	5.0%	4.4%	3.5%
T-Bills	27.5%	0.0%	0.0%
Leverage	Nil	Nil	Nil

UIOF Portfolio Quality



UIOF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UIOF (p.a)	5.77%	11.37%	13.60%	9.68%	8.09%	8.30%
Benchmark	6.97%	7.60%	10.40%	9.55%	8.13%	8.28%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 20.174 million for the three months’ period ended September 30, 2020 which mainly includes markup / interest income on bank balances, govt. securities and TDRs. After accounting for the expenses of PKR 4.978 million, the Fund managed to earn a net income of PKR 15.196 million. The net assets of the Fund were PKR 1,630 million as at September 30, 2020 representing the net asset value of PKR 111.6655 per unit.

VIS Credit Rating Company Limited (VIS) has assigned fund stability rating of A(f) to the Fund.

8) UBL Asset Allocation Fund (UAAF)

The investment objective of the Fund is to earn competitive return by investing in various asset classes / instruments based on the market outlook. During the period under review, the Fund posted a return of 7.86%. The fund manager maintained the exposure in local equity market of around 38.3% while exposure in cash stood at 27.9% at the end of Sep20. The net assets of the fund were PKR 1,041mn as at September 30, 2020.

	UAAF	Benchmark
1QFY'21 Return:	7.86%	7.99%
Standard Deviation (12m Rolling):	10.46%	9.52%
Sharpe Ratio (12m Rolling):	1.04	0.96

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
Equities	38.9%	39.9%	38.3%
Cash	19.2%	24.3%	27.9%
PIBs	19.3%	19.4%	18.7%
Term Finance Certificates/ Sukuks	8.7%	8.8%	8.6%
T-Bills	11.6%	4.7%	4.5%
Others	2.2%	3.0%	2.0%
Leverage	Nil	Nil	Nil

UAAF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UAAF	7.86%	18.37%	21.33%	21.78%	49.19%	110.83%
Benchmark	7.99%	17.42%	19.62%	23.38%	49.66%	88.76%

Returns are on absolute basis

The Fund earned a net income of PKR 73.556 million for the three months' period ended September 30, 2020 (including an unrealized gain of PKR 50.213 million on revaluation of investments). The capital gain from the sale of securities amounted to PKR 15.758 million and dividend income amounting to PKR 3.867 million. As at September 30, 2020, net assets of the Fund were PKR 1,041 million representing the net asset value of PKR 146.9968 per unit

9) UBL Financial Sector Fund (UFSF)

The objective is to provide investors long term capital appreciation by investing primarily in a mix of actively managed portfolio of listed equities that offer capital gains and dividends yield potential preferably in the Financial Sector. During the period under review, the fund posted a return of 15.21%. The fund manager maintained the exposure in local equity market of around 96% while exposure in cash stood at 3% at the end of Sep20. The net assets of the Fund were PKR 778mn as at September 30, 2020.

	UFSF	Benchmark
1QFY'21 Return:	15.21%	17.87%
Standard Deviation (12m Rolling):	26.23%	24.36%
Sharpe Ratio (12m Rolling):	(0.17)	0.66

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
Equities	91.6%	92.7%	96.2%
Cash	3.2%	5.2%	3.0%
Others	5.2%	2.1%	0.8%
Leverage	Nil	Nil	Nil

UFSF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UFSF	15.21%	22.83%	5.93%	-	-	-21.76%
Benchmark	17.87%	38.79%	26.47%	-	-	-12.86%

Returns are on absolute basis

The Fund earned a net income of PKR 100.887 million for the three months' period ended September 30, 2020 (including an unrealized gain of PKR 89.939 million on revaluation of investments)). As at September 30, 2020, net assets of the Fund were PKR 778 million representing the net asset value of PKR 78.2392 per unit.

10) UBL Dedicated Equity Fund (UDEF)

The investment objective of the Fund is to provide other 'Fund of Funds' schemes an avenue for investing in Equities. During the period under review, the Fund posted a return of 18.57% as compared to the benchmark return of 17.87%, the fund size stood at PKR 42mn at the end of Sep20. The fund manager maintained the exposure in local equity market of around 89% at the end of 1QFY21.

	UDEF	Benchmark
1QFY'21 Return:	18.57%	17.87%
Standard Deviation (12m Rolling):	24.69%	24.36%
Sharpe Ratio (12m Rolling):	1.00	0.66

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
Equities	90.2%	89.7%	89.1%
Others	6.5%	6.6%	8.2%
Cash	3.3%	3.7%	2.7%
Leverage	Nil	Nil	Nil

UDEF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UDEF	18.57%	45.13%	35.10%	-	-	2.22%
Benchmark	17.87%	38.79%	26.47%	-	-	-3.72%

Returns are on absolute basis

The Fund earned a net income of PKR 6.762 million for the three months' period ended September 30, 2020 (including an unrealized gain of PKR 4.96 million on revaluation of investments). As at September 30, 2020, net assets of the Fund were PKR 42.246 million representing the net asset value of PKR 102.2206 per unit.

11) UBL Pakistan Enterprise Exchange Traded Fund (UBLP-ETF)

The objective of the newly launched UBL Pakistan Enterprise Exchange Traded Fund (UBLP-ETF) is to track the performance of the benchmark index in order to provide long- term capital appreciation and dividend yields to its investors. During the period under review, the fund posted a return of 13.08%. The fund manager maintained the exposure in local equity market of around

93% while exposure in cash stood at 1% at the end of Sep20. The net assets of the Fund were PKR 41mn as at September 30, 2020.

UBLP-ETF Benchmark

1QFY'21 Return:	13.08%	13.64%
Standard Deviation (12m Rolling):	N/A	N/A
Sharpe Ratio (12m Rolling):	N/A	N/A

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
Equities	93.9%	94.7%	93.4%
Others	3.9%	4.1%	5.6%
Cash	2.2%	1.3%	1.0%
Leverage	Nil	Nil	Nil

UBLP-ETF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UBLP-ETF	13.08%	23.67%	-	-	-	20.09%
Benchmark	13.64%	24.50%	-	-	-	21.06%

Returns are on absolute basis

The Fund earned a net income of PKR 0.307 million. As at September 30, 2020, net assets of the Fund were PKR 41 million representing the net asset value of PKR 13.0405 per unit.

12) UBL Financial Planning Fund (UFPF)

a) UBL Financial Planning Fund (UBL Active Principal Preservation Plan I)

The Plan was matured on 21st Aug 2020 and yielded return of 4.45% since inception. Major exposure was maintained in Money Market funds, thus maintaining high portfolio quality. The net assets of the Plan were PKR 41mn at the time of maturity.

UAPPP-I Benchmark

1QFY'21 Return:	0.68%	0.95%
Standard Deviation (12m Rolling):	7.33%	7.03%
Sharpe Ratio (12m Rolling):	(1.32)	(1.23)

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
Money Market Funds	98.0%	97.9%	97.3%
Cash	1.8%	1.8%	2.3%
Others	0.3%	0.3%	0.4%
Leverage	Nil	Nil	Nil

UAPPP-I vs. Benchmark

Return vs Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UAPPP-I	1.11%	-9.36%	1.52%	-	-	4.45%
Benchmark	1.60%	-6.32%	2.52%	-	-	7.21%

Returns are on absolute basis | Note : The figures are as at Aug 21, 2020, as the fund matured on that date

The Plan matured on August 24, 2020.

b) UBL Financial Planning Fund (UBL Active Principal Preservation Plan II)

The Plan yielded return of 1.34% during 1QFY21. Major exposure was maintained in Money market funds (~94% of total assets), thus maintaining high portfolio quality. The net assets of the fund were PKR 194mn as at the Sep'20.

	UAPPP-II	Benchmark
1QFY'21 Return:	1.34%	1.71%
Standard Deviation (12m Rolling):	6.15%	5.89%
Sharpe Ratio (12m Rolling):	(1.33)	(0.68)

Asset Allocation (% of Total Assets)

	Jul'20	Aug'20	Sep'20
Money Market Funds	93.7%	93.7%	93.7%
Cash	6.1%	6.1%	6.1%
Others	0.2%	0.2%	0.2%
Leverage	Nil	Nil	Nil

UAPPP-II vs. Benchmark

Return vs Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UAPPP-II	1.34%	2.95%	2.24%	-	-	7.34%
Benchmark	1.71%	3.95%	6.46%	-	-	14.91%

Returns are on absolute basis

The Plan earned a net income of PKR 2.578 million for the three months' period ended September 30, 2020 (including an unrealized gain of PKR 2.625 million on revaluation of investments). As at September 30, 2020, net assets of the Plan were PKR 194 million representing the net asset value of PKR 102.9623 per unit.

c) UBL Financial Planning Fund (UBL Active Principal Preservation Plan III)

The Plan yielded return of 1.30% during 1QFY21 against benchmark return of 1.71%. Major exposure was maintained in Money Market funds. The net assets of the Plan were PKR 157mn as at the Sep'20.

UAPPP-III Benchmark

1QFY'21 Return:	1.30%	1.71%
Standard Deviation (12m Rolling):	7.92%	7.50%
Sharpe Ratio (12m Rolling):	(1.06)	(1.02)

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
Money Market Funds	99.1%	99.1%	98.7%
Others	0.9%	0.9%	0.9%
Cash	0.0%	0.0%	0.4%
Leverage	Nil	Nil	Nil

UAPPP-III vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UAPPP-III	1.30%	3.51%	2.05%	-	-	2.72%
Benchmark	1.71%	3.95%	2.83%	-	-	5.40%

Returns are on absolute basis

The Plan earned a net income of PKR 2.017 million for the three months' period ended September 30, 2020 (including an unrealized gain of PKR 2.186 million on revaluation of investments). As at September 30, 2020, net assets of the Plan were PKR 157 million representing the net asset value of PKR 102.6002 per unit.

13) UBL Special Savings Fund

a) UBL Special Savings Fund (UBL Special Savings Plan – I)

The “UBL Special Savings Plan-I (USSP-I)” is an Allocation Plan under “UBL Special Savings Fund”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for thirty-six (36) Months from commencement of life of plan. USSP-I yielded return of 2.67%. Major exposure was maintained in PIBs at the end of September'20, thus maintaining high portfolio quality. The net assets of the fund were PKR 318mn as at the September 30, 2020.

USSP-I Benchmark

1QFY'21 Return:	2.67%	6.96%
Standard Deviation (12m Rolling):	2.94%	2.91%
Sharpe Ratio (12m Rolling):	2.38	(0.02)

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
PIBs*	97.1%	95.8%	96.2%
Cash	2.3%	3.0%	2.0%
Others	0.6%	1.2%	1.8%
Leverage	Nil	Nil	Nil

USSP-I vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USSP-I (p.a)	2.67%	13.07%	17.44%	-	-	13.67%
Benchmark	6.96%	7.58%	10.38%	-	-	11.04%

Returns are annualized using the Morningstar Methodology

The Plan earned total income of PKR 8.632 million for the three months' period ended September 30, 2020. After accounting for the expenses of PKR 1.648 million, the Plan managed to earn a net income of PKR 6.984 million. As at September 30, 2020, net assets of the Plan were PKR 318 million representing a net asset value of PKR 107.7744 per unit.

b) UBL Special Savings Fund (UBL Special Savings Plan – II)

The “UBL Special Savings Plan-II (USSP-II)” is an Allocation Plan under “UBL Special Savings Fund”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for thirty-six (36) Months from commencement of life of plan. USSP-II yielded return of 3.23%. Major exposure was maintained in PIBs at the end of September'20. The net assets of the Plan were PKR 693mn as at 30 September 2020.

	USSP-II	Benchmark
1QFY'21 Return:	3.23%	6.96%
Standard Deviation (12m Rolling):	2.85%	2.91%
Sharpe Ratio (12m Rolling):	2.60	(0.02)

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
PIBs*	98.9%	98.5%	97.4%
Others	0.4%	1.1%	1.6%
Cash	0.7%	0.4%	1.0%
Leverage	Nil	Nil	Nil

USSP-II vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USSP-II (p.a)	3.23%	13.61%	17.85%	-	-	14.65%
Benchmark	6.96%	7.58%	10.38%	-	-	11.15%

Returns are annualized using the Morningstar Methodology

The Plan earned total income of PKR 20.575 million for the three months' period ended September 30, 2020. After accounting for the expenses of PKR 3.069 million, the Plan managed to earn a net income of PKR 17.506 million. As at September 30, 2020, net assets of the Fund were PKR 693 million representing the net asset value of PKR 107.8889 per unit.

c) UBL Special Savings Fund (UBL Special Savings Plan – III)

The “UBL Special Savings Plan-III (USSP-III)” is an Allocation Plan under “UBL Special Savings Fund”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for thirty-six (36) Months from commencement of life of plan. USSP-III yielded return of 1.39%. Major exposure was in PIBs at the end of September'20. The net assets of the Plan were PKR 97mn as at the 30 September 2020.

USSP-III Benchmark

1QFY'21 Return:	1.39%	6.96%
Standard Deviation (12m Rolling):	3.39%	2.91%
Sharpe Ratio (12m Rolling):	2.56	(0.02)

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
PIBs*	93.3%	95.6%	96.9%
Others	0.6%	1.2%	1.8%
Cash	6.2%	3.2%	1.3%
Leverage	Nil	Nil	Nil

USSP-III vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USSP-III (p.a)	1.39%	12.91%	19.12%	-	-	17.15%
Benchmark	6.96%	7.58%	10.38%	-	-	11.19%

Returns are annualized using the Morningstar Methodology

The Plan earned total income of PKR 3.283 million for the three months' period ended September 30, 2020. After accounting for the expenses of PKR 0.563 million, the Plan managed to earn a net income of PKR 2.72 million. As at September 30, 2020, net assets of the Plan were PKR 97 million representing the net asset value of PKR 111.7733 per unit.

d) UBL Special Savings Fund (UBL Special Savings Plan – IV)

The “UBL Special Savings Plan-IV (USSP-IV)” is an Allocation Plan under “UBL Special Savings Fund”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for twenty-four (24) Months from commencement of life of plan. USSP-IV yielded return of 4.17%. Major exposure was maintained in PIBs at the end of September'20, thus maintaining high portfolio quality. The net assets of the Plan were PKR 196mn as at the 30 September 2020.

USSP-IV Benchmark

1QFY'21 Return:	4.17%	6.96%
Standard Deviation (12m Rolling):	2.22%	2.91%
Sharpe Ratio (12m Rolling):	2.41	(0.02)

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
PIBs*	94.3%	95.1%	96.3%
Cash	4.1%	3.8%	2.1%
Others	1.6%	1.0%	1.6%
Leverage	Nil	Nil	Nil

USSP-IV vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USSP-IV (p.a)	4.17%	13.03%	15.79%	-	-	15.55%
Benchmark	6.96%	7.58%	10.38%	-	-	11.16%

Returns are annualized using the Morningstar Methodology

The Plan earned total income of PKR 6.145 million for the three months' period ended September 30, 2020. After accounting for the expenses of PKR 1.166 million, the Plan managed to earn a net income of PKR 4.979 million. As at September 30, 2020, net assets of the Plan were PKR 196 million representing the net asset value of PKR 107.2952 per unit.

e) UBL Special Savings Fund (UBL Special Savings Plan – V)

The “UBL Special Savings Plan V (USSP-V)” is an Allocation Plan under “UBL Special Savings Fund”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for thirty-six (36) Months from commencement of life of plan. USSP-V yielded return of 2.67%. The net assets of the Plan were PKR 2,704mn as at 30 September 2020. Major exposure was maintained in PIBs at the end of September'20, thus maintaining high portfolio quality.

	USSP-V	Benchmark
1QFY'21 Return:	2.67%	6.96%
Standard Deviation (12m Rolling):	1.64%	2.91%
Sharpe Ratio (12m Rolling):	1.49	(0.02)

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
PIBs*	71.6%	71.1%	71.1%
T-Bills*	26.4%	26.4%	26.6%
Others	0.8%	1.3%	1.3%
Cash	1.2%	1.2%	1.1%
Leverage	Nil	Nil	Nil

USSP-V vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USSP-V (p.a)	2.67%	9.44%	12.90%	-	-	13.07%
Benchmark	6.96%	7.58%	10.38%	-	-	10.53%

Returns are annualized using the Morningstar Methodology

The Plan earned total income of PKR 98.505 million for the three months' period ended September 30, 2020. After accounting for the expenses of PKR 4.403 million, the Plan managed to earn a net income of PKR 94.102 million. As at September 30, 2020, net assets of the Plan were PKR 2,704 million representing the net asset value of PKR 100.7963 per unit

f) UBL Special Savings Fund (UBL Special Savings Plan – VI)

The “UBL Special Savings Plan VI (USSP-VI)” is an Allocation Plan under “UBL Special Savings Fund”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for twenty-four (24) Months from commencement of life of plan. USSP-VI yielded return of 4.48%. The net assets for the Plan were PKR 142 mn as at 30 September 2020. Major exposure was maintained in PIBs at the end of September'20, thus maintaining high portfolio quality.

USSP-VI Benchmark

1QFY'21 Return:	4.48%	6.96%
Standard Deviation (12m Rolling):	3.17%	2.91%
Sharpe Ratio (12m Rolling):	0.02	(0.00)

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
PIBs*	77.1%	87.5%	88.1%
Cash	21.8%	10.9%	10.8%
Others	1.0%	1.7%	1.1%
Leverage	Nil	Nil	Nil

USSP-VI vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USSP-VI (p.a)	4.48%	14.43%	15.19%	-	-	14.64%
Benchmark	6.96%	7.58%	10.38%	-	-	10.84%

Returns are annualized using the Morningstar Methodology

The Plan earned total income of PKR 4.849 million for the three months' period ended September 30, 2020. After accounting for the expenses of PKR 0.579 million, the Plan managed to earn a net income of PKR 4.270 million. As at September 30, 2020, net assets of the Plan were PKR 142 million representing the net asset value of PKR 104.4335 per unit

14) UBL Special Savings Fund-II (UBL Special Savings Plan – VIII)

The “UBL Special Savings Plan-VIII (USSP-VIII)” is an Allocation Plan under “UBL Special Savings Fund - II”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for thirty (30) Months & beyond from commencement of life of plan. USSP-VIII yielded return of -1.37%. The net assets for the Plan were PKR 147 mn as at 30 September 2020. Major exposure was maintained in PIBs at the end of September'20, thus maintaining high portfolio quality.

USSP-VIII Benchmark

1QFY'21 Return:	-1.37%	6.96%
Standard Deviation (12m Rolling):	N/A	N/A
Sharpe Ratio (12m Rolling):	N/A	N/A

Asset Allocation (% of Total Assets)			
	Jul'20	Aug'20	Sep'20
PIBs*	76.4%	77.7%	88.5%
Cash	16.9%	14.8%	6.7%
T-Bills*	2.5%	2.6%	2.6%
Others	4.2%	4.9%	2.2%
Leverage	Nil	Nil	Nil



USSP-VIII vs Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USSP-VIII (p.a)	-1.37%	10.15%	-	-	-	10.63%
Benchmark	6.96%	7.58%	-	-	-	8.69%

Returns are annualized using the Morningstar Methodology

The Plan earned total income of PKR 3.008 million for the three months' period ended September 30, 2020. After accounting for the expenses of PKR 0.821 million, the Plan managed to earn a net income of PKR 2.188 million. As at September 30, 2020, net assets of the Plan were PKR 147 million representing the net asset value of PKR 101.3295 per unit.

Future outlook

After witnessing first time negative real GDP growth of 0.4% in FY20 since 1952, the country has witnessed some recovery in 1QFY21 in overall economic activity and is expected to improve in the coming months as the authorities focus shifts toward the revival of economy. We believe albeit it modest real GDP will grow. Also with re-entry in IMF program overall macro indicators are expected to show signs of improvement.

In the short-term, the market will take direction from evolving domestic political situation, 2020 US elections, progress on Covid-19, result of impending FATF review and upcoming results season.. Compared to fixed income avenues, market's current earnings yield differential with 10Y PIB yield is 3.7% (13.5% vs. 9.76%) which is much higher than the average yield gap of 0.7% over the last 10 years. Further, the market offers a healthy dividend yield of 5%. Moreover there appears to be ample liquidity in the market, in the backdrop of waning investor interest in alternative avenues.

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 Pakistan Mercantile Exchange and Central Depository Company of Pakistan Limited (Trustee) for their continued support, guidance and cooperation. The Board would also like 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 OF DIRECTORS OF UBL FUND MANAGERS LIMITED

-- sd --

Yasir Qadri
(Chief Executive Officer)

-- sd --

Arif Akmal Saifie
(Director)

Karachi
October 29, 2020

ULPF

UBL Liquidity Plus Fund

INVESTMENT OBJECTIVE

ULPF is an open-end Money Market Fund, investing in a diversified portfolio of low risk assets. The Fund seeks to provide attractive daily returns while maintaining comparatively high liquidity.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditor	Deloitte Yousuf Adil, Chartered Accountants
Bankers	United Bank Limited Bank Alfalah Limited MCB Bank Limited Faysal Bank Limited Samba Bank Limited Allied Bank Limited Habib Bank Limited Sindh Bank Limited Zarai Taraqiati Bank Ltd Habib Metropolitan Bank Limited Askari Bank Limited National Bank Of Pakistan Meezan Bank Limited
Management Co.Rating	AM1 (VIS)
Fund Rating	AA(f)(VIS)

**UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

		(Un-audited) September 30, 2020	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	18,123,493	15,825,752
Placements, Commercial Papers and Term Deposit Receipts	5	-	650,000
Investments - net	6	-	3,120,183
Mark-up / interest receivable		36,148	37,341
Security deposits, prepayments and other receivables		15,785	6,298
Advance income tax	7	1,994	1,994
Total assets		18,177,421	19,641,568
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	8	5,788	7,672
Payable to Central Depository Company of Pakistan Limited - Trustee		1,013	746
Payable to Securities and Exchange Commission of Pakistan		838	1,954
Accrued expenses and other liabilities	9	139,036	165,915
Total liabilities		146,674	176,287
Net Assets		18,030,747	19,465,281
Unit Holders' Fund (as per statement attached)		18,030,747	19,465,281
CONTINGENCIES AND COMMITMENTS			
	10	----- (Number of units) -----	
Number of Units in Issue		178,455,176	192,766,885
		----- (Rupees) -----	
Net Asset Value Per Unit		101.0380	100.9783
Face Value per Unit		100.0000	100.0000

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

Quarter ended

	September 30, 2020	September 30, 2019
--	-----------------------	-----------------------

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

INCOME

Financial income	295,604	322,121
Loss on sale of investments - net	(3,964)	(3,100)
Unrealized (loss) / gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net	-	-
Total income	291,640	319,021

EXPENSES

Remuneration of UBL Fund Managers Limited - Management Company	8 7,821	20,791
Sindh sales tax on remuneration of Management Company	1,020	2,703
Remuneration of Central Depository Company of Pakistan Limited - Trustee	3,077	1,715
Annual fee of Securities and Exchange Commission of Pakistan	838	467
Bank charges	35	117
Auditors' remuneration	186	183
Brokerage and settlement expenses	883	332
Allocated expenses	8.1 4,140	780
Allocated selling and marketing expenses	-	1,639
Fees and subscription charges	68	75
Other expenses	131	27
Total expenses	18,198	28,829
Net operating income for the period	273,442	290,192
Provision for Sindh Workers' Welfare Fund (SWWF)	9.1 (5,366)	(5,698)
Net income for the period before taxation	268,075	284,494
Taxation	11 -	-
Net income for the period after taxation	268,075	284,494
Allocation of net income for the period		
- Net income for the period after taxation	268,075	284,494
- Income already paid on units redeemed	(23,737)	(15,771)
Net income for the period available for distribution	244,339	268,723
Net income for the period available for distribution		
- Relating to capital gains	-	-
- Excluding capital gains	244,339	268,723
	244,339	268,723
Earnings per unit	12	

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	<u>Quarter ended</u>	
	September 30, 2020	September 30, 2019
	----- (Rupees in '000) -----	
Net income for the period after taxation	268,075	284,494
Other comprehensive income		
Items that may be reclassified subsequently to income statement	-	-
Items that will not be reclassified subsequently to income statement	-	-
Total comprehensive income for the period	268,075	284,494

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended			Quarter ended		
	September 30, 2020			September 30, 2019		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees. in '000)					
Net assets at the beginning of the period	19,328,240	137,041	19,465,281	6,731,382	105,945	6,837,326
Amount received on issuance of 197,237,348 units (2019: 106,779,968 units)						
- Capital value	19,916,692	-	19,916,692	10,761,328	-	10,761,328
- Element of income	27,012	-	27,012	20,374	-	20,374
Total amount received on issuance of units	19,943,704	-	19,943,704	10,781,702	-	10,781,702
Amount paid on redemption of 211,549,057 units (2019: 63,739,395 units)						
- Capital value	(21,361,864)	-	(21,361,864)	(6,423,681)	-	(6,423,681)
- Element of income	(1,089)	(23,737)	(24,825)	(2,598)	(15,771)	(18,369)
Total amount paid on redemption of units	(21,362,953)	(23,737)	(21,386,689)	(6,426,279)	(15,771)	(6,442,050)
Total comprehensive income for the period	-	268,075	268,075	-	284,494	284,494
Interim distributions:						
July 2020 to September 2020						
Re. 0.1156 per unit declared on July 05, 2020 as cash dividend	(1,032)	(19,615)	(20,647)			
Re. 0.2660 per unit declared on July 19, 2020 as cash dividend	(5,371)	(45,356)	(50,727)			
Re. 0.1692 per unit declared on August 02, 2020 as cash dividend	(1,196)	(24,702)	(25,899)			
Re. 0.2448 per unit declared on August 16, 2020 as cash dividend	(2,706)	(35,041)	(37,746)			
Re. 0.2754 per unit declared on September 01, 2020 as cash dividend	(12,121)	(32,844)	(44,965)			
Re. 0.2207 per unit declared on September 13, 2020 as cash dividend	(1,154)	(34,943)	(36,097)			
Re. 0.2632 per unit declared on September 27, 2020 as cash dividend	(1,783)	(41,759)	(43,542)			
July 2019 to September 2019						
Re. 0.4494 per unit declared on July 14, 2019 as cash dividend				(3,069)	(29,351)	(32,420)
Re. 0.4500 per unit declared on July 28, 2019 as cash dividend				(214)	(32,686)	(32,900)
Re. 0.6064 per unit declared on August 15, 2019 as cash dividend				(1,798)	(52,396)	(54,194)
Re. 0.4712 per unit declared on August 29, 2019 as cash dividend				(2,938)	(43,393)	(46,331)
Re. 0.5675 per unit declared on September 15, 2019 as cash dividend				(6,673)	(56,033)	(62,706)
Re. 0.5009 per unit declared on September 29, 2019 as cash dividend				(3,041)	(50,833)	(53,874)
Net income for the period less distribution	(25,363)	33,815	8,452	(17,733)	19,802	2,069
Net assets at the end of the period	17,883,628	147,119	18,030,747	11,069,071	109,976	11,179,047
Undistributed income brought forward comprising of:						
- Realised		135,806	135,806		105,945	105,945
- Unrealised		1,235	1,235		-	-
Total undistributed income brought forward		137,041	137,041		105,945	105,945
Accounting income available for distribution						
- Related to capital gain		-	-		-	-
- Excluding capital gain		244,339	244,339		268,723	268,723
		244,339	244,339		268,723	268,723
Distribution during the period:						
Interim distributions during the year as cash dividend		(234,261)	(234,261)		(264,692)	(264,692)
Undistributed income carried forward - net		147,119	147,119		109,976	109,976
Undistributed income carried forward comprising of:						
- Realised		147,119	147,119		109,976	109,976
- Unrealised		-	-		-	-
		147,119	147,119		109,976	109,976
Net assets value per unit at the beginning of the period			100.9783			100.7804
Net assets value per unit at the end of the period			101.0380			100.8172

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

**UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Quarter ended	
	September 30, 2020	September 30, 2019
	------(Rupees in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	268,075	284,494
Adjustments for:		
Financial income	(295,604)	(322,121)
Loss on sale of investments - net	3,964	3,100
Unrealized (loss) / gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net	-	-
Provision for Sindh Workers' Welfare Fund (SWWF)	5,366	5,698
	<u>(286,274)</u>	<u>(313,323)</u>
Cash used in operations before working capital changes	(18,198)	(28,829)
(Increase) / decrease in assets		
Placements, Commercial Papers and Term Deposit Receipts	-	(465,688)
Investments - net	3,116,216	(3,100)
Security deposits, prepayments and other receivables	(9,487)	43,330
Advance income tax	-	(1)
	<u>3,106,729</u>	<u>(425,459)</u>
Increase / (decrease) in liabilities		
Payable to UBL Fund Managers Limited - Management Company	(1,884)	3,651
Payable to Central Depository Company of Pakistan Limited - Trustee	267	113
Payable to Securities and Exchange Commission of Pakistan	(1,116)	(8,445)
Accrued expenses and other liabilities	(32,246)	7,406
	<u>(34,979)</u>	<u>2,725</u>
Cash generated from / (used in) operations	3,053,552	(451,563)
Mark-up received on bank balances and investments	296,797	289,500
Net cash generated from operating activities	3,350,350	(162,063)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	19,943,704	10,781,702
Payments against redemption of units	(21,386,689)	(6,442,051)
Dividend paid	(259,624)	(282,424)
Net cash generated from / (used in) financing activities	(1,702,609)	4,057,227
Net increase / (decrease) in cash and cash equivalents during the period	1,647,741	3,895,164
Cash and cash equivalents at the beginning of the period	16,475,752	6,336,231
Cash and cash equivalents at the end of the period	18,123,493	10,231,395
CASH AND CASH EQUIVALENTS		
Bank balances	18,123,493	9,301,395
Placements, Commercial Papers and Term Deposit Receipts	-	930,000
	<u>18,123,493</u>	<u>10,231,395</u>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL LIQUIDITY PLUS FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** UBL Liquidity Plus Fund (the "Fund") was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the management company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 07, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 11, 2009 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-ended mutual fund. The Fund commenced its operations from June 21, 2009.
- 1.2** The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.3** The Fund is an open-end mutual fund categorised as money market scheme and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.4** The investment objective of the Fund is to seek and provide attractive daily returns while maintaining comparatively high liquidity by investing in diversified portfolio of low risk assets.
- 1.5** VIS Credit Rating Company has reaffirmed management quality rating of "AM1" (stable outlook) to the Management Company as on December 31, 2019 and assigned a stability rating of "AA (f)" to the Fund as on December 31, 2019.
- 1.6** Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1** This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.
- 2.1.2** Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.
- 2.1.2** The 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, 2020.
- 2.1.3** The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2019.
- 2.1.4** In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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, JUDGEMENTS AND CHANGES THEREIN

- 3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.
- 3.2 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments 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 the 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, 2020.
- 3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

	Note	(Un-audited) September 30, 2020	(Audited) June 30, 2020
		-----Rupees in '000-----	
4. BANK BALANCES			
In local currency:			
- Current account		45	14
- Profit and loss sharing accounts	4.1	18,123,449	15,825,738
		<u>18,123,493</u>	<u>15,825,752</u>

- 4.1 Mark-up rates on these savings accounts range between 5.50% to 7.7% per annum (Jun 2020: 6.50% to 14.40% per annum).

5. PLACEMENTS, COMMERCIAL PAPERS AND TERM DEPOSIT RECEIPTS

Particulars	Note	As at July 1, 2020	Purchased during the period	Matured during the period	As at September 30, 2020	Market value	
						as a percentage of net assets of the Fund	
						-----Rupees in '000-----	-----%-----
Letter of Placements	5.1		23,234,000	23,234,000	-	0.00	
Certificates of investment	5.2	650,000	-	650,000	-	0.00	
Total as at September 30, 2020 (Un-audited)		650,000	23,234,000	23,884,000	-	0.00	
Total as at June 30, 2020 (Audited)		850,000	28,016,612	28,216,612	650,000	0.00	

5.1. Letter of Placements (LOPs) having face value of Rs. 23,234 million carrying interest rates ranging from 6.85% to 7.25% were acquired and matured during the period.

5.2. Certificate of Investment (COI) having a face value of Rs. 650 million carrying interest rate of 9.00% was matured on the date of July 27, 2020.

6. INVESTMENTS - NET

Government securities classified as financial asset at fair value through profit or loss.

Name of security	Note	As at July 1, 2020	Purchased during the period	Sold / matured during the period	As at September 30, 2020	Total carrying value as at September 30, 2020	Total market value as at September 30, 2020	Appreciation / (diminution) as at September 30, 2020	Market value as a percentage of total investment of the Fund	Market value as a percentage of net assets of the Fund
						-----Number of holdings-----	-----Rupees in '000-----	-----%-----		
Market Treasury Bills - 3 months	6.1	-	174,954	174,954	-	-	-	-	0.00%	0.00%
Market Treasury Bills - 6 months	6.1	30,580	129,695	160,275	-	-	-	-	0.00%	0.00%
Market Treasury Bills - 12 months	6.1	1,163	205,941	207,104	-	-	-	-	0.00%	0.00%
Total as at September 30, 2020 (Un-audited)						-	-	-	0.00%	0.00%
Total as at June 30, 2020 (Audited)						3,118,947	3,120,183	1,235	100	16.03

6.1 These T-bills have nominal value of Rs. 100,000 each.

7. 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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

8 PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

The remuneration is payable to the Management Company on monthly basis in arrears. During the period ended September 30, 2020, the Management Company has charged remuneration at the rates and subject to the limits as stated below:

	Management Company remuneration as a % of gross earnings	Minimum remuneration (as a % per annum of the average daily net assets
Charged up to September 23, 2020	2.50%	0.15%
Charged from September 24 and onwards	3.10%	0.15%

8.1 ALLOCATED AND SELLING & MARKETING EXPENSES

The Management Company is charging 0.1% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services.

9 ACCRUED EXPENSES AND OTHER LIABILITIES

9.1 Provision for Workers' Welfare Fund (WWF)

There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements for the year ended June 30, 2020.

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs. 61.266 million (June 30, 2020: Rs. 55.900 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 SWWF not been provided for, the net assets value per unit would have been higher by Rs. 0.3433 (June 30, 2020: Rs. ff).

9.2 Provision for indirect taxes and duties

This includes provision for federal excise duty (FED) as at September 30, 2020 amounting to Rs. 55.390 million (June 30, 2020: Rs. 55.390 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements for the year ended June 30, 2020. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 55.390 million till June 30, 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Rs. 0.3104 (June 30, 2020: Rs. 0.2873).

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

11. TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

12. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as, in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

13. TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund for the period ended September 30, 2020 is 0.56% which includes 0.18% representing Government levies, Sindh Workers' Welfare Fund and SECP fee.

14. 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 the 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).

The table below provides information on financial assets or liabilities carried at fair values, by valuation

ASSETS	As at September 30, 2020 (un-audited)			
	Fair Value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
Investment in securities - financial assets at fair value through profit or loss				
- Market Treasury Bills	-	-	-	-
	----- (Rupees in '000) -----			
	As at June 30, 2020 (audited)			
	Fair Value			
ASSETS	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
Investment in securities - financial assets at fair value through profit or loss				
- Market Treasury Bills	-	3,120,183	-	3,120,183

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

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

15. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

15.1 Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (the Management Company), Al-Ameen Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, the Central Depository Company of Pakistan Limited as trustee and custodian of the Fund, the directors and officers of the Management Company, and unit holders holding 10% or more of the Fund's net assets.

15.2 Transactions with the connected persons are carried out in the normal course of business, at agreed terms.

15.3 Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations.

15.4 Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

15.5 Details of transactions with related parties / connected persons and balances with them at the period end, other than those which have been specifically disclosed elsewhere in this condensed interim financial information are as follows:

	Management Company	Associated Companies and others*	Trustee	Funds under Common Management	Directors and Key Executives**	Other Connected persons / related parties***
Transactions during the period						
Quarter Ended September 30, 2020						
(Units in '000)						
Units issued	8,456	79	47	-	1	70,772
Units redeemed	4,164	79	-	-	7	43,399
(Rupees in '000)						
Value of units issued	854,072	7,977	4,700	-	58	7,159,025
Value of units redeemed	421,000	7,986	-	-	673	4,387,235
Mark-up on PLS accounts	-	495	-	-	-	-
Bank and other charges	-	-	-	-	-	-
Purchase of securities	-	1,597,885	-	1,416,858	-	-
Sale of securities	-	1,983,680	-	499,339	-	-
Remuneration (inclusive of SST)	8,841	-	3,077	-	-	-
Allocated expense	4,140	-	-	-	-	-
Custody fee	-	-	-	-	-	-
Dividend paid	13,878	19	5,529	-	36	55,603
As at September 30, 2020						
(Units in '000)						
Units held	12,967	0	3,583	-	23	53,165
(Rupees in '000)						
Value of units held	1,310,159	3	361,990	-	2,328	5,371,735
Bank Balances	-	8,351	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration (inclusive of SST)	3,011	-	1,013	-	-	-
Allocated expenses payable	2,664	-	-	-	-	-
Allocated selling and marketing expenses payable	-	-	-	-	-	-
Other payable	113	-	-	-	-	-
Mark-up receivable	-	525	-	-	-	-
Transactions during the period						
Quarter Ended September 30, 2019						
(Rupees in '000)						
Value of units issued	6,185,559	1	-	-	1,388	-
Value of units redeemed	4,555,951	-	-	-	130	-
Mark-up on PLS accounts	-	6,312	-	-	-	-
Bank and other charges	-	33	-	-	-	-
Purchase of securities	-	4,648,154	-	4,164,764	-	-
Sale of securities	-	-	-	1,844,313	-	-
Remuneration (including Sindh sales tax)	23,494	-	1,715	-	-	-
Allocated expenses	780	-	-	-	-	-
Selling and Marketing Fee	1,639	-	-	-	-	-
Dividend paid	4,458	-	-	-	456	-
As at June 30, 2020						
(Units in '000)						
Units held	9,021	-	3,536	-	35	45,620
(Rupees in '000)						
Value of units held	910,925	-	357,059	-	3,534	4,606,630
Bank Balances	-	19,172	-	-	-	-
Receivable against issuance of units	5,898	-	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration (inclusive of SST)	2,425	-	-	-	-	-
Allocated expenses payable	2,141	-	-	-	-	-
Allocated selling and marketing expenses payable	2,954	-	-	-	-	-
Conversion payable	135	-	-	-	-	-
Other payable	17	-	-	-	-	-
Mark-up receivable	-	33	-	-	-	-

* This represent parent (including the related subsidiaries of the parent) of the Management Company, associated companies / undertakings of the Management Company.

** These include transactions and balance in relation to those directors and key executives that existed as at half year end. However, it does not include the transactions and balances whereby director and key executives have resigned from 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.

16. GENERAL

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

16.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

16.3 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

17. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 29, 2020 by the Board of Directors of the Management Company.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UMMF

UBL Money Market Fund

INVESTMENT OBJECTIVE

The objective of UBL Money Market Fund is to generate competitive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors by investing a major chunk of the portfolio in short term government securities.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditor	KPMG - Taseer Hadi & Co
Bankers	United Bank Limited Bank Alfalah Limited MCB Bank Limited Faysal Bank Limited Samba Bank Limited Allied Bank Limited Habib Bank Limited Sindh Bank Limited Zarai Taraqati Bank Ltd Habib Metropolitan Bank Limited Askari Bank Limited National Bank of Pakistan Meezan Bank Limited
Management Co.Rating	AM1 (VIS)
Fund Rating	AA(f) (VIS)

UBL Money Market Fund
Condensed Interim Statement of Assets and Liabilities
As at 30 September 2020

		(Un-Audited) September 30 2020	(Audited) June 30 2020
	Note	(Rupees in '000)	
Assets			
Bank balances	4	3,052,975	5,111,249
Investments	5	-	-
Profit receivable		43,369	27,607
Deposit, prepayments and other receivables		3,182	626
Advance Income tax	6	1,596	1,650
Total assets		3,101,122	5,141,132
Liabilities			
Payable to UBL Fund Managers Limited - Management Company	7	6,422	8,637
Payable to Central Depository Company of Pakistan Limited - Trustee		203	324
Payable to Securities and Exchange Commission of Pakistan		197	897
Dividend payable		2,575	2,575
Accrued expenses and other liabilities	8	78,448	78,918
Total liabilities		87,845	91,351
Net assets		3,013,277	5,049,781
Unit holders' fund (as per the statement attached)		3,013,277	5,049,781
Contingencies And Commitments			
	9	(Number of Units)	
Number of units in issue (face value of units is Rs. 100 each)		29,498,814	50,139,708
		(Rupees)	
Net asset value per unit		102.1491	100.6767

The annexed notes from 1 to 15 form an integral part of these condensed financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL Money Market Fund
Condensed Interim Income Statement (Un-audited)
For the quarter ended 30 September 2020

	Note	Quarter Ended	
		September 30 2020	September 30 2019
(Rupees in '000)			
Income			
Financial income		67,835	151,204
Capital loss on sale of investments - net		(2,456)	(1,678)
Total income		65,379	149,526
Expenses			
Remuneration of the Management Company		3,375	9,996
Sindh Sales Tax on the Management Company's remuneration		439	1,299
Allocation of expenses relating to the Fund		987	1,111
Marketing & Selling Expense		2,962	958
Remuneration of Central Depository Company of Pakistan Limited - Trustee		725	817
Annual fee of Securities and Exchange Commission of Pakistan		197	222
Auditors' remuneration		198	162
Listing fees		7	7
Legal and Professional Charges		47	74
Other expenses		256	328
Total operating expenses		9,193	14,974
Net income from operating activities		56,186	134,553
Provision for Sindh Workers' Welfare Fund	8.1	(1,103)	(2,641)
Net income for the quarter before taxation		55,083	131,911
Taxation	10	-	-
Net income for the quarter after taxation		55,083	131,911
Allocation of net income for the quarter after taxation			
Net income for the quarter after taxation		55,083	131,911
Income already paid on units redeemed		(15,841)	(42,702)
Accounting income available for distribution		39,242	89,209
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		39,242	89,209
		39,242	89,209
Earnings per unit	11		

The annexed notes from 1 to 15 form an integral part of these condensed financial information.

For UBL Fund Managers Limited
(Management Company)

SD
 Chief Executive Officer

SD
 Chief Financial Officer

SD
 Director

UBL Money Market Fund
Condensed Interim Statement of Comprehensive Income (Un-audited)
For the quarter ended 30 September 2020

	Quarter Ended	
	September 30 2020	September 30 2019
	(Rupees in '000)	
Net income for the quarter after taxation	55,083	131,911
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	<u>55,083</u>	<u>131,911</u>

The annexed notes from 1 to 15 form an integral part of these condensed financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL Money Market Fund
Condensed Interim Statement of Movement in Unit holders' Fund (Un-audited)
For the quarter ended 30 September 2020

	Quarter Ended					
	September 30 2020			September 30 2019		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the quarter	5,037,666	12,115	5,049,780	2,714,135	11,296	2,725,431
Issuance of 13,619,606 units (2019: 52,051,314 units)						
- Capital value	1,371,177	-	1,371,177	5,240,355	-	5,240,355
- Element of income	9,218	-	9,218	59,569	-	59,569
Total proceeds on issuance of units	1,380,395	-	1,380,395	5,299,924	-	5,299,924
Redemption of 34,260,500 units (2019: 38,423,167 units)						
- Capital value	(3,449,234)	-	(3,449,234)	(3,868,318)	-	(3,868,318)
- Element of loss	(6,906)	(15,841)	(22,747)	(25,376)	(42,702)	(68,078)
Total payments on redemption of units	(3,456,140)	(15,841)	(3,471,981)	(3,936,396)	(42,702)	(3,936,396)
Total comprehensive income for the quarter	-	55,083	55,083	-	131,911	131,911
Distribution during the quarter ended 30 September	-	-	-	-	-	-
Net assets at end of the quarter	2,961,921	51,357	3,013,277	4,077,663	100,505	4,220,870
Undistributed income brought forward:						
- Realised income		12,115	12,115		11,296	11,296
- Unrealised income		-	-		-	-
		12,115	12,115		11,296	11,296
Accounting income available for distribution						
- Relating to capital gains	-	-	-	-	-	-
- Excluding capital gains	39,242	39,242	39,242	89,209	89,209	89,209
	39,242	39,242	39,242	89,209	89,209	89,209
Distribution during the quarter ended 30 September	-	-	-	-	-	-
Undistributed income carried forward	51,357	51,357	51,357	100,505	100,505	100,505
Undistributed income carried forward comprise of:						
- Realised income	51,357	51,357	51,357	100,505	100,505	100,505
- Unrealised income	-	-	-	-	-	-
	51,357	51,357	51,357	100,505	100,505	100,505
				(Rupees)		(Rupees)
Net assets value per unit at beginning of the quarter			<u>100.6767</u>			<u>100.6767</u>
Net assets value per unit at end of the quarter			<u>102.1491</u>			<u>103.7087</u>

The annexed notes from 1 to 15 form an integral part of these condensed financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL Money Market Fund
Condensed Interim Cash Flow Statement (Un-audited)
For the quarter ended 30 September 2020

	Quarter Ended	
	September 30 2020	September 30 2019
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	55,083	131,911
Adjustments for non-cash and other items:		
Financial income	(67,835)	(151,204)
Capital loss on sale of investments	2,456	1,678
Provision for Sindh Workers' Welfare Fund	1,103	2,641
	<u>(64,276)</u>	<u>(146,885)</u>
Net cash used in operations before working capital changes	(9,193)	(14,974)
Working capital changes		
<i>(Increase) / decrease in assets</i>		
Investments	(2,456)	(1,678)
Deposit, prepayments and other receivables	(2,556)	885
Advance tax	54	(6)
	<u>(4,958)</u>	<u>(799)</u>
<i>(Decrease) / increase in liabilities</i>		
Payable to UBL Fund Managers Limited - Management Company	(2,215)	3,716
Payable to Central Depository Company of Pakistan Limited - Trustee	(121)	47
Payable to Securities and Exchange Commission of Pakistan	(700)	(1,192)
Accrued expenses and other payables	(1,574)	(2,373)
	<u>(9,220)</u>	<u>398</u>
Profit received	52,073	130,723
Net cash flows generated from operating activities	33,312	115,149
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	1,380,395	5,299,924
Payments on redemption of units	(3,471,981)	(3,936,396)
Cash distribution to unit holders	-	-
Net cash flows (used in) / generated from financing activities	(2,091,586)	1,363,528
Net (decrease) / increase in cash and cash equivalents	(2,058,274)	1,478,677
Cash and cash equivalents at beginning of the quarter	5,111,249	2,538,715
Cash and cash equivalents at end of the quarter	3,052,975	4,017,392
CASH AND CASH EQUIVALENTS		
Bank balances	3,052,975	3,704,392
Term deposit receipt	-	313,000
Cash and cash equivalents at end of the quarter	3,052,975	4,017,392

The annexed notes from 1 to 15 form an integral part of these condensed financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL Money Market Fund

Notes to the Condensed Interim Financial Information (Un-Audited)

For the quarter ended 30 September 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Money Market Fund (the Fund) was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on 10 August 2010 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from 14 October 2010.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines.
- 1.3 The Fund is an open ended mutual fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for subscription on a continuous basis to general public. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.
- 1.4 The investment objective of the fund is to provide a regular stream of income and easy liquidity to its investors by investing a major chunk of the portfolio in short term government securities.
- 1.5 Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.6 The Management Company has been rated as 'AM1' on 31 December 2019 by VIS. The Fund has been rated as AA(f) by VIS on 31 December 2019.

2 BASIS OF PRESENTATION

- 2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and

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

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

- 2.1.2 The 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, 2020.
- 2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2019.

2.1.4 In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

2.1 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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, JUDGEMENT AND CHANGES THEREIN

3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.

3.2 The preparation of this condensed interim financial information in conformity with 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 judgments 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 the 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, 2020.

3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

	Note	30 September 2020 (Un-Audited) (Rupees in '000)	30 June 2020 (Audited)
4. BANK BALANCES			
In saving accounts		3,052,920	5,111,240
In current accounts		55	9
	4.1 & 4.2	<u>3,052,975</u>	<u>5,111,249</u>

4.1 These include amount of Rs. 56.16 million with United Bank Limited, holding company of the Management Company.

4.2 These carry profit rates ranging from 5.5% to 7.10% (June 30 2020: 6.5% to 13.57%) per annum. This includes balance with United Bank Limited of 'Rs.56.16 million (June 30 2020: Rs. 22.91 million) carrying profit rate of 5.50% to 6.40% (June 30 2020: 6.75% to 11.75%) per annum.

5 INVESTMENTS

Designated at fair value through profit or loss - Government Securities

- Market Treasury Bills	5.1	-	-
- Letter of placements	5.2	-	-
		<u>-</u>	<u>-</u>

5.1 Market Treasury Bills -

Issue Date	Tenor	As at 01 July 2020	Purchased During the quarter	Sold / matured during the quarter	As at 30 September 2020	Market Value value as at 30 September 2020	Market value as at 30 June 2020	Percentage of total investment	Percentage of net assets
----- (Rupees in '000) ----- % -----									
August 27, 2020	3 Months	-	500,000	500,000	-	-	-	-	-
August 27, 2020	3 Months	-	375,000	375,000	-	-	-	-	-
July 16, 2020	3 Months	-	450,000	450,000	-	-	-	-	-
July 16, 2020	3 Months	-	75,000	75,000	-	-	-	-	-
April 23, 2020	3 Months	-	500,000	500,000	-	-	-	-	-
July 2, 2020	3 Months	-	75,000	75,000	-	-	-	-	-
March 12, 2020	6 Months	-	1,000,000	1,000,000	-	-	-	-	-
April 9, 2020	6 Months	-	1,000,000	1,000,000	-	-	-	-	-
August 27, 2020	6 Months	-	375,000	375,000	-	-	-	-	-
August 27, 2020	6 Months	-	300,000	300,000	-	-	-	-	-
July 16, 2020	6 Months	-	400,000	400,000	-	-	-	-	-
July 16, 2020	6 Months	-	75,000	75,000	-	-	-	-	-
July 2, 2020	6 Months	-	75,000	75,000	-	-	-	-	-
August 29, 2019	12 Months	-	500,000	500,000	-	-	-	-	-
October 10, 2019	12 Months	-	360,000	360,000	-	-	-	-	-
September 12, 2019	12 Months	-	250,000	250,000	-	-	-	-	-
August 29, 2019	12 Months	-	460,000	460,000	-	-	-	-	-
August 29, 2019	12 Months	-	100,000	100,000	-	-	-	-	-
July 18, 2019	12 Months	-	1,000,000	1,000,000	-	-	-	-	-
September 26, 2019	12 Months	-	215,000	215,000	-	-	-	-	-
September 12, 2019	12 Months	-	150,000	150,000	-	-	-	-	-
September 12, 2019	12 Months	-	500,000	500,000	-	-	-	-	-
September 26, 2019	12 Months	-	500,000	500,000	-	-	-	-	-
September 12, 2019	12 Months	-	100,000	100,000	-	-	-	-	-
Total as of September 30, 2020		-	9,335,000	9,335,000	-	-	-	-	-

5.2 Letter of placements

Name of Company	Maturity date	Placements as at 01 July 2020	Placements made during the year	Placements matured during the year	As at 30 September 2020	Percentage of total value of investments	Percentage of Net Assets
----- (Rupees in '000) ----- % -----							
Pak Oman Investment Company Limited	July 24, 2020	-	305,000	305,000	-	-	-
Saudi Pak Industrial & Agricultural Investment Company Limited	August 19, 2020	-	400,000	400,000	-	-	-
Pak Oman Investment Company Limited	September 17, 2020	-	300,000	300,000	-	-	-
Saudi Pak Industrial & Agricultural Investment Company Limited	September 21, 2020	-	300,000	300,000	-	-	-
Pak Oman Investment Company Limited	September 22, 2020	-	300,000	300,000	-	-	-
		-	1,605,000	1,605,000	-	-	-

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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

7 PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

7.1 SECP vide S.R.O. 639 (I)/2019 has substitute regulation 61 where by Management Company may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the Offering Document.

During the quarter ended 30 September 2020, the Management Company has charged remuneration at the rates and subject to the limits as stated below:

	Management Company remuneration (as a % of gross earnings)	Minimum remuneration (as a % per annum of the average daily net assets)	Maximum remuneration (as a % per annum of the average daily net assets)
Charged from September 05, 2019 and onwards	5.00%	0.15%	1.00%

7.2 Allocated expenses and selling and marketing expenses

The Management Company is charging 0.10% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services

Furthermore Management Company has charged selling and marketing expense to the Fund as follows:

From July 01, 2020 through September 30, 2020	0.3% per annum of average daily net assets
---	--

8 ACCRUED EXPENSES AND OTHER LIABILITIES

8.1 Provision for Workers' Welfare Fund (WWF)

There is no change in the status of the legal proceeding on this matter, (which has been fully disclosed in note 13.2 to the annual audited financial statements for the year ended June 30, 2020).

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs. 16.94 million (June 30, 2020: Rs. 15.83 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 Re. 0.5742 (June 30, 2020: Re. 0.3158).

8.2 Provision for indirect taxes and duties

This includes provision for federal excise duty (FED) as at September 30, 2020 amounting to Rs. 9.499 million (June 30, 2020: Rs.9.499 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.1 to the annual audited financial statements for the year ended June 30, 2020. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 9.4992 million till June 30, 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Re. 0.3089 (June 30, 2020: Re.0.1894).

9 CONTINGENCIES AND COMMITMENTS

9.1 For Tax Years 2016, 2017; and 2018, the Tax Department, through various notices, has disputed Fund's distribution of 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised. Appropriate replies to all notices have been made and the matter is pending conclusion by the Tax Department.

9.2 There were no other contingencies or commitments outstanding as at September 30, 2020.

10 TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

11 EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

12 TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund for the period ended September 30, 2020 is 1.04% which includes 0.19% representing Government levies, Sindh Workers' Welfare Fund and SECP fee.

13 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, the Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of the Management Company.

Transactions with the connected persons are carried out in the normal course of business, at agreed / contracted rates.

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

Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

Details of transactions with related parties / connected persons during the period and balances held with them at the quarter year ended September 30, 2020 are as follows:

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
----- (Transactions during the quarter ended 30 September 2020) -----						
----- (Rupees in '000) -----						
Units issued	-	2,647	-	38,188	9,618	-
Units redeemed	-	11,343	-	15,950	49,210	-
Profit on saving accounts	-	266	-	-	-	-
Purchase of securities	-	214,716	-	-	-	-
Sale of securities	-	-	-	-	-	-
Remuneration Payable	3,375	-	642	-	-	-
Sindh Sales tax on remuneration	439	-	83.41	-	-	-
Selling & Marketing Expense	2,962	-	-	-	-	-
Allocation of expenses relating to the Fund	987	-	-	-	-	-
----- (Balances held as at 30 September 2020) -----						
Units held (in units '000)	-	-	-	3,353	44	-
Units held (in rupees '000)	-	-	-	342,465	4,492	-
Bank balances	-	56,160	-	-	-	-
Remuneration payable	1,089	-	203	-	-	-
Sales load payable	1,718	-	-	-	-	-
Payable against allocated expenses	568	-	-	-	-	-
Selling and Marketing expense payable	2,960	-	-	-	-	-
Conversion Charges Payable	70	-	-	-	-	-
Other Payable	17	-	-	-	-	-
Profit receivable	-	481	-	-	-	-
Deposit	-	-	100	-	-	-
----- (Transactions during the quarter ended 30 September 2019) -----						
----- (Rupees in '000) -----						
Units issued	1,301,530	1,200	-	60,545	2,122	-
Units redeemed	1,305,018	1,205	-	190,203	18,367	-
Profit on saving accounts	-	432	-	-	-	-
Bank charges	-	27	-	-	-	-
Purchase of securities	-	-	-	1,608,059	-	-
Sale of securities	-	1,878,930	-	1,754,336	-	-
Listing Fee	-	7	-	-	-	-
Remuneration Payable	9,996	-	723	-	-	-
Sindh Sales tax on remuneration	1,299	-	94	-	-	-
Selling & Marketing Expense	958	-	-	-	-	-
Allocation of expenses relating to the Fund	1,111	-	-	-	-	-
----- (Balances held as at 30 June 2020) -----						
Units held (in units '000)	-	96	-	4,021	494,000	-
Units held (in rupees '000)	-	9,694	-	404,948	49,776	-
Bank balances	-	26,265	-	-	-	-
Remuneration payable	2,063	-	324	-	-	-
Sales load and other payable	1,996	-	-	-	-	-
Payable against allocated expenses	856	-	-	-	-	-
Payable against selling and marketing expenses	3,722	-	-	-	-	-
Profit receivable	-	215	-	-	-	-
Deposit	-	-	100	-	-	-

14. GENERAL

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

14.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

14.3 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

15 DATE OF AUTHORISATION FOR ISSUE

15.1 This condensed interim financial information was authorised for issue on October 29, 2020 by the Board of Directors of the Management Company.

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UCF

UBL Cash Fund

INVESTMENT OBJECTIVE

UCF is an open-end Money Market Fund, investing in a diversified portfolio of low risk assets. The Fund seeks to provide attractive daily returns while maintaining comparatively high liquidity.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditor	Deloitte Yousuf Adil, Chartered Accountants
Bankers	United Bank Limited Samba Bank Limited Allied Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited
Management Co.Rating	AMI (VIS)
Fund Rating	AA(f) (VIS)

**UBL CASH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

(Un-audited) September 30 2020	(Audited) June 30, 2020
--------------------------------------	-------------------------------

Note (Rupees in '000)

ASSETS

Bank balances	4	1,317,454	1,679,874
Investments - net	5	-	-
Placements		-	150,000
Mark-up receivable		4,708	7,773
Advance income tax	6	834	834
Other receivable		228	69
Total assets		1,323,224	1,838,550

LIABILITIES

Payable to UBL Fund Managers Limited - Management Company	7.	598	3,169
Payable to Central Depository Company of Pakistan Limited - Trustee		72	152
Payable to the Securities and Exchange Commission of Pakistan		63	188
Accrued expenses and other liabilities	8	11,079	15,737
Total liabilities		11,812	19,246

Net Assets

Unit Holders' Fund (as per statement attached)

CONTINGENCIES AND COMMITMENTS

Number of Units in Issue

Net Asset Value Per Unit

Face Value per Unit

1,311,413 1,819,304

9
(Number of units)

12,897,414 18,185,582

----- (Rupees) -----

101.6803 **100.0410**

100.0000 **100.0000**

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL CASH FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30 2020**

For the period ended

	September 30, 2020,	September 30, 2019
Note	----- (Rupees in '000) -----	
INCOME		
Financial income	22,884	527
profit/Loss on sale of investments - net	(769)	(8)
Total income	22,114	519
EXPENSES		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	229	2
Allocated expenses	633	2
Annual fee of Securities and Exchange Commission of Pakistan	63	-
Brokerage, settlement and other expenses	83	17
Listing fee	9	1
Total expenses	1,017	22
Net operating income for the period	21,097	497
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1 (414)	(10)
Net income for the period before taxation	20,682	487
Taxation	10 -	-
Net income for the period after taxation	20,682	487
Allocation of net income for the period		
- Net income for the period after taxation	20,682	487
- Income already paid on units redeemed	(2,935)	-
Net income for the period available for distribution	17,747	487
Net income for the period available for distribution		
- Relating to capital gains	-	-
- Excluding capital gains	17,747	487
	17,747	487
Earnings per unit	11	

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL CASH FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30 2020**

	For the Period Ended	
	September 30, 2020,	September 30, 2019
	----- (Rupees in '000) -----	
Net income for the period after taxation	20,682	487
Other comprehensive income		
Items that may be reclassified subsequently to income statement	-	-
Items that will not be reclassified subsequently to income statement	-	-
Total comprehensive income for the period	20,682	487

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL CASH FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30 2020

For the period ended

	September 30, 2020,			September 30, 2019		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	1,819,271	33	1,819,304	-	-	-
Net assets at beginning of the period						
Issuance of 6,683,721 units (2019: 2,003,594 units)						
- Capital value	670,146	-	670,146	200,359	-	200,359
- Element of loss	4,170	-	4,170	-	-	-
Total amount received on redemption of units	674,316	-	674,316	200,359	-	200,359
Redemption of 11,986,886 units (2019: Nil units)						
- Capital value	(1,199,180)	-	(1,199,180)	-	-	-
- Element of loss	(775)	(2,935)	(3,709)	-	-	-
Total amount paid on issuance of units	(1,199,955)	(2,935)	(1,202,889)	-	-	-
Total comprehensive income for the period	-	20,682	20,682	-	487	487
Interim distribution:						
Rs. 0.4228 per unit paid on 29 September 2019					(423)	(423)
Net income loss for the period less distribution	-	20,682	20,682		64	64
Net assets at end of the period	1,293,633	17,780	1,311,413	200,359	64	200,423
Undistributed income brought forward comprising of:						
- Realised		33			-	
- Unrealised		-			-	
		33			-	
Accounting income available for distribution						
- Related to capital gain		-			487	
- Excluding capital gain		17,747			487	
		17,747			487	
Distribution during the period:						
Rs. 0.4228 per unit paid on 29 September 2019		-			(23)	
Undistributed income carried forward - net		17,780			487	
Undistributed income carried forward comprising of:						
- Realised		17,780			64	
- Unrealised		-			-	
		17,780			64	
				(Rupees)		
Net assets value per unit at the beginning of the period			100.0410			100.0000
Net assets value per unit at the end of the period			101.6803			100.0317

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

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

**UBL CASH FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30 2020**

	For the period Ended	
	September 30, 2020, (Rupees in '000)	September 30, 2019 (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	20,682	487
Adjustments for:		
Financial income	(22,884)	(527)
profit/Loss on sale of investments - net	769	8
Provision for Sindh Workers' Welfare Fund (SWWF)	414	10
Cash used in operations before working capital changes	<u>(21,701)</u>	<u>(509)</u>
	(1,019)	(22)
(Increase) in assets		
Investment - net	(769)	(8)
Other receivable	(159)	(1,000)
	<u>(928)</u>	<u>(1,008)</u>
Decrease in liabilities		
Payable to UBL Fund Managers Limited - Management Company	(2,571)	1,002
Payable to Central Depository Company of Pakistan Limited - Trustee	(80)	2
Payable to the Securities and Exchange Commission of Pakistan	(125)	-
Accrued expenses and other liabilities	(5,072)	114
	<u>(7,848)</u>	<u>1,118</u>
Cash used in operations	(9,795)	88
Mark-up received on bank balances	25,948	414
Net cash generated from operating activities	<u>16,153</u>	<u>502</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	674,316	200,359
Net payments against redemption of units	(1,202,889)	-
Dividend paid	-	(423)
Net cash generated from financing activities	<u>(528,573)</u>	<u>199,936</u>
Net increase in cash and cash equivalents during the period	(512,420)	200,438
Cash and cash equivalents at the beginning of the period	1,829,874	-
Cash and cash equivalents at the end of the period	<u>1,317,454</u>	<u>200,438</u>

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL CASH FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** UBL Cash Fund (the "Fund") was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on July 10, 2018 after it was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 04, 2018 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from September 23, 2019. Accordingly these financial statements have been prepared from September 23, 2019 to June 30, 2020.
- 1.2** The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.3** The Fund is an open-end mutual fund categorized as money market scheme and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.4** The investment objective of the Fund is to generate attractive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors.
- 1.5** Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.6** VIS Credit Rating Company has assigned management quality rating of AM1 to the Management Company as on December 31, 2019.

2. BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1** This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

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

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

- 2.1.2** The 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, 2020.
- 2.1.3** The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2019.
- 2.1.4** In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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, ASSUMPTIONS AND CHANGES THEREIN

- 3.1** The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020

- 3.2** The preparation of this condensed interim financial information in conformity with 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 judgments 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, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2020
- 3.4** There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2019. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5** The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020

4. BANK BALANCES	Note	(Un-audited) September 30 2020	(Audited) June 30, 2020
		(Rupees in '000)	
In local currency:			
- Profit and loss sharing accounts	4.1	<u><u>1,317,454</u></u>	<u><u>1,679,874</u></u>

- 4.1** Mark-up rates on these Mark-up and loss sharing accounts range between 5.5% to 7.7% per annum. This includes an amount held by a related party (United Bank Limited) amounting to Rs. 10.819 m on which return is earned at 6.5% per annum.

5. INVESTMENTS - NET

Government securities designated at fair value through profit or loss

Name of security	Note	As at July 1, 2020	Purchased during the period	Sold / Matured during the period	As at September 30, 2020	Total carrying value / market value as at	Total market value as at Septemb	Appreciat ion / (diminuti on) as at Septemb	Market value as a percenta ae	Market value as a percenta ae
Market Treasury Bills - 3 months	5.1	-	13,250	13,250	-	-	-	-	0%	0%
Market Treasury Bills - 6 months	5.1	-	12,400	12,400	-	-	-	-	0%	0%
Market Treasury Bills - 1 Year	5.1	-	18,410	18,410	-	-	-	-	0%	0%
Total as at September 30, 2020 (Unaudited)						<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>0%</u></u>	<u><u>0%</u></u>
Total as at June 30, 2020 (Audited)						<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>0%</u></u>	<u><u>0%</u></u>

- 5.1** These T-bills have nominal value of Rs 100,000 each.

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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

7.1 Allocated expenses and selling and marketing expenses

The Management Company is charging 0.2% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services.

8. ACCRUED EXPENSES AND OTHER LIABILITIES

8.1 Provision for Sindh Workers' Welfare Fund (SWWF)

There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.1 to the annual audited financial statements for the year ended June 30, 2020

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs. 2.605 million (June 30, 2020: Rs. 2.191 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 SWWF not been provided for, the net assets value per unit would have been higher by Rs. 0.20 (June 30, 2020: Rs. 0.12).

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

10. TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised

or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

11. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as, in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

12. TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund for the period ended September 30, 2020 is 0.45% which includes 0.16% representing Government levies, Sindh Workers' Welfare Fund and SECP fee.

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 the 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).

- 13.1 The Fund has not disclosed the fair values for other financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.
- 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 the Management Company), UBL Fund Managers Limited (the Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, the Central Depository Company of Pakistan Limited as trustee and custodian of the Fund, the directors and officers of the Management Company, and unit holders holding 10% or more of the Fund's net assets.
- 14.2 Transactions with the connected persons are carried out in the normal course of business, at agreed terms.
- 14.3 Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations.
- 14.4 Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.
- 14.5 Details of transactions with related parties / connected persons and balances with them at the period end, other than those which have been specifically disclosed elsewhere in this condensed interim financial information are as follows:

	Management Company	Associated Companies and others*	Trustee	Funds under Common Management	Other Connected persons / related parties**
Transactions during the period					
----- September 30 2020 -----					
----- (Units in '000) -----					
Units issued	899	-	-	-	2,295
Units redeemed	899	-	-	-	396
----- (Rupees in '000) -----					
Value of units issued	90,047	-	-	-	232,405
Value of units redeemed	90,550	-	-	-	39,969
Purchase of Securities	-	99,868	-	-	-
Sale of Securities	-	-	173,228	-	-
Mark-up on PLS accounts	-	152	-	-	-
Bank and other charges	-	4	-	-	-
Remuneration (inclusive of SST)	-	-	229	-	-
Allocated expenses	633	-	-	-	-
Dividend paid	-	-	-	-	-
----- As at September 30, 2020 -----					
----- (Units in '000) -----					
Balances held					
Units held	-	-	-	-	6,359
----- (Rupees in '000) -----					
Value of units held	-	-	-	-	646,537
Bank balances	-	10,819	-	-	-
Deposits	-	-	-	-	-
Remuneration (inclusive of SST)	-	-	72	-	-
Allocated expenses payable	392	-	-	-	-
Other payable	30	-	-	-	-
Sales load payable	176	-	-	-	-
Mark-up receivable	-	38	-	-	-

* This represent parent (including the related subsidiaries of the parent) of the Management Company, associated companies / undertakings of the Management Company.

** These include transactions and balances in relation to those directors and key executives that exist as at period end.

Management Company	Associated Companies and others*	Trustee	Funds under Common Management	Other Connected persons / related parties**
--------------------	----------------------------------	---------	-------------------------------	---

Transactions during the period

	----- September 30 2019 -----			
	----- (Units in '000) -----			
Units issued	2,004	-	-	-
Units redeemed	-	-	-	-
	----- (Rupees in '000) -----			
Value of units issued	200,359	-	-	-
Value of units redeemed	-	-	-	-
Mark-up on PLS accounts	-	2	-	-
Bank and other charges	-	-	-	-
Remuneration (inclusive of SST)	-	-	2	-
Dividend paid	423	-	-	-
Allocated expenses	2	-	-	-

----- As at June 30, 2020 -----
----- (Units in '000) -----

Balances held

Units held	-	-	-	-	13,099
	----- (Rupees in '000) -----				
Value of units held	-	-	-	-	1,310,437
Bank balances	-	11,302	-	-	-
Other receivable	57	-	-	-	-
Remuneration payable	-	-	152	-	-
Profit receivable	-	15	-	-	-
Allocated expenses payable	876	-	-	-	-
Other payable	30	-	-	-	-
Sales load payable	2,263	-	-	-	-

This represent parent (including the related subsidiaries of the parent) of the Management Company, associated companies / undertakings of the Management Company.

These include transactions and balance in relation to those directors and key executives that existed as at year end. However, it does not include the transactions and balances whereby director and key executives have resigned from the Management company during the year.

These include transactions and balances in relation to those directors and key executives that exist as at period end.

15. GENERAL

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

15.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

15.3 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

16. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on 29 Oct 2020 by the Board of Directors of the Management Company.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UGSF

UBL Government Securities Fund

INVESTMENT OBJECTIVE

The objective of the fund is to generate a competitive return with minimum risk, by investing primarily in Government Securities.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditor	BDO Ebrahim & Co., Chartered Accountants
Bankers	United Bank Limited Bank Alfalah Limited MCB Bank Limited Faysal Bank Limited Allied Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited JS Bank Limited Meezan Bank Limited Samba Bank Limited Sindh Bank Limited Askari Bank Limited National Bank of Pakistan Limited Zarai Taraqiati Bank Limited Soneri Bank Limited
Management Co.Rating	AM1 (JCR-VIS)
Fund Rating	A+(f) (JCR-VIS)

**UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

	September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	----- (Rupees in '000) -----	
ASSETS		
Bank balances	4 389,099	549,489
Term deposit receipts	-	-
Investments	5 5,650,071	1,442,862
Mark up / interest receivable	136,239	97,399
Prepayments and other receivables	502,444	1,458,044
Advance tax	6 5,177	5,176
TOTAL ASSETS	<u>6,683,029</u>	<u>3,552,970</u>
LIABILITIES		
Payable to UBL Fund Managers Limited - Management Company	7 7,717	4,808
Payable to Central Depository Company of Pakistan Limited - Trustee	373	203
Payable to Securities and Exchange Commission of Pakistan	256	504
Accrued expenses and other liabilities	8 589,807	390,692
TOTAL LIABILITIES	<u>598,153</u>	<u>396,207</u>
NET ASSETS	<u>6,084,877</u>	<u>3,156,763</u>
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	<u>6,084,877</u>	<u>3,156,763</u>
CONTINGENCIES AND COMMITMENTS	9	
	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE	<u>57,571,089</u>	<u>29,887,045</u>
	----- (Rupees) -----	
NET ASSETS VALUE PER UNIT	<u>105.6933</u>	<u>105.6231</u>

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

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

**UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Quarter Ended September 30, 2020	Quarter Ended September 30, 2019
Note	----- (Rupees in '000) -----	
INCOME		
Financial income	106,809	54,957
Capital (loss) on sale of investments - net	(3,662)	(800)
Unrealised gain / (loss) on revaluation of investments classified as financial asset 'at fair value through profit or loss' - net	(27,119)	1,944
TOTAL INCOME	76,028	56,101
EXPENSES		
Remuneration of UBL Fund Managers Limited - Management Company	13,204	4,792
Sindh Sales tax on Management Company's remuneration	1,716	623
Allocated expenses	1,281	391
Remuneration of Central Depository Company of Pakistan Limited - Trustee	941	331
Annual fee of Securities and Exchange Commission of Pakistan	256	78
Bank and other charges	3	50
Auditors' remuneration	89	134
Brokerage and settlement expenses	700	449
Legal and professional charges	47	39
Fee and subscription charges	77	78
Total operating expenses	18,314	6,965
Operating income for the quarter	57,714	49,136
Provision for Sindh Workers' Welfare Fund	(1,136)	(965)
Net income for the quarter before taxation	56,578	48,171
Taxation	-	-
Net income for the quarter after taxation	56,578	48,171
Allocation of net income for the quarter		
Income already paid on units redeemed	(17,553)	(2,438)
Net income for the quarter available for distribution	39,025	45,733
Relating to capital gains	-	1,143
Excluding capital gains	39,025	44,590
	39,025	45,733
Earnings per unit		

11

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

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	<u>Quarter Ended</u> <u>September 30,</u> <u>2020</u>	<u>Quarter Ended</u> <u>September 30,</u> <u>2019</u>
	----- (Rupees in '000) -----	
Net income for the quarter after taxation	56,578	48,171
Other comprehensive income		
Items that may be reclassified subsequently to income statement	-	-
Items that will not be reclassified subsequently to income statement	-	-
Total comprehensive income for the quarter	<u><u>56,578</u></u>	<u><u>48,171</u></u>

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

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Quarter Ended	
	September 30, 2020	September 30, 2019
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	56,578	48,171
Adjustments for:		
Financial income	(106,809)	(54,957)
Unrealised (gain) / loss on revaluation of investments at fair value through profit or loss - net	27,119	(1,944)
Capital loss on sale of investments - net	3,662	800
Provision for Sindh Workers' Welfare Fund	1,136	965
	(74,892)	(55,136)
Cash used in operations before working capital changes	(18,314)	(6,965)
Working capital changes		
Decrease / (increase) in assets		
Investments - net	(4,237,991)	319,005
Term deposit receipts	-	-
Prepayments and other receivables	955,600	(27,128)
Advance tax	(1)	(1)
	(3,282,391)	291,876
(Decrease) / increase in liabilities		
Payable to UBL Fund Managers Limited - Management Company	2,909	322
Payable to Central Depository Company of Pakistan Limited - Trustee	170	(48)
Annual fee payable to Securities and Exchange Commission of Pakistan	(248)	(1,192)
Accrued expenses and other liabilities	197,979	(55,061)
	200,810	(55,979)
Cash generated from operations	(3,099,895)	228,932
Profit received on bank balances and investments	67,969	72,242
Net cash generated from operating activities	(3,031,926)	301,174
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	11,875,536	335,363
Payments against redemption of units	(8,942,633)	(190,676)
Dividend paid	(61,367)	-
Net cash generated / (used in) from financing activities	2,871,536	144,687
Net increase in cash and cash equivalents	(160,390)	445,861
Cash and cash equivalents at the beginning of the quarter	549,489	1,109,748
Cash and cash equivalents at the end of the quarter	389,099	1,555,609
CASH AND CASH EQUIVALENTS		
Bank balances	389,099	1,555,609
	389,099	1,555,609

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

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

**UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Quarter Ended					
	September 30, 2020			September 30, 2019		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at the beginning of the quarter	2,952,966	203,797	3,156,763	1,324,250	209,264	1,533,514
Issuance of 111,967,675 units (2019: 3,100,852 units)						
Capital value of units	11,834,233	-	11,834,233	328,024	-	328,024
Element of income	-	-	-	-	-	-
Due to net income earned	41,303	-	41,303	7,339	-	7,339
Total proceeds on issuance of units	11,875,536	-	11,875,536	335,363	-	335,363
Redemption of 84,283,631 units (2019: 1,773,804 units)						
Capital value of units	(8,908,215)	-	(8,908,215)	(187,642)	-	(187,642)
Element of income	-	-	-	-	-	-
Due to net income earned	(16,865)	(17,553)	(34,418)	(596)	(2,438)	(3,034)
Total payments on redemption of units	(8,925,080)	(17,553)	(8,942,633)	(188,238)	(2,438)	(190,676)
Total comprehensive income for the quarter	-	56,578	56,578	-	48,171	48,171
Distribution during the quarter:						
Rs. 0.6689 per unit declared on Sep 04, 2020 as cash dividend	(17,700)	(21,661)	(39,360)	-	-	-
Rs. 0.3844 per unit declared on Sep 25, 2020 as cash dividend	(9,442)	(12,564)	(22,007)	-	-	-
Net income for the quarter less distribution	(27,142)	22,353	(4,789)	-	48,171	48,171
Net assets at the end of the quarter	5,876,280	208,597	6,084,877	1,471,375	254,997	1,726,372
Undistributed income brought forward comprises of:						
Realised gain	-	204,026	-	-	212,437	-
Unrealised (loss)	-	(229)	-	-	(3,173)	-
Total undistributed income brought forward	-	203,797	-	-	209,264	-
Income available for distribution:						
Relating to capital gains	-	-	-	-	-	-
Excluding capital gains	-	39,025	-	-	45,733	-
Distribution during the quarter: Nil (Rs. 0.6689 and 0.3844 per unit declared on Sep 4, 2020 and Sep 25, 2020 as cash dividend)	-	(34,225)	-	-	-	-
Undistributed income carried forward	-	208,597	-	-	254,997	-
Undistributed income carried forward comprises of:						
Realised gain	-	235,716	-	-	253,053	-
Unrealised gain / (loss)	-	(27,119)	-	-	1,944	-
Total undistributed income carried forward	-	208,597	-	-	254,997	-
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the quarter			105.6231			105.7851
Net assets value per unit at the end of the quarter			105.6933			109.1015

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

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL GOVERNMENT SECURITIES FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Government Securities Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-ended mutual fund. It was constituted under the Trust Deed, dated May 19, 2011 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The Fund commenced its operations from July 7, 2011. The registered office of the Management Company is situated at the 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi, Pakistan.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.
- 1.3 The Fund is an income scheme and units of the Fund are listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder. The Fund is categorised as an open-ended income scheme in accordance with Circular No. 7 of 2009 issued by the SECP.
- 1.4 The objective of the Fund is to generate a competitive return with minimum risk, by investing primarily in Government Securities. The weighted average time to maturity of the Fund's investment shall not exceed 4 years and this shall also apply to Government Securities. This is intended to reduce risk while providing competitive returns and maintaining liquidity.
- 1.5 Title to the assets of the Fund are held in the name of the CDC as the Trustee of the Fund.
- 1.6 VIS Credit Rating Company Limited has assigned an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as at December 27, 2019 and a stability rating of "A+(f)" to the Fund as at September 30, 2020.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

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

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

- 2.1.2 The 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, 2020.
- 2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2019.
- 2.1.4 In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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, ESTIMATES, ASSUMPTIONS AND CHANGES THEREIN

- 3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.
- 3.2 The preparation of this condensed interim financial information in conformity with 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 judgments 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 the 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, 2020.
- 3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

	Note	September 30, 2020 (Unaudited) ----- (Rupees in '000) -----	June 30, 2020 (Audited)
4 BANK BALANCES			
Cash at bank			
In current accounts		10	10
In savings accounts	4.1	389,089	549,479
		<u>389,099</u>	<u>549,489</u>

- 4.1 Profit rates on these savings accounts range from 3.50% to 7.70% per annum (June 30, 2020: 6.40% to 13.65% per annum). This includes an amount held by a related parties amounting to Rs. 80.459 million (June 30, 2020: Rs. 24.101 million) on which return is earned at 5.50% (June 30, 2020: 7.50%) per annum.

5 INVESTMENTS

5.1 Government securities classified as financial asset at fair value through profit or loss

Pakistan Investment Bonds	5.2 & 5.3	5,650,071	1,325,798
Market Treasury Bills	5.2 & 5.4	-	117,064
		<u>5,650,071</u>	<u>1,442,862</u>

5.2 Details of Government Securities are as follows:

Name of security	Note	At the beginning of the quarter	Acquired during the quarter No. of holdings	Sold / matured during quarter	At the end of the quarter	Market value as at September 30, 2020 (Rupees in '000)	Market value as at June 30, 2020	Percentage of investment
Pakistan Investment Bonds								
PIB- 10 Years	5.3	10,685	0	1,500	9,185	903,837	1,070,634	16.00%
PIB- 05 Years	5.3	-	51,210	40,700	10,510	1,054,994	-	18.67%
PIB- 03 Years	5.3	2,300	99,640	65,160	36,780	3,691,241	255,164	65.33%
Market Treasury Bills								
T-bill 1 year	5.4	1,250	8,000	9,250	-	-	117,064	0.00%
		<u>14,235</u>	<u>158,850</u>	<u>116,610</u>	<u>56,475</u>	<u>5,650,071</u>	<u>1,442,862</u>	<u>100.00%</u>

- 5.3 These comprise of fixed and floating rate Pakistan Investment Bonds (PIBs) having face value amounting to Rs. 425.000 million and Rs. 5,222.500 million respectively (June 30, 2020: fixed and floating rate (PIBs) Rs. 805.000 million and Rs. 493.500 million respectively) and carrying mark-up (coupon) rate ranging from 7.713% to 8.307% at quarter end (June 30, 2020: fixed and floating rate (PIBs) 8.75% to 10.00% and 13.94% to 14.05% respectively). Mark-up is reset and received semi-annually.

5.4 As at September 30, 2020, face value of Market Treasury Bills (T-bills) was Nil (June 30, 2020: 117.064 million) carrying purchase Nil (June 30, 2020: 7.29%).

6 ADVANCE 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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

7 PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

During the period ended September 30, 2020, management fee was charged at the rate of 10% of the gross earnings of the Fund calculated on a daily basis with a floor and cap of 1% and 1.25% on average daily net assets, respectively. (June 30, 2020: 10% of the gross earnings of the Fund calculated on a daily basis with a floor and cap of 1% and 1.25% on average daily net assets, respectively). The remuneration is paid to the Management Company on monthly basis in arrears.

7.1 Allocated expenses and selling and marketing expenses

The Management Company is charging 0.1% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services

8 ACCRUED EXPENSES AND OTHER LIABILITIES

8.1 Provision for indirect taxes and duties

This includes provision for federal excise duty (FED) as at September 30, 2020 amounting to Rs. 52.558 million (June 30, 2020: Rs. 52.558 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements for the year ended June 30, 2020. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 52.558 million till June 30, 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Rs. 0.913 (June 30, 2020: Rs. 1.758).

8.2 Provision For Sindh Workers' Welfare Fund

There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements for the year ended June 30, 2020.

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs. 27.701 million (June 30, 2020: Rs. 26.565 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 Re. 0.481 (June 30, 2020: Re. 0.888).

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

10 TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

11 EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as, in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

12 TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund for the period ended September 30, 2020 is 1.52% which includes 0.26% representing Government levies, Sindh Workers' Welfare Fund and SECP fee.

13 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of Management Company.

Transactions with the connected persons are carried out in the normal course of business, at agreed / contracted rates.

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

Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

Details of transactions with related parties / connected persons during the quarter and balances held with them at the quarter ended September 30, 2019 are as follows:

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
(Rupees in '000)						
Transactions during the Quarter ended September 30, 2020						
Profit on bank accounts	-	384	-	-	-	-
Bank charges	-	1	-	-	-	-
Units issued (in Units '000)	477	-	-	-	946	-
Units redeemed (in Units '000)	-	-	-	-	627	-
Units issued (in Rupees '000)	50,429	-	-	-	100,314	-
Units redeemed (in Rupees '000)	-	-	-	-	66,554	-
Dividend paid	500	-	-	-	354	-
Sales load paid	764	215	-	-	-	-
Purchase of securities	-	10,334	-	499,339	-	-
Sale of securities	-	-	-	-	-	-
Remuneration (including Sindh sales tax)	14,920	-	941	-	-	-
Allocated expenses	1,281	-	-	-	-	-
Transactions during the Quarter ended September 30, 2019						
Profit on bank accounts	-	422	-	-	-	-
Bank charges	-	16	-	-	-	-
Units issued	-	-	-	-	775	-
Units redeemed	-	-	-	-	4	-
Sales load paid	-	293	-	-	-	-
Purchase of securities	-	-	-	44,208	-	-
Sale of securities	-	-	-	1,021,312	-	-
Remuneration (including Sindh sales tax)	5,415	-	331	-	-	-
Allocated expenses	391	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
(Rupees in '000)						
Balances held as at September 30, 2020						
Units held (in Units '000)	477	-	-	-	339	-
Units held (in Rupees '000)	50,432	-	-	-	35,852	-
Bank balances	-	80,459	-	-	-	-
Remuneration payable	5,713	-	373	-	-	-
Sales load payable	830	810	-	-	-	-
Conversion charges payable	167	-	-	-	-	-
Allocated expenses payable	990	-	-	-	-	-
Other payables	17	-	-	-	-	-
Profit receivable	-	87	-	-	-	-
Balances held as at June 30, 2020						
Units held (in Units '000)	-	-	-	-	20	13,045
Units held (in Rupees '000)	-	-	-	-	2,112	1,377,854
Bank balances	-	24,101	-	-	-	-
Remuneration payable	3,270	-	203	-	-	-
Sales load payable	852	202	-	-	-	-
Conversion charges payable	163	-	-	-	-	-
Allocated expenses payable	594	-	-	-	-	-
Other payables	17	-	-	-	-	-
Profit receivable	-	38	-	-	-	-

14 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 the 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).
- The table below provides information on financial assets or liabilities carried at fair values, by valuation methods.

Carrying Amount		Fair value			
As at September 30, 2020		As at September 30, 2020			
Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3	
Financial assets measured at fair value					
Pakistan Investment Bonds	5,650,071	-	5,650,071	-	
Market Treasury Bills	-	-	-	-	
Government of Pakistan Ijara Sukuk	-	-	-	-	
	5,650,071	-	5,650,071	-	
Financial assets not measured at fair value					
Bank balances	-	389,099	-	-	
Mark up / interest receivable	-	136,239	-	-	
Other receivables	-	502,444	-	-	
	-	1,027,782	-	-	
	5,650,071	1,027,782	5,650,071	-	
Financial liabilities not measured at fair value					
Payable to Management Company	-	6,917	-	-	
Payable to Trustee	-	330	-	-	
Accrued expenses and other liabilities	-	589,949	-	-	
	-	597,196	-	-	
As at June 30, 2020					
Fair value through profit or loss	Loans and receivables	Other financial liabilities	Level 1	Level 2	Level 3
Financial assets measured at fair value					
Pakistan Investment Bonds	1,325,798	-	-	1,325,798	-
Market Treasury Bills	117,064	-	-	117,064	-
Government of Pakistan Ijara Sukuk	-	-	-	-	-
	1,442,862	-	-	1,442,862	-
Financial assets not measured at fair value					
Bank balances	-	549,489	-	-	-
Term deposit receipt	-	-	-	-	-
Mark up / interest receivable	-	97,399	-	-	-
Other receivables	-	1,457,980	-	-	-
	-	2,104,868	-	-	-
	1,442,862	2,104,868	-	1,442,862	-
Financial liabilities not measured at fair value					
Payable to Management Company	-	-	4,344	-	-
Payable to Trustee	-	-	180	-	-
Accrued expenses and other liabilities	-	-	261,620	-	-
	-	-	266,144	-	-

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

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

14.3 Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation. However, no significant reclassification has been made during the period.

15 GENERAL

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

15.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

15.3 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network (“VPN”) connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

16 DATE OF AUTHORIZATION FOR ISSUE

16.1 This condensed interim financial information was authorised for issue on October 29, 2020 by the Board of Directors of the Management Company.

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UIOF

UBL Income Opportunity Fund

INVESTMENT OBJECTIVE

The Objective of UBL Income Opportunity Fund is to provide a competitive rate of return to its investors by investing in quality TFCs / Sukuk, Government Securities, Bank Deposits, and short and long term debt instruments.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	Ernst & Young Ford Rhodes Sidat Hyder & Co.
Bankers	United Bank Limited Bank Alfalah Limited Faysal Bank Limited Tameer MicroFinance Bank Allied Bank Limited Khushhali Bank Ltd. MCB Bank Limited JS Bank Limited Samba Bank Limited Habib Bank Limited Sindh Bank Limited Zarai Taraqati Bank Limited National bank of Pakistan Limited
Management Co.Rating	AM1 (JCR-VIS)
Fund Rating	A(f)

**UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

		(Un-audited) September 30, 2020	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	786,476	254,875
Investments	5	598,378	331,686
Mark-up and Dividend receivable		17,203	6,201
Advance tax	6	347	347
Deposits, prepayments and other receivables		211,784	32,231
Receivable against sale of investments		50,700	5,714
TOTAL ASSETS		1,664,888	631,054
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	7	1,910	2,201
Payable to Central Depository Company of Pakistan - Trustee		99	46
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)		52	119
Accrued and other liabilities	8	32,972	21,346
TOTAL LIABILITIES		35,033	23,712
NET ASSETS		1,629,855	607,342
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,629,855	607,342
CONTINGENCIES AND COMMITMENTS			
	9	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		14,595,863	5,516,450
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		111.6655	110.0966

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Note	Quarter ended	
		September 30, 2020	September 30, 2019
		----- (Rupees in '000) -----	
INCOME			
Financial income		14,203	15,009
Unrealised loss on revaluation of investments classified as 'at fair value through profit or loss' - net		(960)	(53)
(Loss) / gain on sale of securities - net		6,310	(143)
Dividend Income		621	-
Other income		-	17
Total income		20,174	14,830
EXPENSES			
Remuneration to UBL Fund Managers Limited - Management Company		2,075	1,370
Sales tax on Remuneration to Management Company		270	178
Remuneration of the Trustee		194	75
Sales tax on remuneration of the Trustee		25	10
Annual fee - Securities and Exchange Commission of Pakistan		52	20
Allocated expense		259	100
Selling and marketing expenses		259	100
Brokerage and settlement charges		1,387	178
Listing fee		7	7
Auditors' remuneration		69	98
Legal and professional charges		39	41
Bank charges and other expenses		37	59
Total expenses		4,673	2,236
Net operating income for the quarter		15,501	12,594
Provision for Sindh Workers' Welfare Fund (SWWF)	8.2	(305)	(247)
Net income for the quarter before taxation		15,196	12,347
Taxation	10	-	-
Net income for the quarter after taxation		15,196	12,347
<i>Allocation of net income for the quarter:</i>			
Income already paid on units redeemed		(2,014)	(4,506)
Net income for the quarter available for distribution		13,182	7,841
<i>Net income available for distribution:</i>			
- Relating to capital gains		5,004	1,143
- Excluding capital gains		8,178	6,698
		13,182	7,841
Earnings per unit	11		

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	<u>Quarter ended</u>	
	<u>September 30,</u> <u>2020</u>	<u>September 30,</u> <u>2019</u>
	----- (Rupees in '000) -----	
Net income for the quarter after taxation	15,196	12,347
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	<u>15,196</u>	<u>12,347</u>

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended					
	September 30, 2020			September 30, 2019		
	Capital value	Undistributed income / (loss)	Total	Capital value	Undistributed income / (loss)	Total
	----- (Rupees in '000) -----					
Net assets at beginning of the quarter	596,598	10,744	607,342	821,353	11,907	833,260
Amount received on issuance of 269,632 units (2019: 269,632 units)						
Capital value	1,572,331	-	1,572,331	29,713	-	29,713
Element of income during the quarter;						
- Relating to net income for the quarter after taxation	12,105	-	12,105	336	-	336
	1,584,436	-	1,584,436	30,049	-	30,049
Redemption of 5,664,418 (2019: 5,664,418) units						
Capital value	(572,718)	-	(572,718)	(624,209)	-	(624,209)
Element of income during the quarter;						
- Relating to net income for the quarter after taxation	(2,386)	(2,014)	(4,400)	(128)	(4,506)	(4,634)
	(575,104)	(2,014)	(577,118)	(624,337)	(4,506)	(628,843)
Total comprehensive income for the quarter	-	15,196	15,196	-	12,347	12,347
Distribution during the quarter NIL (2018: NIL)	-	-	-	-	-	-
Distribution during the year NIL (2018: Rs.4.7439 per unit declared on July 02, 2018 as cash dividend)	-	-	-	-	-	-
Net assets at end of the quarter	1,605,929	23,926	1,629,855	227,065	19,748	246,813
Undistributed income brought forward comprising of :						
- Realised	-	9,614	9,614	-	11,907	11,907
- Unrealised	-	1,130	1,130	-	-	-
	-	10,744	10,744	-	11,907	11,907
Accounting income available for distribution:						
- Relating to capital gains	-	5,004	5,004	-	1,143	1,143
- Excluding capital gains	-	8,178	8,178	-	6,698	6,698
	-	13,182	13,182	-	7,841	7,841
Interim Distribution						
Undistributed income carried forward		23,926	23,926		19,748	19,748
Undistributed income carried forward comprising of :						
- Realised		22,966	22,966		19,695	19,695
- Unrealised (loss)		(960)	(960)		(53)	(53)
		23,926	23,926		19,748	19,748
	----- (Rupees) -----					
Net assets value per unit at beginning of the quarter			110.0966			110.1983
Net assets value per unit at end of the quarter			111.6655			113.9132

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended	
	September 30, 2020	September 30, 2019
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	15,196	12,347
Adjustments for:		
Financial income	(14,203)	(15,009)
Dividend Income	(621)	-
(Gain) / loss on sale of investments classified as 'at fair value through profit or loss' - net	(6,310)	143
Unrealised loss on revaluation of investments classified as 'at fair value through profit or loss' - net	960	53
Provision for Sindh Workers' Welfare Fund (SWWF)	305	247
	<u>(19,869)</u>	<u>(14,566)</u>
Cash used in operations before working capital changes	(4,673)	(2,219)
Working capital changes		
Decrease / (increase) in assets		
Investments	(261,343)	102,441
Advance tax	-	(2)
Deposits, prepayments and other receivables	(179,553)	608
Receivable against sale of investments	(44,986)	-
	<u>(485,882)</u>	<u>103,047</u>
(Decrease) / increase in liabilities		
Payable to UBL Fund Managers Limited - Management Company	(291)	(768)
Payable to Central Depository Company of Pakistan - Trustee	53	(114)
Annual fee payable to the Securities and Exchange Commission of Pakistan	(67)	(1,070)
Accrued and other liabilities	11,321	(5,368)
	<u>11,016</u>	<u>(7,320)</u>
Financial income and Dividend received	<u>3,822</u>	<u>18,461</u>
Net cash flows generated from operating activities	(475,717)	111,969
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipt from issuance of units	1,584,436	30,049
Net payment against redemption of units	(577,118)	(628,843)
Distribution during the quarter / year	-	-
Net cash generated from / (used in) financing activities	1,007,318	(598,794)
Net increase in cash and cash equivalents during the quarter	531,601	(486,825)
Cash and cash equivalents at beginning of the quarter	254,875	648,809
Cash and cash equivalents at end of the quarter	<u>786,476</u>	<u>161,984</u>

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL INCOME OPPORTUNITY FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Income Opportunity Fund (the Fund) was established under a Trust Deed executed between UBL Funds Managers Limited, (wholly owned subsidiary company of United Bank Limited) as its Management Company and Central Depository Company of Pakistan Limited, as its Trustee. The Trust Deed was executed on January 01, 2013 and the Fund was authorized by the Securities and Exchange Commission of Pakistan (SECP) on February 13, 2013 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The registered office of the Management Company is situated at the 4th Floor STSM Building, Beaumont Road, Civil Lines Karachi.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through certificate of registration issued by SECP.
- 1.3 The Fund is an open-ended mutual fund listed on Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders. The Fund commenced its operations from March 29, 2013.
- 1.4 The objective is to provide a competitive rate of return to its investors by investing in quality term finance certificates / sukuk issued by the financial institutions, Government securities, bank deposits and short-term and long-term debt instruments. Under circular 07 dated March 06, 2009 issued by the SECP, the Fund has been categorized by the Management Company as an Income Scheme.
- 1.5 VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as on December 31, 2019. The Fund has been assigned a stability rating of "A(f)" on October 16, 2020.
- 1.6 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.
- Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.
- 2.1.2 The 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, 2020.
- 2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2019.
- 2.1.4 In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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, JUDGEMENT AND CHANGES THEREIN

3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.

3.2 The preparation of this condensed interim financial information in conformity with 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 judgments 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 the 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, 2020.

3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

		(Un-audited) September 30, 2020	(Audited) June 30, 2020
	Note	---- (Rupees in '000) ----	
4. BANK BALANCES			
Saving accounts	4.1	<u>786,476</u>	<u>254,875</u>

4.1 These carry mark-up at the rates ranging from 5.5% to 7.7% (June 2019: from 6.4% to 13.50%) per annum and include a balance of Rs.14.383 (June 2020: Rs.1.93) million held with United Bank Limited (a related party).

		(Un-audited) September 30, 2020	(Audited) June 30, 2020
	Note	---- (Rupees in '000) ----	
5. INVESTMENTS			
Investments by Category			
'At Fair Value Through Profit or Loss'			
Government Securities - Market Treasury Bills	5.1	-	146,735
Government Securities - Pakistan Investment bonds	5.2	441,655	144,236
Term Finance Certificates	5.3	58,892	40,715
Quoted equity securities	5.4	97,831	-
		<u>598,378</u>	<u>331,686</u>

5.1 Government Securities - Treasury Bills - ' At Fair Value Through Profit or Loss'

Purchase yield range	Maturity upto	Number of certificates				Sep 30, 2020				
		As at July 01, 2020	Purchased during the quarter	Sold / matured during the quarter	As at Sep 30, 2020	Carrying value	Market value	Unrealised loss	Market value as a % of net assets	Market value as a % of total investments
----- (Rupees in '000) ----- % -----										
Market Treasury Bills - 3 months	-	-	1,500	(1,500)	-	-	-	-	0.00%	0.00%
Market treasury bills - 6 months	-	-	1,500	(1,500)	-	-	-	-	0.00%	0.00%
Market treasury bills - 12 months	-	1,550	-	(1,550)	-	-	-	-	0.00%	0.00%
Total as at September 30, 2020						-	-	-	0.00%	0.00%
Total as at June 30, 2020						146,277	146,735	458	24.16%	44.24%

5.2 Government Securities - Pakistan Investment Bonds - ' At Fair Value Through Profit or Loss'

Purchase yield range	Maturity upto	Number of certificates				Sep 30, 2020					
		As at July 01, 2020	Purchased during the quarter	Sold / matured during the quarter	As at Sep 30, 2020	Carrying value	Market value	Unrealised loss	Market value as a % of net assets	Market value as a % of total investments	
----- (Rupees in '000) ----- % -----											
Pakistan Investment Bonds - 3 years	8.264%	19-Jun-23	1,250,000	3,250,000	(1,250,000)	3,250,000	327,280	326,170	(1,110)	20.01%	54.51%
Bonds - 5 years	8.234%	18-Jun-25	-	1,500,000	(500,000)	1,000,000	100,787	100,380	(407)	6.16%	16.78%
Bonds - 10 years	14.704%	22-Aug-29	150,000	-	-	150,000	15,277	15,105	(172)	0.93%	2.52%
Total as at September 30, 2020						443,344	441,655	(1,689)	27.10%	73.81%	
Total as at June 30, 2020						143,177	144,236	1,060	23.75%	43.49%	

5.3 Debt Securities - Term Finance Certificates - 'Designated at fair value through profit or loss' (face value of Rs.5,000 each unless otherwise stated)

Particulars	Note	Number of certificates				Sep 30, 2020				
		As at July 01, 2020	Purchased during the quarter	Sold / matured during the quarter	As at Sep 30, 2020	Carrying value	Market value	Unrealised gain/(loss)	Market value as a % of net assets	Market value as a % of total investments
----- (Rupees in '000) ----- % -----										
Commercial banks										
Bank AL Habib Limited - unlisted (Issue date - March 17, 2016)	5.3.1	2,000	-	-	2,000	8,855	9,007	(152)	0.55%	1.51%
Habib Bank Limited - listed (Issue date - February 19, 2016)	5.3.1	120	-	-	120	11,575	11,650	(75)	0.71%	1.95%
Dawood Hercules Corporation Limited - listed (Issue date - November 17, 2017)	5.3.1	50	-	-	50	3,535	3,546	11	0.22%	0.59%
Dawood Hercules Corporation Limited - listed (Issue date - March 01, 2018)	5.3.1	200	-	-	200	14,059	14,180	(121)	0.87%	2.37%
K-Electric Limited - listed (Issue date - August 03 2020)	5.3.1	-	4,000	-	4,000	20,000	20,509	509	1.26%	3.43%
Total as at Sep 30, 2020(Un-audited)						58,023	58,892	172	3.61%	9.84%
Total as at June 30, 2020 (Audited)						41,103	40,715	(388)	6.70%	12.28%

These carry profit rate from 7.71% to 8.77% (June 2020: from 8.15% to 14.08%)

5.3.1 Significant terms and conditions of term finance certificates outstanding at the quarter end are as follows:

Name of security	Number of certificates	Face / redemption value (Rupees)		Interest rate (Per annum)	Maturity
		Per certificate	Total		
Bank AL-Habib Limited	2,000	4,991	9,982,000	6M KIBOR + 0.75%	March 17, 2026
Habib Bank Limited	120	99,820	11,978,400	6M KIBOR + 0.5%	February 19, 2026
Dawood Hercules Corporation Limited	50	70,000	3,500,000	3M KIBOR + 1%	November 16, 2022
Dawood Hercules Corporation Limited	200	70,000	14,000,000	3M KIBOR + 1%	March 01, 2023
K-Electric Limited	4,000	5,000	20,000,000	3M KIBOR + 1.7%	August 03, 2027

5.4 Equity securities

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

Name of Investee Company	As at July 01, 2020	Purchased / bonus received during the period	Sold during the period	As at September 30, 2020	Total carrying value as at September 30, 2020	Total market value as at September 30, 2020	Appreciation / (diminution) as at September 30, 2020	Market value as a percentage of net assets	Market value as a percentage of total value of investment	Investment as a percentage of paid-up capital of investee company
Quoted investments	Note	-----Number of shares-----			-----Rupees in '000-----			-----Percentage (%)-----		
AUTOMOBILE ASSEMBLER										
Ghandhara Industries Limited	-	46,000	46,000	-	-	-	-	0.00%	0.00%	0.00%
Ghandhara Nissan Limited	-	131,500	131,500	-	-	-	-	0.00%	0.00%	0.00%
Pak Suzuki Motor Company Limited	-	7,000	7,000	-	-	-	-	0.00%	0.00%	0.00%
AUTOMOBILE PARTS & ACCESSORIES										
The General Tyre & Rubber	-	91,000	91,000	-	-	-	-	0.00%	0.00%	0.00%
CEMENT										
D.G. Khan Cement Company Limited	-	1,100,500	1,048,500	52,000	5,784	5,362	(422)	0.33%	0.90%	0.01%
Fauji Cement Company Limited	-	999,000	989,000	10,000	214	199	(15)	0.01%	0.03%	0.00%
Lucky Cement Limited	-	48,000	48,000	-	-	-	-	0.00%	0.00%	0.00%
Maple Leaf Cement Factory Limited	-	1,879,000	1,596,500	282,500	11,095	10,139	(956)	0.62%	1.69%	0.03%
Pioneer Cement Limited	-	246,500	246,500	-	-	-	-	0.00%	0.00%	0.00%
					17,093	15,699	(1,393)	0.96%	2.62%	0.04%
CHEMICALS										
Engro Polymer & Chemicals Limited	-	461,500	303,500	158,000	6,780	6,361	(419)	0.39%	1.06%	0.02%
Lotte Chemical Pakistan Limited	-	221,500	221,500	-	-	-	-	0.00%	0.00%	0.00%
					6,780	6,361	(419)	0.39%	1.06%	0.02%
COMMERCIAL BANKS										
Bank Alfalah Limited	-	66,000	63,500	2,500	87	87	(0)	0.01%	0.01%	0.00%
Habib Bank Limited	-	24,000	21,000	3,000	390	392	2	0.02%	0.07%	0.00%
Meezan Bank Limited	-	1,000	1,000	-	-	-	-	0.00%	0.00%	0.00%
National Bank of Pakistan	-	273,500	34,000	239,500	9,755	9,551	(204)	0.59%	1.60%	0.01%
United Bank Limited	-	11,000	7,000	4,000	471	460	(10)	0.03%	0.08%	0.00%
					10,703	10,491	(213)	0.64%	1.75%	0.01%
ENGINEERING										
Amreli Steels Limited	-	1,309,000	873,000	436,000	20,216	19,084	(1,133)	1.17%	3.19%	0.15%
International Industries Limited	-	104,000	104,000	-	-	-	-	0.00%	0.00%	0.00%
International Steels Limited	-	981,000	981,000	-	-	-	-	0.00%	0.00%	0.00%
Mughal Iron & Steel Industries Limited	-	341,000	333,500	7,500	508	482	(24)	0.03%	0.08%	0.00%
					20,722	19,566	(1,156)	1.20%	3.27%	0.15%
FERTILIZER										
Engro Corporation Limited	-	34,500	34,500	-	-	-	-	-	-	-
Engro Fertilizers Limited	-	500	-	500	31	30	(0)	0.00%	0.01%	0.00%
Fauji Fertilizer Bin Qasim Limited	-	693,000	290,000	403,000	9,160	8,120	(1,040)	0.50%	1.36%	0.04%
Fauji Fertilizer Company Limited	-	18,000	18,000	-	-	-	-	0.00%	0.00%	0.00%
					9,191	8,151	(1,040)	0.50%	1.36%	0.04%
FOOD & PERSONAL CARE PRODUCTS										
Fauji Foods Limited	-	437,500	437,500	-	-	-	-	0.00%	0.00%	0.00%
OIL & GAS EXPLORATION COMPANIES										
Oil & Gas Development Company Limited	-	141,500	121,000	20,500	2,217	2,124	(93)	0.13%	0.35%	0.00%
Pakistan Petroleum Limited	-	689,500	689,500	-	-	-	-	0.00%	0.00%	0.00%
					2,217	2,124	(93)	0.13%	0.35%	0.00%
OIL & GAS MARKETING COMPANIES										
Pakistan State Oil Company Limited	-	232,000	232,000	-	-	-	-	0.00%	0.00%	0.00%
Sui Northern Gas Pipelines Limited	-	597,500	597,500	-	-	-	-	0.00%	0.00%	0.00%
PHARMACEUTICALS										
The Searle Company Limited	-	411,500	399,500	12,000	3,221	3,076	(145)	0.19%	0.51%	0.00%
					3,221	3,076	(145)	0.19%	0.51%	0.00%
POWER GENERATION & DISTRIBUTION										
Kot Addu Power Company Limited	-	832,500	780,500	52,000	1,414	1,371	(43)	0.08%	0.23%	0.01%
The Hub Power Company Limited	-	351,500	350,500	1,000	80	78	(1)	0.00%	0.01%	0.00%
					1,493	1,449	(44)	0.09%	0.24%	0.01%
REFINERY										
Attock Refinery Limited	-	401,500	353,000	48,500	7,526	6,765	(761)	0.42%	1.13%	0.05%
National Refinery Limited	-	66,500	47,000	19,500	3,894	3,392	(502)	0.21%	0.57%	0.02%
Pakistan Refinery Limited	-	1,363,000	448,500	914,500	18,235	17,074	(1,162)	1.05%	2.85%	0.15%
					29,655	27,231	(2,424)	1.67%	4.55%	0.22%
TECHNOLOGY & COMMUNICATION										
NetSol Technologies Limited	-	150,000	106,000	44,000	3,234	2,645	(589)	0.16%	0.44%	0.05%
					3,234	2,645	(589)	0.16%	0.44%	0.05%
TEXTILE COMPOSITE										
Gul Ahmed Textile Mills Limited	-	35,000	22,500	12,500	463	467	3	0.03%	0.08%	0.00%
Nishat Chunian Limited	-	500	-	500	21	20	(1)	0.00%	0.00%	0.00%
Nishat Mills Limited	-	4,000	-	4,000	420	404	(16)	0.02%	0.07%	0.00%
					904	890	(14)	0.05%	0.15%	0.00%
TRANSPORT										
Pakistan International Bulk Terminal	-	30,500	18,500	12,000	152	148	(3)	0.01%	0.02%	0.00%
					152	148	(3)	0.01%	0.02%	0.00%
Total September 30, 2020					105,365	97,831	(7,533)			
Total June 30, 2020					-	-	-			

¶ Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin:

	(Un-audited) September 30, 2020	(Audited) June 30, 2020
	(Number of shares)	
Amreli Steels Limited	300,000	-
Attock Refinery Limited	29,000	-
Fauji Fertilizer Bin Qasim Limited	290,000	-
Maple Leaf Cement Factory Limited	100,000	-
The Searle Company Limited	10,500	-
Total	729,500	-

6. ADVANCE 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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

During the period ended September 30, 2020, management fee was charged at the rate of 10% of gross earnings (September 30, 2019: 10%). The remuneration is paid to the Management Company on monthly basis in arrears.

7.1 Allocated expenses and selling and marketing expenses

The Management Company is charging 0.1% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services

8. ACCRUED AND OTHER LIABILITIES

8.1 Provision for indirect taxes and duties

This includes provision for federal excise duty (FED) as at September 30, 2020 amounting to Rs. 1.597 million (June 30, 2020: Rs. 1.597 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements for the year ended June 30, 2020. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. xx million till June 30, 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Rs. 0.11 (June 30, 2020: Rs. 0.28).

8.2 Provision for Workers' Welfare Fund (WWF)

There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements for the year ended June 30, 2020.

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs. 5.173 million (June 30, 2020: Rs. 4.867 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 SWWF not been provided for, the net assets value per unit would have been higher by Rs. 0.35 (June 30, 2020: Rs. 0.88).

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

10. TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

11. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as, in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

12. TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund for the period ended September 30, 2020 is 1.92% which includes 0.31% representing Government levies, Sindh Workers' Welfare Fund and SECP fee.

13. TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Financial Services (Private) Limited, being entity under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the Fund, the directors key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, NBFC Regulations and constitutive documents of the Fund respectively.

Details of transactions with related parties / connected persons during the period and balances held with them at the quarter year ended September 30, 2020 are as follows:

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
----- (Rupees in '000) -----						
September 30, 2020						
Transactions during the quarter						
Mark-up on bank accounts	-	290	-	-	-	-
Bank charges	-	-	-	-	-	-
Units issued	336,000	8,732	-	-	21,065	-
Units redeemed	-	5,502	-	-	125	-
Sale of investment	-	-	-	74,074	-	-
Remuneration *	2,345	-	-	-	-	-
CDS charges	-	-	-	-	-	-
Selling and marketing expense	259	-	-	-	-	-
Allocated expense	259	-	-	-	-	-

September 30, 2019						
Transactions during the quarter						
Mark-up on bank accounts	-	98	-	-	-	-
Bank charges	-	6	-	-	-	-
Units issued	-	-	-	-	4	-
Units redeemed	529,002	-	-	-	-	1,600
Sale of investment	-	-	-	486,113	-	-
Remuneration *	1,548	-	-	-	-	-
CDS charges	-	-	4	-	-	-
Selling and marketing expense	100	-	-	-	-	-
Allocated expense	100	-	-	-	-	-

September 30, 2020						
Balances held						
Units held (units in '000)	3,030	29	-	-	189	-
Units held (Rupees in '000)	338,344	3,260	-	-	21,067	-
Bank balances	-	14,383	-	-	-	-
Remuneration payable*	1,090	-	99	-	-	-
Deposits	-	-	100	-	-	-
Sales load and other payable	368	465	-	-	-	-
Allocated expense payable	193	-	-	-	-	-
Selling and marketing expense	259	-	-	-	-	-
Mark-up receivable	-	93	-	-	-	-

June 30, 2020						
Balances held						
Units held (units in '000)	-	-	1,103	-	-	-
Units held (Rupees in '000)	-	-	121,451	-	-	-
Bank balances	-	1,933	-	-	-	-
Remuneration payable	450	-	46	-	-	-
Security deposit	-	-	100	-	-	-
Sales load and other payables	1,412	-	-	-	-	-
Mark-up receivable	-	19	-	-	-	-
Payable against allocated expenses	130	-	-	-	-	-
Selling and marketing expenses	207	-	-	-	-	-

* Remuneration for the quarter is inclusive of sales tax.

14. FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price). Adoption of IFRS 13, has no effect on these financial statements.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: 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 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyse financial instruments measured at the end of the period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Note	September 30, 2020 (Un-audited)			Total
		Level 1	Level 2	Level 3	
----- (Rupees in '000) -----					
Financial assets measured at fair value					
Term finance certificates	14.1&1 4.2	-	598,378	-	598,378
----- (Rupees in '000) -----					
Financial assets measured at fair value					
Term finance certificates	14.1&1 4.2	-	331,686	-	331,686

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

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

15 GENERAL

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

15.1 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

15.2 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

16 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 29, 2020 by the Board of Directors of the Management Company.

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UGIF

UBL Growth and Income Fund

INVESTMENT OBJECTIVE

UGIF is an open-end Aggressive Fixed Income Fund, investing in medium to long-term fixed income instruments as well as short-tenor money market instruments and seeks to generate superior, long-term, risk-adjusted returns while preserving capital over the long-term.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shakra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	Ernst & Young Ford Rhodes, Chartered Accountants
Bankers	Allied Bank Limited Bank Alfalah Limited Faysal Bank Limited Habib Bank Limited JS Bank Limited Khushhali Bank Ltd. MCB Bank Limited National Bank of Pakistan Samba Bank Limited Silk Bank Limited Sindh Bank Limited Summit Bank Limited Telenor Microfinance Bank Limited The Bank of Punjab United Bank Limited Zarai Taraqiati Bank Limited Soneri Bank Limited
Management Co.Rating	AM1 (VIS)
Fund Rating	A(f) (VIS)

UBL GROWTH AND INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

		(Un-audited) September 30, 2020	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
Assets			
Bank balances	4	421,046	329,777
Investments	5	655,061	543,053
Mark-up and Dividend receivable		9,440	19,724
Advance tax	6.	3,833	3,832
Deposits, prepayments and other receivables		140,452	36,910
Receivable against settlement of spread transactions		-	-
TOTAL ASSETS		1,229,832	933,296
Liabilities			
Payable to the Management Company	7.	2,261	2,290
Remuneration payable to the Trustee		74	65
Annual fee payable to Securities and Exchange Commission of Pakistan (SECP)		49	294
Accrued and other liabilities	9	53,574	53,056
TOTAL LIABILITIES		55,958	55,705
NET ASSETS		1,173,874	877,591
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		1,173,874	877,591
CONTINGENCIES AND COMMITMENTS	10		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		13,537,044	10,328,784
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		86.7157	84.9655

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL GROWTH AND INCOME FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)**

	Note	Quarter Ended	
		September 30, 2020	September 30, 2019
		(Rupees in '000)	
Income			
Financial income		17,621	42,860
Net loss on investments classified as 'At fair value through profit or loss'			
Capital loss on sale and redemption of investments- net unrealised loss		6,104	(774)
on revaluation of investments- net		910	(45)
Other income		1,139	1,011
Provision against non-performing debt securities	5.1.1	-	(1,418)
Reversal of provision against non-performing debt securities	5.1.1	-	2,332
Total income		25,774	43,966
Expenses			
Remuneration of the Management Company		2,033	3,368
Sales tax on management fee		264	438
Expenses allocated by the Management Company	8	243	310
Remuneration of the Trustee		206	263
Annual fee - Securities and Exchange Commission of Pakistan		49	62
Selling and marketing expense	8	971	1,241
Auditors' remuneration		74	103
Legal and professional charges		47	38
Brokerage expense		1,078	96
Bank charges and other expenses		367	201
Total expenses		5,332	6,120
Net operating income for the quarter		20,442	37,846
Provision for Sindh Workers' Welfare Fund	9.2	(402)	(743)
Net income for the quarter before taxation		20,040	37,103
Taxation	11	-	-
Net income for the quarter after taxation		20,040	37,103
<i>Allocation of net income for the quarter:</i>			
Income already paid on units redeemed		(5,614)	(9,426)
Accounting income available for distribution:		14,426	27,677
- Relating to capital gains		6,364	-
- Excluding capital gains		8,062	27,677
		14,426	27,677

Earnings per unit

13

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL GROWTH AND INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

	Quarter Ended	
	September 30, 2020	September 30, 2019
Note	----- (Rupees in '000) -----	
Net income for the quarter after taxation	20,040	37,103
Other comprehensive income:		
Other comprehensive loss for the quarter	-	-
Net unrealised appreciation / (diminution) on revaluation of investments classified as 'fair value through other comprehensive income'	-	-
Total comprehensive income for the quarter	20,040	37,103

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL GROWTH AND INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

	<u>Quarter Ended</u>	
	<u>September 30,</u> <u>2020</u>	<u>September 30,</u> <u>2019</u>
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	20,040	37,103
Adjustments for:		
Financial income	(17,621)	(42,860)
Net loss on investments classified as 'At fair value through profit or loss'		
Capital loss on sale and redemption of investments- net	(6,104)	774
Unrealised loss on revaluation of investments- net	(910)	45
Provision against non-performing debt securities	-	1,418
Reversal of provision against non-performing debt securities	-	(2,332)
Provision for Sindh Workers' Welfare Fund	402	743
	(24,233)	(42,212)
Decrease / (increase) in assets		
Investments	(104,994)	211,326
Advance tax	(1)	404
Receivable against settlement of spread transactions	-	(523)
Advances, deposits, prepayments and other receivables	(103,542)	18,380
	(208,537)	229,587
(Decrease) / increase in liabilities		
Payable to the Management Company	(29)	396
Remuneration payable to the Trustee	9	2
Annual fee - Securities and Exchange Commission of Pakistan	(245)	(232)
Accrued and other liabilities	116	(13,909)
	(149)	(13,743)
Reversal of provision	-	2,332
Finance income received	27,905	48,012
Net cash (used in)/ generated from operating activities	(184,974)	261,079
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	746,218	1,037,555
Payments against redemption of units	(469,975)	(1,854,527)
Cash distribution to unit holders	-	-
Net cash generated from/ (used) in financing activities	276,243	(816,972)
Net increase/ (decrease) in cash and cash equivalents	91,269	(555,893)
Cash and cash equivalents at the beginning of the quarter	329,777	329,777
Cash and cash equivalents at the end of the quarter	421,046	(226,116)

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL GROWTH AND INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

	September 30, 2020				September 30, 2019			
	Capital value	Undistributed loss	Unrealised appreciation on re-measurement of investments classified as 'FVOCI' - net	Total	Capital value	Undistributed loss	Unrealised appreciation on re-measurement of investments classified as 'FVOCI' - net	Total
	----- (Rupees in '000) -----							
Net assets at beginning of the quarter	1,360,121	(482,530)	-	877,591	2,215,081	(480,531)	239	1,734,789
Amount received on issuance of 8,669,078 (30 September 2019: 7,974,720) units								
Capital value	736,573	-	-	736,573	678,242	-	-	678,242
Element of income during the quarter;								
- Relating to other comprehensive Income for the quarter	-	-	-	-	-	-	-	-
- Relating to net income for the quarter after taxation	9,645	-	-	9,645	359,313	-	-	359,313
	746,218	-	-	746,218	1,037,555	-	-	1,037,555
Amount paid on redemption of 5,460,818 (30 September 2019: 17,487,668) units								
Capital value	(463,981)	-	-	(463,981)	(1,487,309)	-	-	(1,487,309)
Element of income during the quarter;								
- Relating to other comprehensive Income for the quarter	(380)	(5,614)	-	(5,994)	(357,792)	(9,426)	-	(367,218)
- Relating to net income for the quarter after taxation	(464,361)	(5,614)	-	(469,975)	(1,845,101)	(9,426)	-	(1,854,527)
Total comprehensive income for the quarter	-	20,040	-	20,040	-	37,103	-	37,103
Distribution during the quarter NIL (2019: NIL)	-	-	-	-	-	-	-	-
Net income for the quarter less distribution	-	20,040	-	20,040	-	37,103	-	37,103
Net assets at end of the quarter	1,641,978	(468,104)	-	1,173,874	1,407,535	(452,854)	239	954,920
Undistributed loss brought forward:								
- Realised	-	(481,083)	-	(481,083)	-	(471,676)	-	(471,676)
- Unrealised	-	(1,447)	-	(1,447)	-	(8,855)	239	(8,616)
	-	(482,530)	-	(482,530)	-	(480,531)	239	(480,292)
Accounting income available for distribution:								
- Relating to capital gains	-	6,364	-	6,364	-	-	-	-
- Excluding capital gains	-	8,062	-	8,062	-	27,677	-	27,677
	-	14,426	-	14,426	-	27,677	-	27,677
Other comprehensive income for the quarter	-	-	-	-	-	-	-	-
Distribution during the quarter	-	-	-	-	-	-	-	-
Undistributed loss carried forward	-	(468,104)	-	(468,104)	-	(452,854)	239	(452,615)
Undistributed loss carried forward								
- Realised	-	(469,014)	-	(469,014)	-	(452,809)	-	(452,809)
- Unrealised	-	910	-	910	-	(45)	239	194
	-	(468,104)	-	(468,104)	-	(452,854)	239	(452,615)
	----- (Rupees) -----							
Net assets value per unit at beginning of the quarter				84.9655				84.9655
Net assets value per unit at end of the quarter				86.7157				87.7315

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL GROWTH AND INCOME FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Growth and Income Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and was approved as an open-end mutual fund by the Securities and Exchange Commission of Pakistan (SECP). It was constituted under the Trust Deed, dated 21 December 2004 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Trustee.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through certificate of registration issued by SECP.
- 1.3 The Fund is an aggressive fixed income scheme and units of the Fund are listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units of the fund can be transferred to / from other funds managed by the Management Company and can also be redeemed by surrendering to the fund.
- 1.4 As per the offering document, the Fund shall invest in a diversified portfolio of government securities, investment grade term finance certificates (TFCs), rated corporate debts, certificates of investments (COIs), marginal trading system (MTS), spread transactions (including spread on equity transactions) and other money market instruments.
- 1.5 VIS Credit Rating Company has affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company and a stability rating of "A(f)" to the Fund as on December 31, 2019.
- 1.6 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

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

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

- 2.1.2 The 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, 2020.
- 2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2019.

2.1.4 In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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, JUDGEMENT AND CHANGES THEREIN

- 3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.
- 3.2 The preparation of this condensed interim financial information in conformity with 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 judgments 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 the 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, 2020.
- 3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.

		(Un-audited) September 30, 2020	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
4. BANK BALANCES			
Current accounts		50	59
Saving accounts	4.1	<u>420,996</u>	<u>329,718</u>
		<u>421,046</u>	<u>329,777</u>

- 4.1 These carry mark-up at rates ranging between 6% to 7.50% per annum (2020: 6.50% to 13.60%) per annum. These include balances of Rs.9.701 (2020: Rs.4.57) million and Rs.0.02 (2020: Rs.0.02) million held with United Bank Limited and Khushhali Bank Limited (related parties) respectively.

5. INVESTMENTS

Investments by category

' At Fair Value Through Profit or Loss'

Debt securities - unquoted	5.1	91,162	96,314
Debt securities - quoted	5.1	106,743	102,532
Government securities	5.5	301,746	344,208
Quoted equity securities - Spread transactions	5.7	<u>155,410</u>	-
		<u>655,061</u>	<u>543,054</u>

'Fair Value Through Other Comprehensive Income'

Debt securities - quoted	5.2	-	-
Debt securities - unquoted	5.3	-	-
		-	-
		<u>655,061</u>	<u>543,054</u>

5.1 Investment in debt securities - 'At fair value through profit or loss ' (Term Finance Certificates
(Term Finance Certificates and sukuk certificates of Rs.5,000 each)

Particulars	Note	As at July 01, 2020	Purchased during the quarter	Sold / matured during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised (loss) / gain	Market value as a percentage of total investments	Market value as a percentage of net assets
		----- (Number of certificates) -----				----- (Rupees in '000) -----				
Quoted										
Personal goods										
Azgard Nine Limited - TFC (September 20, 2005)	5.2.1	1,000	-	-	1,000	1,366				
Less: Provision for impairment						(1,366)				
						-	-	-	0.00%	0.00%
Commercial banks										
Bank Al Habib Limited - TFC (March 17, 2016)		-	1,200	-	1,200	5,495	5,405	(90)	0.83%	0.46%
INV. BANKS / INV. COS. / SECURITIES COS.										
Dawood Hercules Corporation Limited - sukuk (November 16, 2017)		190	-	-	190	13,432	13,473	41	2.06%	1.15%
Dawood Hercules Corporation Limited - Sukuk (March 01, 2018)		-	950	-	950	67,712	67,356	(356)	10.28%	5.74%
Power Generation and Distribution										
K-Electic Sukuk (03-Aug-20)		-	6,584	(2,584)	4,000	20,000	20,509	509	3.13%	1.75%
September 30, 2020						106,639	106,743	104	2.88%	1.61%
June 30, 2020						95,364	96,314			
Unquoted										
Personal goods										
Azgard Nine Limited - PPTFC (December 04, 2007)	5.2.1	7,000	-	-	7,000	13,181				
Less: Provision for impairment						(13,181)				
						-	-	-	0.00%	0.00%
Household goods										
New Allied Electronics Industries Limited - TFC (May 15, 2007)	5.2.1	18,000	-	-	18,000	18,094				
Less: Provision for impairment						(18,094)				
						-	-	-	0.00%	0.00%
New Allied Electronics Industries Limited - Sukuk (December 03, 2007)	5.2.1	10,000	-	-	10,000	35,000				
Less: Provision for impairment						(35,000)				
						-	-	-	0.00%	0.00%
Commercial Banks										
Habib Bank Limited - TFC (February 19, 2016)*		424	-	-	424	41,427	41,162	(265)	6.28%	3.51%

Particulars	Note	As at July 01, 2020	Purchased during the quarter	Sold / matured during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised (loss) / gain	Market value as a percentage of total investments	Market value as a percentage of net assets
		----- (Number of certificates) -----			----- (Rupees in '000) -----					

Investment Banks

Jahangir Siddiqui & Company Limited (July 18, 2017)		20,000	-	-	20,000	48,877	50,000	1,123	7.63%	4.26%
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Chemical

Ghani Gases Limited - Sukuk (February 02, 2017)		-	-	-	-	-	-	-	0.00%	0.00%
Less: Provision						-	-	-		

Financial services

Security Leasing Corporation Limited - Sukuk (September 19, 2007) – II	5.2.1	5,000	-	-	5,000	5,574				
Less: Provision for impairment						(5,574)				
						-	-	-	0.00%	0.00%

September 30, 2020

90,304	91,162	858	13.92%	7.77%
---------------	---------------	------------	---------------	--------------

June 30, 2020

103,977	102,532
---------	---------

(Un-audited) (Audited)
September 30, **June 30,**
2020 **2020**
----- (Rupees in '000) -----

5.1.1 Provision for impairment

Opening Balance	-	-
Provision during the quarter	-	-
Reversal of provision during the quarter	-	-
Closing Balance	-	-

Due to non-recoverability of these investments, During the quarter Fund has classified these as non-performing securities and recognized provision there against as per SECP vide circular 33 of 2012.

5.1.2

Name of security	Number of certificates	Interest rate per annum	Maturity
------------------	------------------------	-------------------------	----------

Dawood Hercules Corporation Limited	190	3M KIBOR + 1.00%	November 16, 2022
JS Bank Limited	-	6M KIBOR + 1.40%	December 16, 2023
JS Bank Limited	-	6M KIBOR + 1.40%	December 29, 2024
Habib Bank Limited	424	6M KIBOR + 0.50%	February 19, 2026
Jahangir Siddiqui & Co. Ltd	20,000	6M KIBOR + 1.40%	July 18, 2022
Ghani Gases Limited	-	3M KIBOR + 1.00%	February 2, 2023

5.2 Investment in debt securities - 'Fair value through Other Comprehensive Income'
(Term Finance Certificates and sukuk certificates of Rs.5,000 each)

Name of security	Note	As at July 01, 2020	Purchased during the quarter	Sold / matured during the quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain / (loss)	Market value as a percentage of total investment	Market value as a percentage of net assets
		----- (Number of certificates) -----			----- (Rupees in '000) -----					
Quoted										
Personal goods										
Azgard Nine Limited - TFC (September 20, 2005) Less: Provision for impairment	5.2.1	21,150	-	-	21,150	28,890 (28,890)	-	-	0.00%	0.00%
Azgard Nine Limited - TFC (May 17, 2010) Less: Provision for impairment	5.2.1	10,000	-	-	10,000	29,375 (29,375)	-	-	0.00%	0.00%
Financial services										
Trust Investment Bank Limited - TFC (July 04, 2008) Less: Provision for impairment	5.2.1	23,877	-	-	23,877	44,499 (44,499)	-	-	0.00%	0.00%
						-	-	-	0.00%	0.00%
September 30, 2019						-	-	-	0.00%	0.00%
June 30, 2019						-	-	-		
Unquoted										
Household goods										
New Allied Electronics Industries (Pvt) Limited (May 15, 2007) Less: Provision for impairment	5.2.1	13,000	-	-	13,000	13,068 (13,068)	-	-	0.00%	0.00%
Chemicals										
Agritech Limited - PP TFC (January 14, 2008) Less: Provision for impairment	5.2.1	147,000	-	-	147,000	558,988 (558,988)	-	-	0.00%	0.00%
Agritech Limited - PP TFC (November 30, 2007) Less: Provision for impairment	5.2.1	58,000	-	-	58,000	254,223 (254,223)	-	-	0.00%	0.00%
Agritech Limited - Sukuk (August 06, 2008) Less: Provision for impairment	5.2.1	3,800	-	-	3,800	14,453 (14,453)	-	-	0.00%	0.00%
Personal goods										
Azgard Nine Limited - PP (December 04, 2007) Less: Provision for impairment	5.2.1	33,000	-	-	33,000	62,137 (62,137)	-	-	0.00%	0.00%
Financial services										
Security Leasing Corporation Limited - Sukuk (September 19, 2007) - II Less: Provision for impairment	5.2.1	15,000	-	-	15,000	16,454 (16,454)	-	-	0.00%	0.00%
September 30, 2020						-	-	-	0.00%	0.00%
June 30, 2020						-	-	-		

5.2.1 Due to non-recoverability of these investments, the Fund has classified these as non-performing securities and recognized full provision there against.

5.3 Disclosure of non compliant investments as at 30 September 2020

Name of security	Note	As at July 01, 2020	Purchased during the quarter	Sold during the quarter	As at September 30, 2020	Carrying value	Percentage	Percentage
						as at September 30, 2020	of total investment	of net assets
					Number of shares		Amount in '000	
Personal goods								
Azgard Nine Limited	5.3.1	200,000	-	-	200,000	-	0%	0%

5.3.1 These represents cumulative, non-voting, convertible and redeemable preference shares having a face value of Rs.10 each and carrying a profit rate of 8.95% per annum. These were due for redemption on 30 September 2009 but due to default by the company, management has made full provision of Rs.0.85 million against the outstanding amount.

	(Un-audited)	(Audited)
	September 30,	June 30,
	2020	2020
	----- (Rupees in '000) -----	

5.3.2 Placements and term deposit receipts

Pre-IPO placement	64,167	60,000
Term deposit receipts	-	-
Other placement	-	-
	64,167	60,000
Less: Provision for impairment	(64,167)	(60,000)
	-	-

This represents Pre-IPO disbursement to Cement Company (the Company) made on January 14, 2008. As per the requirement of the Trust Deed, the IPO was to take place within 270 days of the initial disbursement, however, the Company has not yet arranged the IPO. Accordingly, the Management Company decided to suspend mark-up on this placement from October 29, 2008 and has recorded full provision against the said placement (including principal and interest) in accordance with circular no. 33 of 2012 issued by the SECP.

Note	As at July 01, 2020	Purchased during the Quarter	Sold during the Quarter	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30,2020	Percentage of net assets
5.5 Government Securities							
	----- Number of Securities -----				Amount in '000		
PIB- 10 Years	2,000,000	-	-	2,000,000	-	201,400	17.16%
PIB- 12 Years		1,000,000	-	1,000,000	-	100,380	8.55%
T-Bill 12 Months	1,510,000	3,000,000	4,510,000	-	-	-	0.00%
September 30, 2020	<u>3,510,000</u>	<u>4,000,000</u>	<u>4,510,000</u>	<u>3,000,000</u>	<u>-</u>	<u>301,746</u>	<u>25.71%</u>
June 30, 2020					345,513	344,208	39.22%

5.6 Disclosure of Excess Exposure as at September 30, 2020

5.6.1 Name of Investment

Exposure Type	% of Issue	Limit	Excess
Agritech Ltd-TFC (14-01-08)	11.0%	10%	1.0%
Agritech Ltd-TFC (30-11-07)	19.0%	10%	9.0%
New Allied Electronics (15-05-07)	17.0%	10%	7.0%
Security Leasing Sukuk - (19-09-07)	13.0%	10%	3.0%
Trust Investment Bank Ltd-TFC (04-07-08)	20.0%	10%	10.0%

The fund has classified these as non-performing securities and recognized full provision there against.

5.7 Quoted equity securities - Spread transactions

Name of Investee Company	Number of shares				Balance as at September 30, 2020			Market value as percentage of total investments	Market value as percentage of net assets	Par value as percentage of total paid up capital of the investee company
	As at July 01, 2020	Purchased during the period	Sold during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain			
----- (Rupees in '000) ----- % -----										
Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise:										
Oil and gas exploration companies										
Oil & Gas Development Company Limited	-	157,500	157,500	-	-	-	-	-	-	-
Pakistan Petroleum Limited	-	701,500	679,500	22,000	2,040	2,050	10	0.00	0.00	0.01
					2,040	2,050	10	0.00	0.00	0.01
Oil and gas marketing companies										
Hascol Petroleum Limited	-	10,000	10,000	-	-	-	-	-	-	-
Pakistan State Oil Company Limited	-	301,500	236,000	65,500	13,374	13,515	141	0.02	0.01	0.14
Sui Northern Gas Pipelines Limited	-	1,046,500	896,500	150,000	9,600	9,659	59	0.01	0.01	0.24
Sui Southern Gas Company Limited	-	2,000	2,000	-	-	-	-	-	-	-
					22,974	23,173	199	0.04	0.02	0.38
Pharmaceuticals										
The Searle Company Limited	-	327,500	265,500	62,000	16,963	17,090	126	0.03	0.01	0.29
					16,963	17,090	126	0.03	0.01	0.29
Engineering										
Amreli Steels Limited	-	1,139,500	1,119,500	20,000	915	919	4	0.00	0.00	0.07
International Industries Limited	-	52,500	52,500	-	-	-	-	-	-	-
International Steels Limited	-	499,000	499,000	-	-	-	-	-	-	-
Mughal Iron & Steel Industries Limited	-	238,500	238,500	-	-	-	-	-	-	-
					915	919	4	0.00	0.00	0.07
Refinery										
National Refinery Limited	-	149,000	149,000	-	-	-	-	-	-	-
Pakistan Refinery Limited	-	2,242,000	1,299,000	943,000	19,397	19,466	70	0.03	0.02	1.50
					19,397	19,466	70	0.03	0.02	1.50
Commercial banks										
Habib Bank Limited	-	1,000	1,000	-	-	-	-	-	-	-
National Bank of Pakistan	-	13,000	13,000	-	-	-	-	-	-	-
United Bank Limited	-	27,000	27,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Chemical										
Engro Polymer & Chemicals Limited	-	364,500	292,500	72,000	3,031	3,044	13	0.00	0.00	0.08
Lotte Chemical Pakistan Limited	-	7,000	7,000	-	-	-	-	-	-	-
					3,031	3,044	13	0.00	0.00	0.08
Food and personal care products										
Fauji Foods Limited	-	17,500	17,500	-	-	-	-	-	-	-
					-	-	-	-	-	-
Automobile assembler										
Gandhara Industries Limited	-	89,500	89,500	-	-	-	-	-	-	-
Gandhara Nissan Limited	-	10,500	10,500	-	-	-	-	-	-	-
					-	-	-	-	-	-

Name of Investee Company	Number of shares				Balance as at September 30, 2020			Market value as percentage of total investments	Market value as percentage of net assets	Par value as percentage of total paid up capital of the investee company
	As at July 01, 2020	Purchased during the period	Sold during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain			
							(Rupees in '000)	%		
Automobile parts and accessories										
The General Tyre & Rubber	-	27,500	27,500	-	-	-	-	-	-	-
Power generation and distribution										
Kot Addu Power Company Limited	-	385,500	385,500	-	-	-	-	-	-	-
The Hub Power Company Limited	-	243,000	240,500	2,500	203	205	2	0.00	0.00	0.00
					203	205	2	0.00	0.00	0.00
Technology and communication										
Avanceon Limited	-	117,500	-	117,500	7,882	7,898	16	0.01	0.01	0.55
NetSol Technologies Limited	-	232,500	232,500	-	-	-	-	-	-	-
					7,882	7,898	16	0.01	0.01	0.55
Fertilizer										
Engro Corporation Limited	-	22,500	22,500	-	-	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	-	318,000	206,500	111,500	2,405	2,421	16	0.00	0.00	0.12
					2,405	2,421	16	-	0.00	0.12
Cement										
Cherat Cement Company Limited	-	19,000	19,000	-	-	-	-	-	-	-
D.G. Khan Cement Company Limited	-	1,303,500	726,000	577,500	63,470	63,640	170	0.10	0.05	1.32
Fauji Cement Company Limited	-	983,500	983,500	-	-	-	-	-	-	-
Lucky Cement Limited	-	107,000	103,000	4,000	2,574	2,577	3	0.00	0.00	0.01
Maple Leaf Cement Factory Limited	-	1,309,000	985,500	323,500	12,676	12,787	111	0.02	0.01	0.29
Pioneer Cement Limited	-	141,500	140,000	1,500	140	140	(0)	0.00	0.00	0.01
					78,861	79,144	284	0.12	0.07	1.63
Total as at September 30, 2020 (Un-audited)					154,671	155,410	738			
Total as at June 30, 2020 (Audited)					-	-	-			

6. ADVANCE 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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

During the period ended September 30, 2020, management fee was charged at the rate of 2% (September 30, 2019: 2%). The remuneration is paid to the Management Company on monthly basis in arrears.

8. ALLOCATED EXPENSES AND SELLING AND MARKETING EXPENSES

The Management Company is charging 0.1% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services

Furthermore Management Company has charged selling and marketing expense to the Fund as follows:

From July 1, 2020 through September 30, 2020	0.4% per annum of average daily net assets
--	--

9. ACCRUED AND OTHER LIABILITIES

9.1 Provision for indirect taxes and duties

This includes provision for federal excise duty (FED) as at September 30, 2020 amounting to Rs.24.36 million (June 30, 2020: Rs.24.36 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements for the year ended June 30, 2020. Had the provision not been provided for, the net assets value per unit would have been higher by Rs. 1.80 (June 30, 2020: Rs. 2.35).

9.2 Provision for Workers' Welfare Fund (WWF)

There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements for the year ended June 30, 2020.

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs. 16.72 million (June 30, 2020: Rs. 16.32 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 SWWF not been provided for, the net assets value per unit would have been higher by Rs. 1.24 (June 30, 2020: Rs. 1.58).

10. CONTINGENCIES AND COMMITMENTS

10.1 The Federal Board of Revenue (FBR) has issued an order u/s. 122 (5A) of the Income Tax Ordinance (ITO) 2001 for the year 2018 thereby raising a net tax demand of Rs.43.65 million. The Management Company on behalf of the Fund has filed appeal before Commissioner Inland Revenue (Appeals) which is pending adjudication. The Management Company, in consultation with its tax advisor, is confident that the decision in respect of the above matter would be in Fund's favour and accordingly no provision has been made in this condensed interim financial information with respect thereto.

10.2 There were no other contingencies or commitments outstanding as at September 30, 2020 and June 30, 2020.

11. TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

12. TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund for the period ended September 30, 2020 is 2.36% which includes 0.36% representing Government levies, Sindh Workers' Welfare Fund and SECP fee.

13. EARNINGS PER UNIT

Earnings per unit based on cumulative weighted average units for the period has not been disclosed as in the opinion of the Management Company the determination of the same is not practicable.

14. TRANSACTIONS WITH CONNECTED PERSONS/ RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Ltd (Management Company), Al-Ameen Financial Services (Private) Limited (subsidiary of Management Company), Entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the fund and he directors and officer of the management company and unit holders holding more than 10% units of the Fund.

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

All other transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with the market rates

Details of transactions with related parties / connected persons and balances with them at the period end, other than those which have been specifically disclosed elsewhere in this condensed interim financial information are as follows

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
	(Rupees in '000)					
	(For the quarter ended September 30, 2020) (Un-audited)					
Transactions during the quarter						
Profit/Markup Income	-	80	-	-	-	-
Units issued	340,191	-	-	-	1,000	41,659
Units redeemed	340,191	-	-	-	-	59,468
Bank charges	-	2	-	-	-	-
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	-	-	74,074	-	-
Remuneration	2,033	-	206	-	-	-
Sales tax on management fee	264	-	-	-	-	-
Expenses allocated by the Management Company	243	-	-	-	-	-
Selling and Marketing	971	-	-	-	-	-
Central Depository Service charges	-	-	-	-	-	-
Listing fee paid	-	-	-	-	-	7
Dividend paid	-	-	-	-	-	-
Transactions during the quarter						
	(For the quarter ended September 30, 2019) (Un-audited)					
Profit/Markup Income	-	99	-	-	-	-
Units issued	538,502	-	-	-	3,020	70,506
Units redeemed	1,212,233	-	-	-	3,009	68,999
Bank charges	-	2	-	-	-	-
Purchase of securities	-	-	-	486,656	-	-
Sale of securities	-	133,081	-	1,197,612	-	-
Remuneration	3,368	-	263	-	-	-
Sales tax on management fee	438	-	-	-	-	-
Expenses allocated by the Management Company	310	-	-	-	-	-
Selling and Marketing	1,241	-	-	-	-	-
Central Depository Service charges	-	-	4	-	-	-
Listing fee paid	-	-	-	-	-	7
Dividend paid	-	-	-	-	-	-

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
	----- (Rupees in '000) -----					
	----- (As at September 30, 2020) (Un-audited) -----					
Balances held						
Units held (units in '000)	-	-	-	-	74	5,055
Units held (Rupees in '000)	-	-	-	-	6,417	438,348
Bank balances *	-	9,772	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable	-	62	-	-	-	-
Remuneration payable	856	-	74	-	-	-
Expenses allocated by the Management Company	165	-	-	-	-	-
Sales load and other payable	269	161	-	-	-	-
selling and marketing	971	-	-	-	-	-
Listing Fee Payable	-	-	-	-	-	28
CDC fee payable	-	-	45	-	-	-

* These carry profit ranging between 6% to 6.5% per annum.

	----- (Rupees in '000) -----					
	----- (As at June 30, 2020) (Audited) -----					
Balances held						
Units held (number of units in '000)	-	-	-	-	74	5,257
Units held (Rupees in '000)	-	-	-	-	6,272	446,692
Bank balances *	-	4,590	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable - bank balances	-	208	-	-	-	-
Remuneration payable	557	-	65	-	-	-
Selling and marketing	1,115	-	-	-	-	-
Expenses allocated by the Management Company	-	-	-	-	-	-
Sales load and other payable	374	95	-	-	-	-
CDC fee payable	-	-	45	-	-	-
Other payable	88	-	-	-	-	-

* These carry profit ranging between 5.5% to 11% per annum.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price). Adoption of IFRS 13, has no effect on this condensed interim financial information.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value.

The following table shows financial instruments recognised

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: 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 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at September 30, 2020 and June 30, 2020, the Fund held the following instruments measured at fair values:

	Fair value			
	Level 1	Level 2	Level 3	Total
September 30, 2020 (Un-audited)	----- (Rupees) -----			
Financial assets measured at fair value				
Debt securities	-	655,061	-	655,061
	-	655,061	-	655,061

	Fair value			
	Level 1	Level 2	Level 3	Total
June 30, 2020 (Audited)	----- (Rupees) -----			
Financial assets measured at fair value				
Debt securities	-	543,054	-	543,054
	-	543,054	-	543,054

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.

16.1 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

16.2 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

17. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on **October 29, 2020** by the Board of Directors of the Management Company..

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UAAF

UBL Asset Allocation Fund

INVESTMENT OBJECTIVE

The investment objective of the Fund is to earn competitive return by investing in various asset classes/ instruments based on the market outlook.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	Ernst & Young Ford Rhodes, Chartered Accountants
Bankers	Allied Bank Limited Bank Alfalah Limited Habib Bank Limited JS Bank Limited MCB Bank Limited Samba Bank Limite Telenor Microfinance Bank Limited Sindh Bank Limited Zarai Taraqiati Bank Limited United Bank Limited Soneri Bank Limited Bank Of Khyber
Management Co.Rating	AM1 (JCR-VIS)

UBL ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF ASSETS & LIABILITIES
AS AT SEPTEMBER 30, 2020

		(Un-audited) September 30, 2020	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4.	300,114	140,680
Investments	5	753,284	627,756
Receivable against sale of investments		346	166,943
Advance tax	6	1,165	1,162
Dividend receivable and mark-up receivable		9,290	18,994
Deposits and other receivables		10,573	12,319
TOTAL ASSETS		1,074,772	967,854
LIABILITIES			
Payable to the Management Company	7	4,444	4,024
Payable to Central Depository Company of Pakistan Limited - Trustee		194	180
Payable to Securities and Exchange Commission of Pakistan		51	223
Payable against purchase of investments		5,435	3,924
Accrued expenses and other payables	8	23,434	33,229
TOTAL LIABILITIES		33,558	41,580
NET ASSETS		1,041,214	926,274
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,041,214	926,274
CONTINGENCY AND COMMITMENT	9		
		----- (Number) -----	
NUMBER OF UNITS IN ISSUE		7,083,239	6,796,657
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		146.9968	136.2837

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL ASSET ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 30,	
Note	2020	2019
	(Rupees in '000) -----	
Income		
Financial income	12,292	26,547
Capital gain/ (loss) on redemption and sale of investments-net	15,758	(2,254)
Dividend income	3,867	7,027
Net unrealised gain/ (loss) on revaluation of investments classified as 'at fair value through profit or loss'-net	50,213	(39,938)
Total income /(loss)	82,130	(8,618)
Expenses		
Remuneration of the Management Company	2,538	3,233
Sindh Sales Tax of the Management Company's remuneration	330	420
Allocation of expenses relating to the Fund	254	323
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	568	650
Annual fee to Securities and Exchange Commission of Pakistan	51	65
Selling and marketing expense	2,639	1,293
Auditors' remuneration	208	167
Legal and professional charges	46	41
Brokerage and settlement expenses	458	366
Bank charges and other expenses	9	30
Total expenses	7,101	6,588
Net operating Income / (loss) for the quarter	75,029	(15,206)
Provision for Sindh Workers' Welfare Fund	(1,473)	-
Net Income / (loss) for the quarter before taxation	73,556	(15,206)
Taxation	-	-
	10	
Net Income / (loss) for the quarter after taxation	73,556	(15,206)
<i>Allocation of net income for the quarter:</i>	73,556	
Income already paid on units redeemed	(2,692)	-
<i>Accounting income available for distribution:</i>	70,864	-
<i>Accounting income available for distribution:</i>		
- Relating to capital gains	63,510	-
- Excluding capital gains	7,354	-
	70,864	-
Earnings per unit	11	

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

 Chief Executive Officer

SD

 Chief Financial Officer

SD

 Director

UBL ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 30,	
	2020	2019
	(Rupees in '000) -----	
Net Income / (loss) for the quarter after taxation	73,556	(15,206)
Other comprehensive income for the quarter:		
<i>Items that are or may be reclassified subsequently to income statement</i>		
Net unrealised appreciation / (diminution) on revaluation of investments classified as 'fair value through other comprehensive income'	-	-
Total comprehensive income /(loss) for the quarter	73,556	(15,206)

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL ASSET ALLOCATION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 30,	
	2020	2019
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income / (loss) for the quarter before taxation	73,556	(15,206)
Adjustments for:		
Financial income	(12,292)	(26,547)
Net capital (gain) / loss on redemption and sale of investments	(15,758)	2,254
Dividend income	(3,867)	(7,027)
Net unrealised gain/ loss on revaluation of investments classified as 'at fair value through profit or loss'	(50,213)	39,938
Provision for Sindh Workers' Welfare Fund (SWWF)	14,879	-
	(67,251)	8,618
Net cash generated /(used) in operations before working capital changes	6,305	(6,588)
Working capital changes		
<i>(Increase) / decrease in assets</i>		
Investments	(59,557)	(145,278)
Advance tax	(3)	40
Fair value of derivative asset	-	-
Receivable against sale of investments	166,597	161,363
Deposits, prepayments and other receivables	1,746	1,595
	108,783	17,720
<i>Increase / (decrease) in liabilities</i>		
Payable to the Management Company	420	(869)
Payable to Central Depository Company of Pakistan Limited - Trustee	14	30
Payable to Securities and Exchange Commission of Pakistan	(172)	(158)
Payable against purchase of investments	1,511	(3,924)
Accrued expenses and other payables	(24,674)	(14,357)
	(22,901)	(19,278)
Markup income and dividend received	25,863	36,579
Net cash generated from operating activities	118,050	28,433
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	205,432	32,833
Payments on redemption of units	(164,048)	(120,986)
Net cash generated / (used) in financing activities	41,384	(88,153)
Cash and cash equivalents at beginning of the quarter	140,680	566,702
Cash and cash equivalents at end of the quarter	300,114	506,982

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL ASSET ALLOCATION FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	2020				2019			
	Capital value	Undistributed income	Unrealised appreciation on investments classified as 'available for sale' - net	Total (Rupees in '000)	Capital value	Undistributed income	Unrealised appreciation on investments classified as 'available for sale' - net	Total
Net assets at beginning of the quarter	501,534	424,740	-	926,274	971,499	402,316	-	1,373,815
Amount received on issuance of 1,402,943 units (2019: 260,591 units)								
Capital value	191,198	-	-	191,198	34,460	-	-	34,460
Element of income during the quarter;								
- Relating to other comprehensive income for the quarter	14,234	-	-	14,234	(1,628)	-	-	(1,628)
- Relating to net Income/ (loss) for the quarter after taxation	205,432	-	-	205,432	32,832	-	-	32,832
Amount paid on redemption of 1,116,361 units (2019: 937,024 units)								
Capital value	(152,142)	-	-	(152,142)	(123,909)	-	-	(123,909)
Element of loss during the quarter;								
- Relating to other comprehensive income for the quarter	(9,214)	(2,692)	-	(11,906)	2,923	-	-	2,923
- Relating to net Income/ loss for the quarter after taxation	(161,356)	(2,692)	-	(164,048)	(120,986)	-	-	(120,986)
Total comprehensive net Income/ (loss) for the quarter	-	73,556	-	73,556	-	(15,206)	-	(15,206)
Distribution during the quarter	-	-	-	-	-	-	-	-
Net income / (loss) for the quarter less distribution	-	73,556	-	73,556	-	(15,206)	-	(15,206)
Net assets at end of the quarter	545,610	495,604	-	1,041,214	883,345	387,110	-	1,270,455
Undistributed income brought forward:								
- Realised	-	425,920	-	425,920	-	530,798	-	530,798
- Unrealised	-	(1,180)	-	(1,180)	-	(128,482)	-	(128,482)
	-	424,740	-	424,740	-	402,316	-	402,316
Accounting income available for distribution:								
- Relating to capital gains	-	63,510	-	63,510	-	-	-	-
- Excluding capital gains	-	7,354	-	7,354	-	-	-	-
	-	70,864	-	70,864	-	-	-	-
Net Income/ (loss) for the quarter after taxation		-	-	-	-	(15,206)	-	(15,206)
Transferred to retained earning	-	-	-	-	-	-	-	-
Distribution during the quarter	-	-	-	-	-	-	-	-
Undistributed income carried forward	-	495,604	-	495,604	-	387,110	-	387,110
Undistributed income carried forward								
- Realised	-	445,391	-	445,391	-	427,048	-	427,048
- Unrealised	-	50,213	-	50,213	-	(39,938)	-	(39,938)
	-	495,604	-	495,604	-	387,110	-	387,110
				----- (Rupees) -----				
Net assets value per unit at beginning of the quarter				136,2837	132,2366			
Net assets value per unit at end of the quarter				146,9968	130,8043			

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL ASSET ALLOCATION FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Asset Allocation Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and was approved as an open end mutual fund by the Securities and Exchange Commission of Pakistan. It was constituted under a Trust Deed, dated May 29, 2013 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company and Central Depository Company of Pakistan Limited ("CDC") as the Trustee.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through certificate of registration issued by SECP. The registered office of the Management Company is situated at 4th Floor STSM Building, Beaumont Road, Civil Lines Karachi.

The Fund is an open end mutual fund and units of the fund are listed on the Pakistan Stock Exchange Limited. The units of the Fund can be transferred to/from other funds managed by the Management Company and can also be redeemed by surrendering to the Fund. The units of the Fund were initially offered to the public (IPO) on August 19, 2013. The Fund commenced its operations from August 20, 2013.

The policy of the Fund is to invest in a diversified portfolio of shares of listed companies, spread transactions and other money market instruments. Under circular 07 dated March 06, 2009 issued by the SECP, the Fund has been categorised by the Management Company as an Asset Allocation Fund.

Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

VIS Credit Rating Company has reaffirmed management quality rating of AM1 (stable outlook) to the management company as on December 31, 2019.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

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

2.1.2 The 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, 2020.

2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2019.

2.1.4 In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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, JUDGEMENT AND CHANGES THEREIN

3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.

3.2 The preparation of this condensed interim financial information in conformity with 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 judgments 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 the 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, 2020.

3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

		(Un-audited) September 30, 2020	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
4. BANK BALANCES			
Saving accounts	4.1	<u>300,114</u>	<u>140,680</u>

4.1 These carry mark-up at rates ranging between 5.50% to 7% per annum (2020: 6% to 8.50%) per annum. These include balances of Rs.21.87 (2020: Rs.3.03) million held with United Bank Limited (related party) respectively.

5 INVESTMENTS

At Fair Value Through Profit or Loss

- Government securities - Market treasury bills	5.1	48,341	47,548
- Government securities - Pakistan Investment Bonds	5.2	200,930	100,590
- Debt securities - Term Finance Certificates / Sukuks	5.3	92,801	109,772
- Quoted equity securities	5.4	<u>411,212</u>	<u>369,846</u>
		<u>753,284</u>	<u>627,756</u>

**5.1 Government securities - Treasury Bills 'at fair value through profit or loss'
(certificates having a nominal value of Rs.100,000 each)**

Particulars	Note	As at July 01, 2020	Purchased during the quarter	Disposed / matured during the quarter	As at September 30, 2020	Balance as at September 30, 2020			Market value as a percentage of net assets	Market value as a percentage of total investments
						Carrying value	Market value	Appreciation / (Diminution)		
----- Number of certificates -----						----- (Rupees in '000) -----			----- % -----	
Market treasury bills - 12 months		500	-	-	500	48,764	48,341	(423)	4.6%	6.42%
Market treasury bills - 6 months		-	750	750	-	-	-	-	-	-
Market treasury bills - 3 months		-	750	750	-	-	-	-	-	-
September 30, 2020						48,764	48,341	(423)	4.60%	6.42%
June 30, 2020						46,472	47,548	1,076		

**5.2 Government securities - Pakistan Investment Bonds 'at fair value through profit or loss'
(certificates having a nominal value of Rs.100 each)**

Particulars	Note	As at July 01, 2020	Purchased during the quarter	Disposed / matured during the quarter	As at September 30, 2020	Balance as at September 30, 2020			Market value as a percentage of net assets	Market value as a percentage of total investments	
						Carrying value	Market value	(Diminution) / Appreciation			
----- Number of certificates -----						----- (Rupees in '000) -----			----- % -----		
Pakistan Investment Bonds - 10 years	5.2.1	1,000	-	-	1,000	100,610	100,570	(40)	9.66%	13.35%	
Pakistan Investment Bonds - 3 years	5.2.2	1,000	-	-	1,000	100,375	100,360	(15)	9.64%	13.32%	
September 30, 2020						2,000	200,985	200,930	(55)	19.30%	26.67%
June 30, 2020						99,740	100,590	850			

5.2.1 This Pakistan Investment Bonds carry interest at the rate 7.7134% per annum. These will mature latest by August 09, 2028.

5.2.2 This Pakistan Investment Bonds carry interest at the rate 8.267% per annum. These will mature latest by June 19, 2023.

**5.3 Investment in debt securities - at fair value through profit or loss
(Term Finance Certificates of Rs.5,000 each)**

Name of Security	Note	As at July	Purchased	Sold /	As at	Carrying	Market value	Unrealised gain / (loss)	Percentage of total investments	Percentage of net assets
		01, 2020	during the quarter	matured during the quarter	September 30, 2020	value as at September 30, 2020	as at September 30, 2020			
		----- (Number of certificates) -----			----- (Rupees in '000) -----					
Unquoted										
INV. BANKS / INV. COS. / SECURITIES										
Dawood Hercules Corporation Limited	5.3.1 & 5.3.2	40	-	-	40	2,827	2,836	9	0.38%	0.27%
Investment and brokerage services										
Jahangir Siddiqui and Company Limited	5.3.1 & 5.3.2	30,000	-	-	30,000	73,315	75,000	1,685	10%	7.20%
Cement										
Javedan Corporation Limited		150	-	-	150	15,300	14,965	(335)	2%	1.44%
Total as at September 30, 2020		<u>30,190</u>	<u>-</u>	<u>-</u>	<u>30,190</u>	<u>91,442</u>	<u>92,801</u>	<u>1,359</u>		
Total as at June 30, 2020						<u>110,619</u>	<u>109,772</u>	<u>(847)</u>		

5.3.1 These carry profit rate from 8.267% to 7.7134% (June 2020: from 9.31% to 14.89%).

5.3.2 Significant terms and conditions of term finance certificates outstanding as at September 30, 2020 are as follows:

Name of securities	Face value at each	Mark-up rate (per annum)	Issue date	Maturity date
Dawood Hercules Corporation Limited (November 16, 2017)	70,000	3 Months KIBOR +1%	16-Nov-17	16-Nov-22
Jahangir Siddiqui and Company (July 18, 2017)	3,125	6 Months KIBOR +1.4%	18-Jul-17	18-Jul-22
Javedan Corporation Limited	100,000	6 Months KIBOR +1.75%	4-Oct-18	4-Oct-26

5.4 Quoted equity securities - 'At Fair Value Through Profit or Loss'

Name of the investee company	Note	As at July 01, 2020	Purchased during the quarter	Bonus / Right issue during the quarter	Sold during the quarter	As at September 30, 2020	Cost /	Market value	Appreciation / (diminution)	Percentage of total investments	Percentage of net assets	Paid-up capital of investee company (with face value of investment)
							carrying value as at September 30, 2020	as at September 30, 2020				
						(Number of shares)		(Rupees in '000)		(%)		
Oil and gas exploration companies												
Mari Petroleum Company Limited		32,651	-	-	6,140	26,511	32,785	36,307	3,522	4.82%	3.49%	0.02%
Oil and Gas Development Company Limited		199,000	40,000	-	29,300	209,700	22,847	21,725	(1,122)	2.88%	2.09%	0.00%
Pakistan Petroleum Limited	5.4.1	108,350	62,000	-	12,600	157,750	14,462	14,522	60	1.93%	1.39%	0.01%
Pak Oil Fields Limited		28,560	3,000	-	11,600	19,960	7,189	8,410	1,221	1.12%	0.81%	0.01%
							77,283	80,964	3,681	10.75%	7.78%	0.04%
Oil and gas marketing companies												
Pakistan State Oil Company Limited	5.4.2	26,260	-	-	25,000	1,260	199	252	53	0.03%	0.02%	0.00%
Attock Petroleum Limited		2,500	-	-	2,500	-	-	-	-	0.00%	0.00%	0.00%
							199	252	53	0.03%	0.02%	0.00%
Power generation and distribution												
Hub Power Company Limited		270,762	49,000	-	102,700	217,062	16,275	17,031	756	2.26%	1.64%	0.02%
Pakgen Power Limited		396,000	-	-	21,000	375,000	4,504	6,750	2,246	0.90%	0.65%	0.10%
Lalpir Power Limited		563,000	-	-	130,000	433,000	5,053	5,690	637	0.76%	0.55%	0.11%
Saif Power Limited		443,498	-	-	25,000	418,498	6,725	7,048	323	0.94%	0.68%	0.11%
							32,557	36,519	3,962	4.86%	3.52%	0.34%
Chemicals												
Engro Polymer & Chemicals Limited		127,868	68,000	-	8,500	187,368	5,586	7,543	1,957	1.00%	0.72%	0.02%
ICI Pakistan Limited		4,600	-	-	250	4,350	3,022	3,148	126	0.42%	0.30%	0.02%
							8,608	10,691	2,083	1.42%	1.02%	0.02%
Fertilizer												
Engro Corporation Limited	5.4.1	109,340	3,000	-	35,300	77,040	22,600	23,191	591	3.08%	2.23%	0.01%
Engro Fertilizers Limited		238,855	50,000	-	24,300	264,555	15,978	16,090	112	2.14%	1.55%	0.02%
Fauji Fertilizer Bin Qasim Limited		4,000	-	-	4,000	-	-	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Company Limited		80,700	106,000	-	17,500	169,200	18,561	18,272	(289)	2.43%	1.75%	0.01%
							57,139	57,553	414	7.65%	5.53%	0.04%
Cement												
Kohat Cement Company Limited		65,770	25,000	-	7,700	83,070	12,374	14,183	1,809	1.88%	1.36%	0.04%
Lucky Cement Limited		38,833	5,700	-	8,000	36,533	17,202	23,639	6,437	3.14%	2.27%	0.01%
							29,576	37,822	8,246	5.02%	3.63%	0.05%
Automobile parts and accessories												
Thal Limited		26,550	5,000	-	2,800	28,750	9,866	12,084	2,218	1.60%	1.16%	0.07%
							9,866	12,084	2,218	1.60%	1.16%	0.07%

Unless stated otherwise, the holdings are in ordinary shares of Rs.10 each.

Name of the investee company	Note	As at July 01, 2020	Purchased during the quarter	Bonus / Right issue during the quarter	Sold during the quarter	As at September 30, 2020	Cost / carrying value as at September 30, 2020	Market value as at September 30, 2020	Appreciation / (diminution)	Percentage of total investments	Percentage of net assets	Paid-up capital of investee company (with face value of investment)
		----- (Number of shares) -----					----- (Rupees in '000) -----			----- (%) -----		
Commercial banks												
Habib Bank Limited		158,900	40,000	-	27,500	171,400	18,047	22,409	4,362	2.97%	2.15%	0.01%
Allied Bank Limited		350,500	-	-	35,000	315,500	24,161	26,587	2,426	3.53%	2.55%	0.03%
Bank Alfalah Limited		304,273	45,000	-	46,000	303,273	10,276	10,548	272	1.40%	1.01%	0.02%
Faysal Bank Limited	5.4.2	150	-	-	142	8	-	-	-	0.00%	0.00%	0.00%
Bank Al Habib Limited		274,000	15,000	-	39,500	249,500	13,246	16,110	2,864	2.14%	1.55%	0.02%
United Bank Limited	5.4.1	111,033	40,000	-	16,000	135,033	14,841	15,544	703	2.06%	1.49%	0.01%
							80,571	91,198	10,627	12.10%	8.75%	0.09%
Textile												
Nishat Mills Limited		69,200	-	-	5,300	63,900	4,985	6,458	1,473	0.86%	0.62%	0.02%
Kohinoor Textile Mills Limited		292,006	50,000	-	23,060	318,946	12,580	17,258	4,678	2.29%	1.66%	0.11%
Gul Ahmed Textile Mills Limited		171,700	45,000	-	13,400	203,300	6,258	7,587	1,329	1.01%	0.73%	0.05%
Interloop Limited		-	60,000	-	-	60,000	3,717	4,023	306	0.53%	0.39%	0.01%
							27,540	35,326	7,786	4.69%	3.40%	0.19%
FOOD & PERSONAL CARE PRODUCT												
Al Shaheer Corporation Limited		96,946	42,500	-	139,446	-	-	-	-	0.00%	0.00%	0.00%
							-	-	-	0.00%	0.00%	0.00%
Insurance												
Adamjee Insurance Company Limited		358,756	-	-	41,500	317,256	10,504	12,722	2,218	1.69%	1.22%	0.09%
IGI Holdings Limited		30,000	-	-	1,600	28,400	5,139	6,219	1,080	0.83%	0.60%	0.02%
							15,643	18,941	3,298	2.52%	1.82%	0.11%
Paper and Board												
Packages Limited		2,400	-	-	2,400	-	-	-	-	0.00%	0.00%	0.00%
Century Paper & Board Mills Limited		76,000	-	-	59,000	17,000	1,217	1,891	674	0.25%	0.18%	0.01%
							1,217	1,891	674	0.25%	0.18%	0.01%
Pharmaceuticals												
The Searl Company Limited	5.4.2	27,940	10,000	-	4,200	33,740	7,344	8,648	1,304	1.15%	0.83%	0.02%
GlaxoSmithKline Consumer Healthcare		7,000	-	-	6,900	100	27	29	2	0.00%	0.00%	0.00%
Highnoon Laboratories Limited	5.4.2	660	-	-	300	360	180	221	41	0.03%	0.02%	0.00%
							7,551	8,898	1,347	1.18%	0.85%	0.02%
TECHNOLOGY & COMMUNICATION												
Systems Limited		75,000	-	-	41,500	33,500	6,153	9,113	2,960	1.21%	0.88%	0.03%
TPL Trakker Limited		-	80,500	-	80,500	-	-	-	-	0.00%	0.00%	0.00%
							6,153	9,113	2,960	1.21%	0.88%	0.03%
VANASPATI & ALLIED INDUSTRIES												
Unity Foods Limited		-	170,004	124,065	68,000	226,069	2,658	3,764	1,106	0.50%	0.36%	0.02%
							2,658	3,764	1,106	0.50%	0.36%	0.02%
LEATHER & TANNERIES												
Service Industries Limited		1,150	1,050	287	200	2,287	1,579	1,731	152	0.23%	0.17%	0.01%
							1,579	1,731	152	0.23%	0.17%	0.01%

MISCELLANEOUS

Synthetic Products Enterprises Limited	-	45,000	-	-	45,000	2,193	2,005	(188)	0.27%	0.19%	0.05%
Arif Habib Limited	57,500	-	-	10,000	47,500	1,547	2,460	913	0.33%	0.24%	0.08%
						<u>3,740</u>	<u>4,465</u>	<u>725</u>	<u>0.60%</u>	<u>0.43%</u>	<u>0.13%</u>

Total equity securities 'At Fair Value Through Profit or Loss' as at September 30, 2020

361,880 **411,212** **49,332** **54.61%** **39.50%**

Total equity securities 'At Fair Value Through Profit or Loss' as at June 30, 2020

372,106 369,846

5.4.1 Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin:

	September 30, 2020	June 30, 2020
	(Number of shares)	
Engro Corporation Limited	5,000	5,000
Pakistan Petroleum Limited	25,000	25,000
United Bank Limited	<u>50,000</u>	<u>50,000</u>
	<u>80,000</u>	<u>80,000</u>

5.4.2 The Finance Act, 2015 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a 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. The Management Company 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 exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. Certain investee companies of the Fund, in pursuance of the aforesaid amendment, withheld shares equivalent to 5% of bonus entitlement of the Fund having fair market value of Rs.1.0516 million at September 30, 2020. Such shares have not been deposited by the investee company in CDC account in Income Tax department. The Fund has included the shares withheld in its investments and recorded them at fair market value at quarter end. Furthermore, the Finance Act 2018 has brought an amendment in the Income Tax Ordinance 2001, whereby the 5% withholding tax on bonus shares has been withdrawn. Therefore, the bonus shares received during the quarter ended 30 September 2020, are not liable to withholding of Income Tax.

6 ADVANCE 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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

7 PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

7.1 During the period ended September 30, 2020, management fee was charged at the rate of 1% (September 30, 2019: 1%). The remuneration is paid to the Management Company on monthly basis in arrears.

7.2 Allocated expenses and selling and marketing expenses

During the quarter management company is charging 0.1% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services and charging 1.04% per annum of average daily net assets on account of selling and marketing expense

8 ACCRUED EXPENSES AND OTHER PAYABLES

8.1 Provision for indirect taxes and duties

This includes provision for federal excise duty (FED) as at September 30, 2020 amounting to Rs. 6.272 million (June 30, 2020: Rs. 6.272 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note yy to the annual audited financial statements for the year ended June 30, 2020. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 6.272million till June 30, 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Rs.0.89 (June 30, 2020: Rs.0.92).

8.2 Provision for Workers' Welfare Fund (WWF)

There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements for the year ended June 30, 2020.

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs. 14.879 million (June 30, 2020: Rs. 13.407 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 SWWF not been provided for, the net assets value per unit would have been higher by Rs.2.10 (June 30, 2020: Rs.1.97).

9 CONTINGENCY AND COMMITMENT

As at September 30, 2020, there is no contingency and commitment.

10 TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

11 EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as, in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

12 TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund for the period ended September 30, 2020 is 0.85% which includes 0.19% representing Government levies, Sindh Workers' Welfare Fund and SECP fee.

13 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Pvt) Ltd. (Subsidiary of Management Company) Entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the fund, the directors and officer of the management company and unit holders holding more than 10% units of the Fund.

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

All other transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with the market rates.

Details of transactions with related parties / connected persons and balances with them at the period end, other than those which have been specifically disclosed elsewhere in this condensed interim financial information are as follows:

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
(Rupees in '000)						
----- (For the quarter ended 30 September 2020) (Un-audited) -----						
Transactions during the quarter						
Profit/Markup income	-	137	-	-	-	-
Bank charges	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-
Units issued	-	-	-	-	185	17,576
Units redeemed	-	-	-	-	-	2,293
Purchase of securities	-	16,136	-	-	-	-
Sale of securities	-	37,720	-	-	-	-
Selling and marketing expense	2,639	-	-	-	-	-
Remuneration	2,538	-	568	-	-	-
CDC charges	-	-	-	-	-	-
Sales tax on management fee	330	-	-	-	-	-
Allocated expenses	254	-	-	-	-	-

----- (For the quarter ended 30 September 2019) (Un-audited) -----						
Transactions during the quarter						
Mark-up on bank accounts	-	42	-	-	-	-
Bank charges	-	8	-	-	-	-
Dividend income	-	603	-	-	-	-
Units issued	-	-	-	-	9	-
Units redeemed	-	-	-	-	-	-
Purchase of securities	-	55,001	-	-	-	-
Sale of securities	-	59,573	-	-	-	-
Selling and marketing expense	1,293	-	-	-	-	-
Remuneration	3,233	-	650	-	-	-
CDS expense	-	-	7	-	-	-
Sales tax on management fee	420	-	-	-	-	-
Listing fee	-	7	-	-	-	-
Allocated expenses	323	-	-	-	-	-

----- (As at 30 September 2020) (Un-audited) -----						
Balances held						
Units held (Number of units in '000)	-	-	-	-	21	1,526
Units held (Amount in '000)	-	-	-	-	3,087	224,317
Bank balances	-	21,871	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable *	975	-	194	-	-	-
Sales load and other payable	657	4	-	-	-	-
Selling and marketing expense payable	2,640	-	-	-	-	-
Allocated expenses	172	-	-	-	-	-
Markup income	-	75	-	-	-	-
Investments	-	15,544	-	-	-	-

* This balance is inclusive of Sindh Sales Tax payable

----- (As at 30 June 2020) (Audited) -----						
Balances held						
Units held (Number of units in '000)	-	-	-	-	21	1,509
Units held (Amount in '000)	-	-	-	-	2,862	206
Bank balances	-	3,031	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable *	886	-	180	-	-	-
Sales load and other payable	561	7	-	-	-	-
Selling & Marketing Expense Payable	2,419	-	-	-	-	-
Allocated expenses	158	-	-	-	-	-
Profit receivable	-	8	-	-	-	-
Investments	-	11,476	-	-	-	-

* This balance is inclusive of Sindh Sales Tax payable

14 GENERAL

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

14.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

14.3 The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

15 DATE OF AUTHORISATION FOR ISSUE

15.1 This condensed interim financial information was authorised for issue on October 29, 2020 by the Board of Directors of the Management Company.

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

USF

UBL Stock Advantage Fund

INVESTMENT OBJECTIVE

USF is an open-end Equity Fund, investing primarily in equities listed on the KSE. The Fund seeks to maximize total returns and outperform its benchmark by investing in a combination of securities offering long term capital gains and dividend yield potential.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	Grant Throntan Anjum Rahman
Bankers	United Bank Limited Allied Bank Limited Bank Alfalah Limited Habib Bank Limited MCB Bank Limited Samba Bank Limited Silk Bank Limited Sindh Bank Limited The Bank of Punjab Soneri Bank Limited Habib Bank Limited National Bank of Pakistan Habib Metro Bank Limited
Management Co. Rating	AM1 (VIS)

**UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020**

		(Un-audited) SEPTEMBER 30, 2020 ----- (Rupees in '000) -----	(Audited) June 30, 2020
ASSETS			
Bank balances	4	467,015	516,622
Investments	5	7,003,370	5,476,262
Dividend and profit receivable		39,015	12,304
Security deposits, prepayments and other receivables		11,863	7,205
Advance tax	7	3,015	3,004
Total assets		7,524,278	6,015,397
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	6	53,679	41,618
Payable to Central Depository Company of Pakistan Limited - Trustee		811	633
Payable to Securities and Exchange Commission of Pakistan		350	1,098
Payable against purchase of investments		18,206	-
Accrued expenses and other liabilities	8	129,744	213,293
Total liabilities		202,790	256,642
Net Assets		7,321,488	5,758,755
Unitholders' Fund (As Per Statement Attached)		7,321,488	5,758,755
CONTINGENCIES AND COMMITMENTS			
	9		
		----- (Number of units) -----	
Number of Units in Issue		104,204,391	95,706,008
		----- (Rupees) -----	
Net Asset Value Per Unit		70.26	60.17
Face Value per Unit		100	100

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

**September 30, September 30,
2020 2019**
Note ----- (Rupees in '000) -----

INCOME

Profit on bank deposits	6,853	8,560
Profit on Treasury Bills	182	(153)
Gain / (loss) on sale of securities - net	142,321	(48,058)
Dividend income	46,362	58,803
Unrealised loss / gain on re-measurement of investments classified as financial assets at fair value through profit or loss - net	895,073	(326,544)
Total income / (loss)	1,090,791	(307,392)

EXPENSES

Remuneration of UBL Fund Managers Limited - Management Company	6	35,044	22,983
Sindh sales tax on remuneration of Management Company	6	4,556	2,988
Allocated expenses	6	1,752	1,149
Selling and marketing expenses	6	35,220	4,597
Remuneration of Central Depository Company of Pakistan Limited - Trustee		2,265	1,583
Annual fee - Securities and Exchange Commission of Pakistan		350	230
Listing and rating fee		7	7
Auditors' remuneration		106	154
Brokerage and settlement charges		4,010	3,194
Legal and professional charges		47	40
Bank and other charges		38	44

Total expenses 83,395 36,969

Net operating income / (loss) for the period 1,007,396 (344,361)

Provision for Sindh Workers' Welfare Fund 8.2 (19,771) -

Net income / (loss) for the period before taxation 987,625 (344,361)

Taxation 10 - -

Net income / (loss) for the period after taxation 987,625 (344,361)

Allocation of net income for the period

- Net loss for the period after taxation	987,625	-
- Income already paid on units redeemed	(129,013)	-
	858,612	-

Accounting income available for distribution :

- Relating to capital gains	858,612	-
- Excluding capital gains	-	-
	858,612	-

Earnings per unit 11

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

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

**UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2020	September 30, 2019
	----- (Rupees in '000) -----	
Net income / (loss) for the period after taxation	987,625	(344,361)
Other comprehensive income:		
<i>Items that may be reclassified subsequently to income statement</i>		
- Unrealized gain on re-measurement of investments classified as 'available for sale - net'	-	-
<i>Items that will not be reclassified subsequently to income statement</i>	-	-
Total comprehensive income / (loss) for the period	987,625	(344,361)

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Quarter ended							
	September 30, 2020				September 30, 2019			
	Capital value	Undistributed income	Unrealised gain / (loss) on re-measurement of investments classified as 'available for sale' - net	Total	Capital value	Undistributed income	Unrealised gain / (loss) on re-measurement of investments classified as 'available for sale' - net	Total
Note	(Rupees. in '000)							
Net assets at beginning of the period	5,435,954	317,088	-	5,758,754	5,211,407	186,254	-	5,397,661
Amount received on issuance of 32,100,598 units (2019: 10,226,247 units)								
- Capital value	1,931,493	-	-	1,931,493	586,578	-	-	586,578
- Element of loss	265,683	-	-	265,683	(34,263)	-	-	(34,263)
Total amount received on issuance of units	2,197,176	-	-	2,197,176	552,315	-	-	552,315
Amount paid on redemption of 23,602,215 units (2019: 22,777,981 units)								
- Capital value	(1,420,145)	-	-	(1,420,145)	(1,306,545)	-	-	(1,306,545)
- Element of income	(72,909)	(129,013)	-	(201,922)	69,605	-	-	69,605
Total amount paid on redemption of units	(1,493,054)	(129,013)	-	(1,622,067)	(1,236,940)	-	-	(1,236,940)
Total comprehensive loss for the period Distribution during the period Rs. Nil per unit (2019: Rs. Nil)	-	987,625	-	987,625	-	(344,361)	-	(344,361)
Net loss for the period less distribution	-	987,625	-	987,625	-	(344,361)	-	(344,361)
Net assets at end of the period	6,140,076	1,175,700	-	7,321,488	4,526,782	(158,107)	-	4,368,675
Undistributed income brought forward comprising of:								
- Realised	-	485,190	-	485,190	-	1,276,940	-	1,276,940
- Unrealised	-	(168,102)	-	(168,102)	-	(1,090,686)	(25,653)	(1,116,339)
Undistributed income brought forward - Net	-	317,088	-	317,088	-	186,254	(25,653)	160,601
Accounting income available for distribution								
- Related to capital gain	-	858,612	-	858,612	-	-	-	-
- Excluding capital gain	-	-	-	-	-	-	-	-
Net loss for the period after taxation	-	858,612	-	858,612	-	(344,361)	-	(344,361)
Distribution during the period Rs. Nil per unit (2019: Rs. Nil)	-	-	-	-	-	-	-	-
Undistributed income carried forward - net	-	1,175,700	-	1,175,700	-	(158,107)	(25,653)	(183,760)
Undistributed income carried forward comprising of:								
- Realised	-	280,627	-	280,627	-	168,437	-	168,437
- Unrealised	-	895,073	-	895,073	-	(326,544)	-	(326,544)
Undistributed income carried forward - net	-	1,175,700	-	1,175,700	-	(158,107)	-	(158,107)
	----- (Rupees) -----							
Net assets value per unit at the beginning of the period					60.17	57.36		
Net assets value per unit at the end of the period					70.26	53.57		

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

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

**UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

Note	September 30, 2019 ----- (Rupees in '000) -----	September 30, 2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the period before taxation	987,625	(344,361)
Adjustments for non-cash charges and other items:		
Profit on bank deposits	(6,853)	(8,560)
Profit on Treasury Bills	(182)	48,058
(Gain) / loss on sale of securities - net	(142,321)	153
Dividend income	(46,362)	(58,803)
Unrealised loss on re-measurement of investments classified as financial assets at fair value through profit or loss - net	5.1 (895,073)	326,544
	(1,090,609)	307,392
	(102,984)	(36,969)
(Increase) / decrease in assets		
Investments	(489,715)	530,723
Security deposits, prepayments and other receivables	(4,658)	(37,115)
Advance tax	-	(2)
	(494,373)	493,606
(Decrease) / Increase in liabilities		
Payable to UBL Fund Managers Limited - Management Company	12,061	(3,512)
Payable to Central Depository Company of Pakistan Limited - Trustee	178	(124)
Payable to Securities and Exchange Commission of Pakistan	(748)	(6,118)
Payable against purchase of investments	18,206	-
Accrued expenses and other liabilities	(83,549)	5,260
	(53,852)	(4,494)
Cash used in operations	(651,209)	452,143
Profit received on bank deposits	4,110	7,520
Dividend received	22,394	28,490
Advance income tax	(11)	(2)
Net cash (used in) / generated from operating activities	(624,716)	488,151
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	2,197,176	552,315
Net payments on redemption of units	(1,622,067)	(1,236,940)
Net cash generated from / (used in) financing activities	575,109	(684,625)
Net decrease in cash and cash equivalents during the period	(49,607)	(196,474)
Cash and cash equivalents at the beginning of the period	516,622	370,665
Cash and cash equivalents at the end of the period	467,015	174,191

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

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL STOCK ADVANTAGE FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Stock Advantage Fund (the Fund) was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on June 5, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 27, 2006 in accordance with the requirements of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from August 04, 2006.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Fund is an open ended mutual fund categorised as Equity Fund and is listed on the Pakistan Stock Exchange Limited. The units of the Fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

The investment objective of the Fund is to provide investors long-term capital appreciation by investing primarily in a mix of equities that offer capital gains and dividend yield potential. The Fund mainly makes investments in a diversified portfolio of shares of listed companies and treasury bills not exceeding 90 days maturity.

JCR-VIS Credit Rating Company Limited has reaffirmed management quality rating of AM1 (stable outlook) to the Management Company as on December 31, 2019.

Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

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

- 2.1.2** The 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, 2020.
- 2.1.3** The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2020.
- 2.1.4** In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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 AND JUDGEMENTS 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, 2020

The preparation of this condensed interim financial information in conformity with 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 judgments 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

The significant estimates, judgments and assumptions made by the 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, 2020

There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information

The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020

		(Unaudited) September 2020	(Audited) June 30, 2020
	Note	-----Rupees in '000-----	
4. BANK BALANCES			
- Profit and loss sharing accounts	4.1	467,015	415,459
- Current account		-	89
		<u>467,015</u>	<u>415,548</u>

4.1 Profit rates on these profit and loss sharing accounts range between 3.75% to 9.5% per annum (June 30, 2020: 3.75% to 11.25% per annum).

		(Unaudited) September 2020	(Audited) June 30, 2020
	Note	-----Rupees in '000-----	
5. INVESTMENTS			
Equity Securities			
At fair value through profit or loss			
- Equity securities	5.1	7,003,370	5,827,466
		<u>7,003,370</u>	<u>5,827,466</u>

5.1 Equity securities

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

Name of Investee Company	As at July 01, 2020	Purchased / bonus received during the period	Sold during the period	As at September 30, 2020	Total carrying value as at September 30, 2020	Total market value as at September 30, 2020	Appreciation / (diminution) as at September 30, 2020	Market value as a percentage of net assets	Market value as a percentage of total value of investment	Investment as a percentage of paid-up capital of investee company	
Quoted investments	Note	Number of shares			Rupees in '000			Percentage (%)			
OIL AND GAS MARKETING COMPANIES											
Pakistan State Oil Company Limited	5.4	525,257	-	518,759	6,498	1,028	1,301	273	0.02	0.02	0.01
Attock Petroleum Limited		2,700	-	2,700	-	-	-	-	-	-	-
					1,028	1,301	273	0.02	0.02	-	
OIL AND GAS EXPLORATION COMPANIES											
Oil & Gas Development Company Limited	5.3	3,468,880	327,206	270,000	3,526,086	384,364	365,303	(19,061)	4.99	5.22	0.82
Pakistan Petroleum Limited		2,817,400	915,100	293,000	3,439,500	310,957	316,640	5,683	4.32	4.52	1.26
Pakistan Oilfields Limited		427,448	93,500	169,500	351,448	127,241	148,076	20,835	2.02	2.11	1.24
Mari Petroleum Company Limited		363,149	57,520	15,000	405,669	505,641	555,572	49,931	7.59	7.93	3.04
					1,328,203	1,385,591	57,388	18.92	19.78	-	
FERTILIZER											
Engro Corporation Limited		1,324,639	227,000	132,000	1,419,639	418,478	427,354	8,876	5.84	6.10	2.46
Engro Fertilizers Limited		2,744,419	737,101	260,000	3,221,520	196,179	195,933	(246)	2.68	2.80	2.41
Fauji Fertilizer Company Limited		1,195,336	1,510,300	120,000	2,585,636	283,003	279,223	(3,780)	3.81	3.99	2.03
Fauji Fertilizer Bin Qasim Limited		381,000	-	381,000	-	-	-	-	-	-	-
Fatima Fertilizer Company Limited		24,500	-	24,500	-	-	-	-	-	-	-
					897,660	902,510	4,850	12.33	12.89	-	
CHEMICALS											
Engro Polymer & Chemicals Limited		2,754,398	1,326,500	100,000	3,980,898	112,631	160,271	47,640	2.19	2.29	4.38
Sitara Chemicals Industries		28,970	43,000	1,500	70,470	19,683	22,667	2,984	0.31	0.32	3.29
Ittehad Chemicals Limited		75,258	-	75,258	-	-	-	-	-	-	-
ICI Pakistan Limited		65,500	-	-	65,500	45,504	47,395	1,891	0.65	0.68	0.71
					177,818	230,333	52,515	3.15	3.29	-	
CEMENT											
Cherat Cement Company Limited		500	-	454	46	4	5	1	0.00	0.00	-
Kohat Cement Company Limited		1,625,482	286,800	45,000	1,867,282	264,853	318,820	53,967	4.35	4.55	9.30
Lucky Cement Limited	5.3	461,698	106,000	52,500	515,198	246,997	333,369	86,372	4.55	4.76	1.59
					511,854	652,194	140,340	8.91	9.31	-	
PAPER AND BOARD											
Century Paper and Board Mills Packages Limited		1,229,088	-	628,000	601,088	43,020	66,859	23,839	0.91	0.95	4.09
		46,618	-	46,618	-	-	-	-	-	-	-
					43,020	66,859	23,839	0.91	0.95	-	
INSURANCE											
Adamjee Insurance Company Limited		6,341,759	195,500	235,000	6,302,259	210,306	252,721	42,415	3.45	3.61	18.01
IGI Holdings Limited		107,500	98,500	-	206,000	40,592	45,108	4,516	0.62	0.64	1.44
					250,898	297,829	46,931	4.07	4.25	-	
COMMERCIAL BANKS											
Bank Alfalah Limited		6,281,816	375,000	288,000	6,368,816	214,359	221,507	7,148	3.03	3.16	3.58
Habib Bank Limited		3,422,557	256,209	105,000	3,573,766	351,067	467,234	116,167	6.38	6.67	2.44
National Bank Of Pakistan		326	-	326	-	-	-	-	-	-	-
MCB Bank Limited		1,686	-	1,686	-	-	-	-	-	-	-
United Bank Limited		2,536,572	741,899	133,000	3,145,471	331,736	362,075	30,339	4.95	5.17	2.57
Faysal Bank Limited		44,364	-	616	43,748	609	749	140	0.01	0.01	0.03
Allied Bank Limited		3,397,726	290,000	-	3,687,726	284,771	310,765	25,994	4.24	4.44	3.22
Bank Al Habib Limited		4,481,792	423,879	105,000	4,800,671	255,792	309,979	54,187	4.23	4.43	4.32
					1,438,334	1,672,309	233,975	22.84	23.88	-	
TEXTILE COMPOSITE											
Nishat Mills Limited		976,731	347,000	247,500	1,076,231	89,031	108,775	19,744	1.49	1.55	3.06
Gul Ahmed Textile Mills Limited		1,982,345	1,061,500	-	3,043,845	95,675	113,596	17,921	1.55	1.62	7.12
Kohinoor Textile Mills Limited	5.4	4,313,293	1,143,500	-	5,456,793	205,131	295,267	90,136	4.03	4.22	18.23
					389,837	517,638	127,801	7.07	7.39	-	
POWER GENERATION AND DISTRIBUTION											
The Hub Power Company Limited	5.3	4,120,537	1,099,072	790,000	4,429,609	330,582	347,547	16,965	4.75	4.96	3.41
Saif Power Limited		3,118,219	50,000	95,000	3,073,219	49,479	51,753	2,274	0.71	0.74	7.95
Lalpir Power limited		3,203,229	50,000	320,500	2,932,729	34,285	38,536	4,251	0.53	0.55	7.72
Pak Gen Power Limited		4,231,604	50,000	75,000	4,206,604	50,727	75,719	24,992	1.03	1.08	11.31
K-Electric Limited (face value Rs. 3.5 per share)		1,810,484	-	1,800,000	10,484	32	44	12	0.00	0.00	-
					465,105	513,599	48,494	7.01	7.33	-	
AUTOMOBILE PARTS AND ACCESSORIES											
Thal Limited (face value Rs. 5 per share)		444,420	62,900	3,500	503,820	168,605	211,771	43,166	2.89	3.02	6.22
					168,605	211,771	43,166	2.89	3.02	-	
GLASS & CERAMICS											
Shabbir Tiles & Ceramics Limited		-	-	-	-	-	-	-	-	-	-
ENGINEERING											
Aisha Steel Mills Limited		-	280,000	-	280,000	4,571	4,402	(169)	0.06	0.06	0.37
					4,571	4,402	(169)	0.06	0.06	-	
FOOD AND PERSONAL CARE PRODUCTS											
Al Shaheer Corporation	5.4	2,822,292	-	2,729,500	92,792	1,062	1,778	716	0.02	0.03	0.46
					1,062	1,778	716	0.02	0.03	-	
PHARMACEUTICALS											
The Searle Company Limited	5.4	390,826	140,000	65,500	465,326	98,747	119,268	20,521	1.63	1.70	2.19
IBL HealthCare Limited		-	20,500	20,500	-	-	-	-	-	-	-
Glaxo Smithkline Consumer Healthcare		20,000	10,000	22,700	7,300	2,001	2,115	114	0.03	0.03	0.06
					100,748	121,383	20,635	1.66	1.73	-	
Leather & Tanneries											
Service Industries Limited		21,500	44,125	-	65,625	44,343	49,659	5,316	0.68	0.71	-
					44,343	49,659	5,316	-	-	-	
TECHNOLOGY & COMMUNICATION											
Systems Limited		1,228,600	40,000	522,500	746,100	137,553	202,969	65,416	2.77	2.90	6.04
TPL Trakker Limited		-	546,000	546,000	-	-	-	-	-	-	-
					137,553	202,969	65,416	2.77	2.90	-	

UBL STOCK ADVANTAGE FUND
NOTES TO THE FINANCIAL STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

Name of Investee Company	As at July 01, 2020	Purchased / bonus received during the period	Sold during the period	As at September 30, 2020	Total carrying value as at September 30, 2020	Total market value as at September 30, 2020	Appreciation / (diminution) as at September 30, 2020	Market value as a percentage of net assets	Market value as a percentage of total value of Investment	Investment as a percentage of paid-up capital of investee company	
Quoted investments	Note	Number of shares			Rupees in '000			Percentage (%)			
BROKERAGE											
Arif Habib Limited		517,000	152,000	125,000	544,000	19,053	28,157	9,104	0.38	0.40	9.16
						<u>19,053</u>	<u>28,157</u>	<u>9,104</u>	<u>0.38</u>	<u>0.40</u>	
TRANSPORT											
Pakistan International Bulk Terminal		-	500,000	-	500,000	6,250	6,180	(70)	0.08	0.09	0.28
						<u>6,250</u>	<u>6,180</u>	<u>(70)</u>	<u>0.08</u>	<u>0.09</u>	
VANASPATI & ALLIED INDUSTRIES											
Unity Foods Limited		-	7,619,925	3,430,000	4,189,925	51,812	69,762	17,950	0.95	1.00	4.22
						<u>51,812</u>	<u>69,762</u>	<u>17,950</u>	<u>0.95</u>	<u>1.00</u>	
MISCELLANEOUS											
Tri-pack films		100,000	-	100,000	-	-	-	-	-	-	-
Shifa International Hospitals Limited		-	138,000	3,000	135,000	34,990	30,072	(4,918)	0.41	0.43	-
Synthetic Products Ltd		645,000	187,000	-	832,000	35,553	37,074	1,521	0.51	0.53	9.40
						<u>70,543</u>	<u>67,146</u>	<u>(3,397)</u>	<u>0.92</u>	<u>0.96</u>	
Total September 30, 2020						<u>6,108,297</u>	<u>7,003,370</u>	<u>895,073</u>			
Total June 30, 2020						<u>5,644,365</u>	<u>5,476,262</u>	<u>(168,102)</u>			

5.2 Government securities

Issue Date	Tenor	Face value				Market value as at September 30, 2020	Market Value as a percentage of	
		As at July 01, 2020	Purchased during the period	Sold / matured during the period	As at September 30, 2020		Net assets	Market value of total investments
------(Rupees in '000)-----						Rs in '000'		
Market treasury bills								
06-Jul-2020	3 months	-	75,000	75,000	-	-		
		-	75,000	75,000	-	-		
Carrying value before marked to market as at September 30, 2020						-		

5.3 The above equity securities include 0.71 million shares (June 30, 2020: 0.71 million shares) pledged with National Clearing Company of Pakistan Limited having market value of Rs. 86.3283 million (June 30, 2020: Rs. .83.8023 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.

5.4 The Finance Act, 2014 brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by a shareholder are to be treated as income and a 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. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honourable 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 exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The honourable Sindh High Court has granted stay order till the final outcome of the case. Certain investee companies of the Fund, in pursuance of aforesaid amendment, withheld shares equivalent to 5% of bonus announcement of the Fund having fair market value of Rs. 13.4631 million (June 30, 2020: Rs. 11.057 million) at year end. Such shares have not been deposited by the investee companies in CDC account of income tax department. The Fund has included in its investments the withheld shares and recorded them at fair market value at period end. Through Finance Act, 2018, the tax on bonus shares is withdrawn.

6 PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

During the period ended September 30, 2020, management fee was charged at the rate of 2% (September 30, 2019: 2%). The remuneration is paid to the Management Company on monthly basis in arrears.

6.1 Allocated expenses and selling and marketing expenses

The Management Company is charging 0.1% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services

Furthermore, Management Company has charged selling and marketing expense at the rate of 2.01% during the period.

7. ADVANCE 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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

8. ACCRUED EXPENSES AND OTHER LIABILITIES

8.1 Provision for indirect taxes and duties

This includes provision for federal excise duty (FED) as at September 30, 2020 amounting to Rs. 34.896 million (June 30, 2020: Rs. 34.896 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements for the year ended June 30, 2020. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 45.195 million. Had the provision not been provided for, the net assets value per unit would have been higher by Re. 0.34 (June 30, 2020: Re. 0.47).

8.2 Provision for Sindh Workers' Welfare Fund

There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements for the year ended June 30, 2020.

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs.71.905 million (June 30, 2020: Rs. 52.134 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 SWWF not been provided for, the net assets value per unit would have been higher by Rs. 0.69 (June 30, 2020: Rs. 0.54).

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

10. TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

11. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units for calculating EPU is not practicable.

12. TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund for the period ended September 30, 2020 is 1.48% which includes 0.37% representing Government levies, Sindh Workers' Welfare Fund and SECP fee.

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 the 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 at reporting date 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).

	(Un-audited)			
	September 30, 2020			
	Fair Value			
ASSETS	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Investment in securities - financial assets at fair value through profit or loss				
- Equity securities	7,003,370	-	-	7,003,370

	(Audited)			
	June 30, 2020			
	Fair Value			
ASSETS	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Investment in securities - financial assets at fair value through				
Held for trading				
- Equity securities	5,476,262	-	-	5,476,262
	5,476,262	-	-	5,476,262

13.1 The Fund has not disclosed the fair values for other financial assets and financial liabilities, as their estimated fair value is considered not significantly different from the carrying value as the items are short term in nature.

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 the Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of the Management Company.
- 14.2** Transactions with connected persons are in the normal course of business, at agreed / contracted rates.
- 14.3** Remuneration to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, the NBFC regulations and the Trust Deed respectively.
- 14.4** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.
- 14.5** Details of transactions with related parties / connected persons during the period and balances held with them at the quarter ended September 30, 2020 are as follows:

Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives** *	Other connected persons / related parties
----- Quarter ended 'September 30, 2020 -----					
----- (Rupees in '000) -----					

Transactions during the period

Profit on bank deposits	-	5,699	-	-	-	-
Bank charges	-	27	-	-	-	-
Value of units issued	192,000	756	-	-	1,018	-
Value of units redeemed	315,000	276	-	-	15,199	-
Purchase of securities	-	430,696	-	-	-	1,647,945
Sale of securities	-	346,596	-	-	-	1,514,742
Dividend received	-	-	-	-	-	35,709
Remuneration (including sales tax)	39,600	-	2,265	-	-	-
Allocation of expenses	1,752	-	-	-	-	-
CDS expenses	-	-	-	-	-	-
Selling and marketing expense	35,220	-	-	-	-	-

Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives***	Other connected persons / related parties
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----- Quarter ended 'September 30, 2019 -----

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

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

Profit on bank deposits	-	4	-	-	-	-
Bank charges	-	9	-	-	-	-
Value of units issued	-	-	-	-	1,123	83,000
Value of units redeemed	-	438	-	-	750	-
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	-	-	-	-	-
Dividend received	-	34,456	-	-	-	-
Remuneration expense (including sales tax)	25,971	-	1,583	-	-	-
Allocation of expenses	1,149	-	-	-	-	-
CDS expenses	-	-	71	-	-	-
Selling And Marketing Expense	4,597	-	-	-	-	-

Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives** *	Other connected persons / related parties
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----- As at September 30, 2020 -----

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

Balances held

Units held	1,570	8	-	-	584	35,276
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----- (Rupees in '000) -----

Units held	110,315	537	-	-	41,019	2,478,478
Bank balances	-	71,453	-	-	-	110,029
Deposits	-	-	100	-	-	-
Investments	-	362,075	-	-	-	3,503,019
Profit receivable	-	567	-	-	-	3,278
Remuneration payable	14,053	-	-	-	-	-
Sales load payable	2,545	7	-	-	-	-
Conversion charges payable	87	-	-	-	-	-
Allocated expenses payable	1,753	-	-	-	-	-
Selling and marketing expense payable	35,224	-	-	-	-	-
Other Payable	17	-	-	-	-	-

Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives***	Other connected persons / related parties
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As at June 30, 2020

(Units in '000)

Balances held

Units held	3,286	-	-	-	782	35,276
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(Rupees in '000)

Units held	197,738	-	-	-	47,054	2,122,545
Bank balances	-	372,113	-	-	-	-
Deposits	-	-	100	-	-	-
Investments	-	3,104	-	-	-	-
Profit receivable	-	1,179	-	-	-	-
Remuneration payable	10,611	-	633	-	-	-
Sales load and conversion charges payable	2,432	54	-	-	-	-
Allocated expenses payable	1,487	-	-	-	-	-
Selling and marketing expense payable	27,070	-	-	-	-	-
Other Payable	17	-	-	-	-	-

* 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 nine months period 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 quarter ended. 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. GENERAL

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

15.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

15.3 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network (“VPN”) connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

16. DATE OF AUTHORISATION FOR ISSUE

16.1 This condensed interim financial information was authorised for issue on **OCTOBER 29, 2020** by the Board of Directors of the Management Company.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UDEF

UBL Dedicated Equity Fund

INVESTMENT OBJECTIVE

The investment objective of the Fund is to provide other 'Fund of Funds' schemes an avenue for investing in Equities.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	Ernst & Young Ford Rhodes, Chartered Accountants
Bankers	United Bank Limited JS Bank Limited Soneri Bank Limited
Management Co. Rating	AM1 (VIS)

UBL DEDICATED EQUITY FUND
CONDESED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

		(Un-audited) September 30, 2020 (Rupees in '000)	(Audited) June 30, 2020 (Rupees in '000)
ASSETS			
Bank balances	4	1,174	1,064
Investments	5	38,976	33,993
Dividend and mark-up receivable		141	1,047
Advance tax	6	49	47
Security deposit and other receivable		2,571	2,500
Preliminary expenses and floatation costs		166	182
Receivable against sale of investments		679	-
Total assets		43,756	38,833
LIABILITIES			
Payable to the Management Company	7	132	111
Payable to the Trustee		9	7
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)		2	32
Accrued and other liabilities	9	980	1,051
Payable against purchase of investments		387	1,064
Total liabilities		1,510	2,265
NET ASSETS		42,246	36,568
Unit holders' fund (as per statement attached)		42,246	36,568
Contingencies and commitments	10		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		413,282	424,153
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		102.2206	86.2142

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

 Chief Executive Officer

SD

 Director

SD

 Chief Financial Officer

UBL DEDICATED EQUITY FUND
CONDESED INTERIM INCOME STATEMENT (UN- AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Note	Quarter ended September 30, 2020 (Rupees in '000)	Quarter ended September 30, 2019 (Rupees in '000)
INCOME			
Financial Income		238	182
Dividend income		140	1,908
Net unrealised gain/ (loss) on revaluation of investments classified as 'at fair value through profit or loss		4,960	(10,323)
Net gain/ (loss) on sale of investments classified as fair value through profit or loss		2,196	(3,666)
Total income/ (loss)		7,534	(11,899)
EXPENSES			
Remuneration of the Management Company		210	796
Sales tax on management fee		27	104
Allocated expenses by the Management Company	8	10	40
Selling and marketing expenses	8	42	159
Remuneration of the Trustee		21	133
Sales tax on remuneration of the Trustee		3	17
Annual fee to SECP		2	8
Amortization of preliminary expenses and floatation costs		16	16
Brokerage expenses		45	105
Auditors' remuneration		124	96
Custody and settlement charges		83	113
Other expenses		54	54
Total expenses		637	1,641
Net income/ (loss) for the quarter from operating activities		6,897	(13,540)
Provision for Sindh Workers' Welfare Fund (SWWF)		(135)	-
Net income/ (loss) for the quarter before taxation		6,762	(13,540)
Taxation	11	-	-
Net income/ (loss) for the quarter after taxation		6,762	(13,540)
<i>Allocation of net income for the period:</i>			
Net income for the quarter after taxation		6,762	-
Income already paid on units redeemed		(172)	-
		6,590	-
<i>Accounting income available for distribution</i>			
- Relating to capital gains		6,590	-
- Excluding capital gains		-	-
		6,590	-
Earnings per unit	12		

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

UBL DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME(UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	<u>Quarter ended September 30, 2020</u> (Rupees in '000)	<u>Quarter ended September 30, 2019</u> (Rupees in '000)
Net income/ (loss) for the quarter after taxation	6,762	(13,540)
Other comprehensive income for the quarter	-	-
Total comprehensive income/ (loss) for the quarter	<u><u>6,762</u></u>	<u><u>(13,540)</u></u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

UBL DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN- AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 30, 2020				Quarter ended September 30, 2018				Total
	Capital value	Undistributed income	Unrealised appreciation on investments classified as 'fair value through other comprehensive income' - net	Total	Capital value	Undistributed income	Unrealised appreciation on investments classified as 'fair value through other comprehensive income' - net	Total	
	(Rupees in '000)				(Rupees in '000)				
Net assets at beginning of the quarter	74,898	(38,330)	-	36,568	212,798	(31,214)	-	181,583	
Amount received on issuance of 6,831 units (30 September 2019: 1,198,606 units)									
Capital value	589	-	-	589	96,961	-	-	96,961	
Element of loss during the quarter; - Relating to income earned	82	-	-	82	(5,326)	-	-	(5,326)	
	671	-	-	671	91,634	-	-	91,635	
Amount paid on redemption of 17,702 units (30 September 2019: 1,299,262 units)									
Capital value	(1,526)	-	-	(1,526)	(105,103)	-	-	(105,103)	
Element of income during the quarter; - Relating to income earned	(57)	(172)	-	(229)	7,646	-	-	7,646	
	(1,755)	(172)	-	(1,755)	(97,457)	-	-	(97,457)	
Total comprehensive loss for the quarter	-	6,762	-	6,762	-	(13,540)	-	(13,540)	
Amount transferred to retained earnings	-	-	-	-	-	-	-	-	
Distribution during the quarter	-	-	-	-	-	-	-	-	
Net assets at end of the quarter	73,814	(31,740)	-	42,246	206,975	(44,754)	-	162,221	
Undistributed income brought forward:									
- Realised		(40,207)	-	-		(1,923)	-	-	
- Unrealised		1,877	-	-		(29,291)	-	-	
		(38,330)	-	-		(31,214)	-	-	
Accounting income available for distribution:									
- Relating to capital gains	6,590	-	-	-	-	-	-	-	
- Excluding capital gains	-	-	-	-	-	-	-	-	
	6,590	-	-	-	-	-	-	-	
Net loss for the quarter after taxation	-	-	-	-	(13,540)	-	-	(13,540)	
Transferred to retained earnings	-	-	-	-	-	-	-	-	
Distribution during the quarter	-	-	-	-	-	-	-	-	
Undistributed income carried forward	(31,740)	-	(31,740)	(44,754)	-	(44,754)	-	(44,754)	
Undistributed income carried forward									
- Realised	(36,700)	-	(36,700)	(34,431)	-	(34,431)			
- Unrealised	4,960	-	4,960	(10,323)	-	(10,323)			
	(31,740)	-	(31,740)	(44,754)	-	(44,754)			
				-- (Rupees) --				-- (Rupees) --	
Net assets value per unit at beginning of the quarter				86,2142				80,8948	
Net assets value per unit at end of the quarter				102,2206				75,6618	

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

UBL DEDICATED EQUITY FUND
CONDESED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 30, 2020 (Rupees in '000)	Quarter ended September 30, 2019 (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income/ (loss) for the quarter before taxation	6,762	(13,540)
Adjustments for:		
Financial Income	(238)	(182)
Net unrealised gain/ (loss) on revaluation of investments classified as 'at fair value through profit or loss	(4,960)	10,323
Dividend income	(140)	(1,908)
Net gain/ (loss) on sale of investments classified as fair value through profit or loss	(2,196)	3,666
Amortization of preliminary expenses and floatation costs	16	16
	(7,518)	11,915
(Increase) / Decrease in assets		
Investments	2,173	19,651
Advance Tax	(2)	-
Security deposit and other receivable	(71)	(65)
Receivable against sale of investments	(679)	428
	1,421	20,014
Increase / (Decrease) in liabilities		
Payable to the Management Company	21	(163)
Payable to the Trustee	2	21
Annual fee payable to SECP	(30)	(148)
Accrued and other liabilities	(71)	208
Payable against purchase of investments	(677)	3,156
	(755)	3,074
Mark-up income and dividend received	1,284	2,262
Net cash generated from operating activities	1,194	23,725
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipt from issuance of units	671	91,635
Net payment against redemption of units	(1,755)	(97,457)
Net cash used in financing activities	(1,084)	(5,822)
Net increase in cash and cash equivalents during the quarter	110	17,903
Cash and cash equivalents at beginning of the quarter	1,064	2,697
Cash and cash equivalents at end of the quarter	1,174	20,600
CASH AND CASH EQUIVALENTS		
Bank balances	1,174	20,600

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

UBL DEDICATED EQUITY FUND
NOTES TO THE CONDESED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Dedicated Equity Fund, was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on April 10, 2018 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 02, 2018 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from May 29, 2018.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.3 The Fund is an open-ended mutual fund and is in process of listing on the Pakistan Stock Exchange Limited. Units are offered for subscription on a continuous basis to the public. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.
- 1.4 The investment objective of the Fund is to provide other 'Fund of Funds' schemes & Separately Managed Accounts (only managed by UBL Fund Managers) an avenue for investing in Equities.
- 1.5 VIS Credit Rating Company has reaffirmed management quality rating of AM1 on December 31, 2019.
- 1.6 Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

- 2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

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

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

- 2.1.2 The 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, 2020.
- 2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2019.
- 2.1.4 In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

2.2 BASIS OF MEASUREMENT

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

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, JUDGEMENT AND CHANGES THEREIN

- 3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.
- 3.2 The preparation of this condensed interim financial information in conformity with 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 judgments 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 the 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, 2020.
- 3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

		(Un-audited) September 30, 2020 (Rupees in '000)	(Audited) June 30, 2020 (Rupees in '000)
4 BANK BALANCES	Note		
Saving account	4.1	<u>1,174</u>	<u>1,064</u>

4.1 This carries mark-up at the rate ranging from 6% to 7% per annum (June 2020: 6.5% to 11.25%) and maintained with United Bank Limited (a related party).

5. INVESTMENTS

Investments by Category

At fair value through profit or loss

- Equity securities - listed	5.1	<u>38,976</u>	<u>33,993</u>
		<u>38,976</u>	<u>33,993</u>

5.1 Equity securities classified at 'Fair Value Through Profit Or Loss'

Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise

Name of Investee Company	Note	Number of shares				Balance as at September 30, 2020			Market value as a % of net assets	Market value as a % of total investments	Par value as percentage of total paid up capital of the investee company	
		As at July 01, 2020	Purchased during the period	Sold during the period	Bonus / right	As at September 30, 2020	Carrying value	Market value				(Diminution) / appreciation
----- (Rupees in '000) -----												
Cement												
Kohat Cement Company Limited		9,840	2,000	300	-	11,540	1,691	1,970	279	4.66%	5.05%	0.01%
Lucky Cement Limited		3,158	-	100	-	3,058	1,412	1,979	567	4.68%	5.08%	0.00%
Maple Leaf Cement Factory Limited		-	12,000	11,000	-	1,000	31	36	5	0.09%	0.09%	0.00%
Thatta Cement Company Limited		-	25,000	-	-	25,000	555	521	(34)	1.23%	1.34%	0.03%
							3,689	4,506	817	10.66%	11.56%	
Oil and gas exploration companies												
Mari Petroleum Company Limited		2,097	-	200	-	1,897	2,346	2,598	252	6.15%	6.67%	0.00%
Oil & Gas Development Company Limited		19,568	-	3,500	-	16,068	1,751	1,665	(86)	3.94%	4.27%	0.00%
Pakistan Oilfields Limited		112	3,700	1,700	-	2,112	822	890	68	2.11%	2.28%	0.00%
Pakistan Petroleum Limited		15,675	2,000	-	-	17,675	1,570	1,627	57	3.85%	4.17%	0.00%
							6,489	6,780	291	16.05%	17.39%	
Oil and gas marketing companies												
Pakistan State Oil Company Limited		3,683	-	3,400	-	283	45	57	12	0.13%	0.15%	0.00%
							45	57	12	0.13%	0.15%	
Food and personal care products												
Al Shaheer Corporation Limited		1,576	38,000	5,000	-	34,576	445	662	217	1.57%	1.70%	0.02%
							445	662	217	1.57%	1.70%	
Fertilizer												
Engro Corporation Limited		7,023	2,500	600	-	8,923	2,655	2,686	31	6.36%	6.89%	0.00%
Engro Fertilizers Limited		20,000	4,000	16,000	-	8,000	487	487	-	1.15%	1.25%	0.00%
Fatima Fertilizer Company Limited		7,500	-	7,500	-	-	-	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Company Limited		8,091	8,000	7,900	-	8,191	892	885	(7)	2.09%	2.27%	0.00%
							4,034	4,058	24	9.60%	10.41%	
Chemicals												
Dynea Pakistan Limited		-	3,000	-	-	3,000	406	534	128	1.26%	1.37%	0.03%
Engro Polymer & Chemicals Limited		11,613	10,000	4,000	-	17,613	492	709	217	1.68%	1.82%	0.00%
ICI Pakistan Limited		50	-	-	-	50	35	36	1	0.09%	0.09%	0.00%
Ittehad Chemicals Limited		25,742	-	25,000	-	742	20	20	-	0.05%	0.05%	0.00%
Sitara Chemical Industries Limited		1,234	-	1,000	-	234	65	75	10	0.18%	0.19%	0.00%
Sitara Peroxide Limited		17,000	-	17,000	-	-	-	-	-	0.00%	0.00%	0.00%
							1,018	1,374	356	3.26%	3.52%	
Technology and communication												
Systems Limited		6,750	-	4,700	-	2,050	377	558	181	1.32%	1.43%	0.00%
							377	558	181	1.32%	1.43%	
Automobile parts and accessories												
Agriauto Industries Limited		-	3,000	-	-	3,000	610	723	113	1.71%	1.85%	0.02%
Thal Limited*		2,114	-	-	-	2,114	687	889	202	2.10%	2.28%	0.00%
							1,297	1,612	315	3.81%	4.13%	

Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise

Name of Investee Company	Note	Number of shares					Balance as at September 30, 2020			Market value as a % of net assets	Market value as a % of total investments	Par Value as percentage of total paid up capital of the investee company
		As at July 01, 2020	Purchased during the period	Sold during the period	Bonus / right	As at September 30, 2020	Carrying value	Market value	Appreciation / (diminution)			
----- (Rupees in '000) -----												
Automobile Assembler												
Indus Motor Company Limited		-	200	-	-	200	240	256	16	0.61%	0.66%	0.00%
							240	256	16	0.61%	0.66%	
Engineering												
International Industries Limited		20	-	-	-	20	2	3	1	0.01%	0.01%	0.00%
							2	3	1	0.01%	0.01%	
Insurance												
Adamjee Insurance Company Limited	5.1.1	25,485	-	-	-	25,485	844	1,022	178	2.42%	2.62%	0.01%
IGI Holdings Limited		2,000	-	-	-	2,000	362	438	76	1.04%	1.12%	0.00%
							1,206	1,460	254	3.46%	3.74%	
Leathers and Tanneries												
Bata Pakistan Limited		-	240	-	-	240	386	404	18	0.96%	1.04%	0.00%
Service Industries Limited		90	500	-	22	612	460	463	3	1.10%	1.19%	0.00%
							846	867	21	2.06%	2.23%	
Miscellaneous												
Shifa International Hospitals Limited		-	1,500	1,500	-	-	-	-	-	0.00%	0.00%	0.00%
Synthetic Products Enterprises Limited		7,400	12,500	-	-	19,900	840	887	47	2.10%	2.28%	0.02%
Tri-Pack Films Limited		-	4,000	4,000	-	-	-	-	-	0.00%	0.00%	0.00%
							840	887	47	2.10%	2.28%	
Transport												
Pakistan International Bulk Terminal		-	33,000	-	-	33,000	412	408	(4)	0.97%	1.05%	0.00%
Pakistan National Shipping Corporation		2,000	-	2,000	-	-	-	-	-	0.00%	0.00%	0.00%
							412	408	(4)	0.97%	1.05%	
Paper and Board												
Century Paper & Board Mills Limited		13,351	-	12,500	-	851	61	95	34	0.22%	0.24%	0.00%
Cherat Packaging Limited		3,000	-	3,000	-	-	-	-	-	0.00%	0.00%	0.00%
							61	95	34	0.22%	0.24%	
Pharmaceuticals												
Highnoon Laboratories Limited		-	700	-	-	700	427	430	3	1.02%	1.10%	0.00%
IBL HealthCare Limited		3,000	-	3,000	-	-	-	-	-	0.00%	0.00%	0.00%
The Searle Company Limited		1,900	2,000	2,100	-	1,800	365	461	96	1.09%	1.18%	0.00%
							792	891	99	2.11%	2.28%	

Commercial banks

Allied Bank Limited		23,174	-	-	-	23,174	1,775	1,953	178	4.62%	5.01%	0.00%
Bank AL Habib Limited		26,000	-	-	-	26,000	1,360	1,679	319	3.97%	4.31%	0.00%
Bank Alfalah Limited	5.1.1	31,961	-	10,000	-	21,961	737	764	27	1.81%	1.96%	0.00%
Faysal Bank Limited		86	-	-	-	86	1	1	-	0.00%	0.00%	0.00%
Habib Bank Limited		18,301	-	-	-	18,301	1,773	2,393	620	5.66%	6.14%	0.00%
MCB Bank Limited		4,500	-	4,500	-	-	-	-	-	0.00%	0.00%	0.00%
National Bank of Pakistan		1,174	-	-	-	1,174	32	47	15	0.11%	0.12%	0.00%
United Bank Limited		20,909	3,500	7,000	-	17,409	1,803	2,004	201	4.74%	5.14%	0.00%
							7,481	8,841	1,360	20.91%	22.68%	

Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise

Name of Investee Company	Note	Number of shares				Balance as at September 30, 2020			Market value as a % of net assets	Market value as a % of total investments	Par Value as percentage of total paid up capital of the investee company	
		As at July 01, 2020	Purchased during the period	Sold during the period	Bonus / right	As at September 30, 2020	Carrying value	Market value				Appreciation / (diminution)
Textile composite												
Gul Ahmed Textile Mills Limited		11,854	12,000	1,500	-	22,354	732	834	102	1.97%	2.14%	0.01%
Kohinoor Textile Mills Limited	5.1.1	27,145	500	-	-	27,645	987	1,496	509	3.54%	3.84%	0.01%
Nishat Mills Limited		9,690	-	1,500	-	8,190	639	828	189	1.96%	2.12%	0.00%
							2,358	3,158	800	7.47%	8.10%	
Power generation and distribution												
K-Electric Limited**		453	-	-	-	453	1	2	1	0.00%	0.01%	0.00%
Lalpir Power Limited		357	-	-	-	357	4	5	1	0.01%	0.01%	0.00%
Pakgen Power Limited		13,918	-	-	-	13,918	167	251	84	0.59%	0.64%	0.00%
Saif Power Limited		184	-	-	-	184	3	3	-	0.01%	0.01%	0.00%
The Hub Power Company Limited		22,830	12,500	13,500	-	21,830	1,617	1,710	93	4.05%	4.39%	0.00%
							1,792	1,971	179	4.66%	5.06%	
Inv. Banks/ Inv. Cos. / Securities Cos.												
Arif Habib Limited		1,000	9,500	10,000	-	500	19	26	7	0.06%	0.07%	0.00%
							19	26	7	0.06%	0.07%	
Vanaspati & Allied Industries												
Unity Foods Limited		-	34,000	50,000	16,542	542	6	9	3	0.02%	0.02%	0.00%
							6	9	3	0.02%	0.02%	
Cable & Electrical Goods												
Waves Singer Pakistan Limited		-	19,000	-	-	19,000	567	497	(70)	1.18%	1.28%	0.01%
							567	497	(70)	1.18%	1.28%	
Total as at September 30, 2020							34,016	38,976	4,960			
Total as at June 30, 2020							32,116	33,993	1,877			

* These have a face value of Rs.5 per share.

** These have a face value of Rs.3.5 per share.

5.1.1 Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margining:

Adamjee Insurance Company Limited
Bank Alfalah Limited
Kohinoor Textile Mills Limited
Mari Petroleum Company Limited

September 30, 2020		June 30, 2020	
(Number of shares)	(Rupees in '000)	(Number of shares)	(Rupees in '000)
10,000	401	10,000	331
20,000	696	20,000	671
17,000	920	17,000	604
-	-	2,000	2,473
47,000	2,017	49,000	4,079

6 ADVANCE 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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information..

7 PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

During the period ended September 30, 2020, management fee was charged at the rate of 2% (September 30, 2019: 2%). The remuneration is paid to the Management Company on monthly basis in arrears.

8 ALLOCATED EXPENSES AND SELLING AND MARKETING EXPENSES

The Management Company is charging 0.1% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services

Furthermore Management Company has charged selling and marketing expense to the Fund as follows:

From July 1, 2020 through September 30, 2020	0.4% per annum of average daily net assets
--	--

9 ACCRUED EXPENSES AND OTHER LIABILITIES

9.1 Provision for Workers' Welfare Fund (WWF)

There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 15.1 to the annual audited financial statements for the year ended June 30, 2020.

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs. 0.015 million (June 30, 2020: Rs. 0.013 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 Re. 0.36 (June 30, 2020: Re.0.03).

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

11 TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

12 EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

13 TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund for the period ended September 30, 2020 is 1.86% which includes 0.42% representing Government levies, Sindh Workers' Welfare Fund and SECP fee.

14 TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, the Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of the Management Company.

Transactions with the connected persons are carried out in the normal course of business, at agreed / contracted rates.

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

Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

Details of transactions with related parties / connected persons during the period and balances held with them at the quarter year ended September 30, 2020 are as follows:

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
	----- (Rupees in '000) -----					
	For the period ended September 30, 2020 (Un-audited)					
Transactions during the period						
Mark-up on bank account	-	237	-	-	-	-
Bank charges	-	1	-	-	-	-
Units issued	-	-	-	-	-	41
Units redeemed	-	-	-	-	-	1,155
Central Depository Service expenses (CDS)	-	-	-	-	-	-
Remuneration *	237	-	24	-	-	-
Allocated expenses by the Management Co.	10	-	-	-	-	-
Selling & Marketing Expenses	42	-	-	-	-	-
Listing Fee	-	7	-	-	-	-
Purchases of Securities	-	367	-	-	-	-
Sales of Securities	-	770	-	-	-	-
	For the period ended September 30, 2019 (Un-audited)					
Transactions during the period						
Mark-up on bank account	-	182	-	-	-	-
Bank charges	-	6	-	-	-	-
Units issued	-	-	-	61,395	-	13,791
Units redeemed	-	-	-	95,713	-	-
Central Depository Service expenses (CDS)	-	-	5	-	-	-
Remuneration *	900	-	150	-	-	-
Allocated expenses by the Management Co.	40	-	-	-	-	-
Selling & Marketing Expenses	159	-	-	-	-	-
Listing Fee	-	6	-	-	-	-
Sales of Securities	-	7,821	-	-	-	-
Dividend Income	-	344	-	-	-	-

	As at September 30, 2020 (Un-audited)				
Balances held					
Units held (units in '000)	-	-	-	-	411
Units held (Rupees in '000)	-	-	-	-	42,013
Bank balances	-	1,159	-	-	-
Remuneration payable	82	-	9	-	-
Other payable	-	-	-	-	-
Selling and marketing expenses payable	42	-	-	-	-
Mark-up receivable	-	19	-	-	-
Allocated expenses payable	8	-	-	-	-
Investments	-	2,004	-	-	-

* Remuneration for the period is inclusive of sales tax.

	As at June 30, 2020 (Audited)				
Balances held					
Units held (units in '000)	-	-	-	-	422
Units held (Rupees in '000)	-	-	-	-	36,373
Bank balances	-	1,048	-	-	-
Remuneration payable	68	-	7	-	-
Other payable	-	-	-	-	-
Selling and marketing expenses payable	36	-	-	-	-
Mark-up receivable	-	989	-	-	-
Allocated expenses payable	7	-	-	-	-
Investments	-	2,161	-	-	-

* Remuneration for the period is inclusive of sales tax.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: 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 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyse financial instruments measured at the end of the period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	September 30, 2020 (Un-audited)			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss				
Equity securities - listed	<u>38,976</u>	<u>-</u>	<u>-</u>	<u>38,976</u>
	<u>38,976</u>	<u>-</u>	<u>-</u>	<u>38,976</u>

	June 30, 2020 (Audited)			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss				
Equity securities - listed	<u>33,993</u>	<u>-</u>	<u>-</u>	<u>33,993</u>
	<u>33,993</u>	<u>-</u>	<u>-</u>	<u>33,993</u>

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

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

16. GENERAL

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

16.1 IMPACT OF COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

16.2 OPERATIONAL RISK MANAGEMENT

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

17 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on **October 29, 2020** by the Board of Directors of the Management Company.

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UFSF

UBL Financial Sector Fund

INVESTMENT OBJECTIVE

The objective is to provide investors long-term capital appreciation by investing primarily in a mix of actively managed portfolio of listed equities that offer capital gains and dividends yield potential preferably in the Financial Sector.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	BDO Ebrahim & Co., Chartered Accountants
Bankers	Allied Bank Limited United Bank Limited Soneri Bank Limited
Management Co. Rating	AM 1 (VIS Credit Rating Company Limited)

UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

		September 30, 2020 (Unaudited)	June 30, 2020 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	23,799	7,224
Investments	5	758,431	595,852
Mark-up Receivable		1,933	1,256
Deposits, prepayments and other receivables		3,398	39,733
Preliminary expenses and floatation costs		601	662
Advance tax	6	39	39
TOTAL ASSETS		<u>788,201</u>	<u>644,766</u>
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	7	5,974	5,080
Payable to Central Depository Company of Pakistan Limited - Trustee		154	120
Payable to Securities and Exchange Commission of Pakistan		37	157
Accrued expenses and other liabilities	8	4,331	13,114
TOTAL LIABILITIES		<u>10,496</u>	<u>18,471</u>
NET ASSETS		<u>777,705</u>	<u>626,295</u>
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		<u>777,705</u>	<u>626,295</u>
CONTINGENCIES AND COMMITMENTS			
	9	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		<u>9,940,100</u>	<u>9,222,014</u>
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		<u>78.2392</u>	<u>67.9130</u>

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

**UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Quarter ended September 30, 2020	Quarter ended September 30, 2019
Note	----- (Rupees in '000) -----	
INCOME		
Financial income	677	892
Dividend income	9	12,645
Capital gain on sale of investments - net	10,262	159
Unrealised loss on revaluation of investments classified as financial asset 'at fair value through profit or loss' - net	5.1 89,939	(73,553)
Total income / (loss)	<u>100,887</u>	<u>(59,857)</u>
EXPENSES		
Remuneration of UBL Fund Managers Limited - Management Company	3,716	3,838
Sindh Sales Tax on Management Company's remuneration	483	499
Allocated expenses	186	192
Remuneration of Central Depository Company of Pakistan Limited - Trustee	420	434
Annual fee of Securities and Exchange Commission of Pakistan	37	38
Auditors' remuneration	1	51
Brokerage and settlement expenses	678	405
Listing fee	7	7
Legal and professional charges	46	39
Amortization of preliminary expenses and floatation costs	60	61
Selling and marketing expenses	3,586	768
Total operating expenses	<u>9,220</u>	<u>6,332</u>
Operating income / (loss) for the quarter	<u>91,667</u>	<u>(66,189)</u>
Provision for Sindh Workers' Welfare Fund	8.1 (1,799)	-
Net income / (loss) for the quarter before taxation	<u>89,868</u>	<u>(66,189)</u>
Taxation	10 -	-
Net income / (loss) for the quarter after taxation	<u>89,868</u>	<u>(66,189)</u>
Allocation of net income for the quarter		
Income already paid on units redeemed	(12,932)	-
Net income / (loss) for the quarter	<u>76,936</u>	<u>(66,189)</u>
Income attributable to Management Company		
Relating to capital gains	76,936	-
Excluding capital gains	-	-
	<u>76,936</u>	<u>-</u>
Earnings per unit	11	

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

**UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Quarter ended September 30, 2020	Quarter ended September 30, 2019
	----- (Rupees in '000) -----	
Net income / (loss) for the quarter	89,868	(66,189)
Other comprehensive income		
Items that may be reclassified subsequently to income statement	-	-
Items that will not be reclassified subsequently to income statement	-	-
Total comprehensive income / (loss) for the quarter	<u>89,868</u>	<u>(66,189)</u>

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited
(Management Company)**

**SD
CHIEF EXECUTIVE OFFICER**

**SD
CHIEF FINANCIAL OFFICER**

**SD
DIRECTOR**

**UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	Quarter ended September 30, 2020	Quarter ended September 30, 2019
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the quarter before taxation	89,868	(66,189)
Adjustments for:		
Financial income	(677)	(892)
Dividend income	(9)	(12,645)
Capital (gain) on sale of investments - net	(10,262)	(159)
Unrealised (gain) / loss on revaluation of investments classified as 'at fair value through profit or loss' - net	(89,939)	73,553
Amortization of preliminary expenses and floatation costs	60	61
	<u>(100,827)</u>	<u>59,918</u>
Cash used in operations before working capital changes	<u>(10,959)</u>	<u>(6,271)</u>
Working capital changes		
(Increase) / Decrease in assets		
Investments - net	(62,378)	20,074
Deposits, prepayments and other receivables	36,335	(68)
	<u>(26,043)</u>	<u>20,006</u>
Decrease in liabilities		
Payable to UBL Fund Managers Limited - Management Company	894	(382)
Payable to Central Depository Company of Pakistan Limited - Trustee	34	(30)
Annual fee payable to Securities and Exchange Commission of Pakistan	(120)	(567)
Accrued expenses and other liabilities	(8,782)	(1,448)
	<u>(7,974)</u>	<u>(2,427)</u>
Profit received on bank balances	-	3,455
Dividend received	9	12,645
Net cash (used in) / generated from operating activities	<u>(44,967)</u>	<u>27,408</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	372,433	1,948
Payment against redemption of units	(310,891)	(59,193)
Net cash (used in) / generated from financing activities	<u>61,542</u>	<u>(57,245)</u>
Net increase / (decrease) in cash and cash equivalents	<u>16,575</u>	<u>(29,837)</u>
Cash and cash equivalents at the beginning of the quarter	7,224	64,596
Cash and cash equivalents at the end of the quarter	<u><u>23,799</u></u>	<u><u>34,759</u></u>
CASH AND CASH EQUIVALENTS		
Bank balances	<u>23,799</u>	
	<u><u>23,799</u></u>	

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

**For UBL Fund Managers Limited
(Management Company)**

**SD
CHIEF EXECUTIVE OFFICER**

**SD
CHIEF FINANCIAL OFFICER**

**SD
DIRECTOR**

UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	-----Quarter Ended September 30, 2020-----				-----Quarter Ended September 30, 2019-----			
	Capital value	Undistributed loss	Unrealised diminution on re-measurement of investments classified as 'fair value through other comprehensive income' (September 30, 2020: 'available for sale' - net)	Total	Capital value	Undistributed loss	Unrealised diminution on re-measurement of investments classified as 'fair value through other comprehensive income' (September 30, 2019: 'available for sale' - net)	Total
	(Rupees in '000)				(Rupees in '000)			
Net assets at the beginning of the quarter	859,554	(233,259)	-	626,295	981,918	(120,565)	-	861,353
Issuance of 4,875,428 units (2019: 26,221)								
Capital value of units	331,105	-	-	331,105	2,102	-	-	2,102
Element of loss	-	-	-	-	-	-	-	-
Due to net loss incurred	41,328	-	-	41,328	(154)	-	-	(154)
Total proceeds on issuance of units	372,433	-	-	372,433	1,948	-	-	1,948
Redemption of 4,157,342 units (2019: 781,405)								
Capital value of units	(282,338)	-	-	(282,338)	(62,636)	-	-	(62,636)
Element of loss	-	-	-	-	-	-	-	-
Due to net loss incurred	(15,621)	(12,932)	-	(28,553)	3,443	-	-	3,443
Total payments on redemption of units	(297,959)	(12,932)	-	(310,891)	(59,193)	-	-	(59,193)
Total comprehensive loss for the quarter	-	89,868	-	89,868	-	(66,189)	-	(66,189)
Amount transfer to retained earnings								
Net assets at the end of the period	934,028	(156,323)	-	777,705	924,673	(186,754)	-	737,919
Undistributed loss / Unrealised diminution on re-measurement of investments classified as 'fair value through other comprehensive income' brought forward comprises of:								
Realised loss		(76,930)	-	(76,930)		(9,249)	-	(9,249)
Unrealised loss		(156,329)	-	(156,329)		(111,316)	-	(111,316)
Total undistributed loss brought forward		(233,259)	-	(233,259)		(120,565)	-	(120,565)
Income available for distribution:								
Relating to capital gains		76,936	-	76,936		-	-	-
Excluding capital gains		-	-	-		-	-	-
		76,936	-	76,936		-	-	-
Total Comprehensive loss for the quarter		76,936	-	76,936		(66,189)	-	(66,189)
Transferred to retain earning								
Distribution during the quarter								
Undistributed loss carried forward comprises of:								
Realised loss		(246,262)	-	(246,262)		(113,201)	-	(113,201)
Unrealised loss		89,939	-	89,939		(73,553)	-	(73,553)
Total undistributed loss carried forward		(156,323)	-	(156,323)		(186,754)	-	(186,754)
				(Rupees)				(Rupees)
Net assets value per unit at the beginning of the quarter				67.9130				80.1577
Net assets value per unit at the end of the quarter				78.2392				73.8617

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

UBL FINANCIAL SECTOR FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Financial Sector Fund (the Fund) was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on February 21, 2018 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on March 12, 2018 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from April 05, 2018.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.3 The Fund is an equity scheme (sector specific) and units of the Fund are listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units were initially offered to public on IPO dated April 05, 2018 and are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder. The Fund is categorised as an open-ended sector (equity) scheme in accordance with Circular 7 of 2009 issued by the SECP.
- 1.4 The investment objective of the fund is to provide investors long term capital appreciation by investing primarily in a mix of actively managed portfolio of listed equities that offer capital gains and dividends yield potential, preferably in financial sector.
- 1.5 Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.6 VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as on December 27, 2018. The Management Company is obliged to obtain a rating of the Fund, once the Fund becomes eligible for rating as per the criteria of the rating agency. However, criteria of rating agency requires a minimum performance history of one year for the funds to become eligible for ranking. Therefore, the Fund is not eligible for the rating.

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

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

2.1.2 The 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, 2020.

2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2019.

2.1.4 In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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, JUDGEMENT AND CHANGES THEREIN

- 3.1** The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.
- 3.2** The preparation of this condensed interim financial information in conformity with 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 judgments 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 the 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, 2020.
- 3.4** There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5** The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

		September 30, 2020	June 30, 2020
		(Unaudited)	(Audited)
		-----	-----
		(Rupees in '000)	
		-----	-----
4	BANK BALANCES	Note	
	Cash at bank		
	In savings accounts	4.1	23,799
			<u>7,224</u>
4.1	Profit rates on these savings accounts range between 5.5% to 7.10% per annum (June 30, 2020: 4.75% to 6.50%). This includes an amount held by a related party (United Bank Limited) amounting to Rs. 23.785 million (June 30, 2020: Rs 7.210 million).		
5	INVESTMENTS IN EQUITY SHARES		
	Financial assets classified as at fair value through profit or loss	5.1	758,431
			<u>595,852</u>
			<u>758,431</u>
			<u>595,852</u>

5.1 Financial asset classified as fair value through profit or loss

Shares of listed company - fully paid up ordinary shares of Rs. 10 each unless otherwise stated

Name of investee company	Number of shares				Balance as at September 30, 2020			Market value as a percentage of net assets	Market value as a percentage of total value of investment	Investment as percentage of paid up capital of investee company	
	As at July 01, 2020	Purchased during the period	Bonus / right shares received during the period	Sold during the period	As at September 30, 2020	Carrying value	Market value				Unrealised gain / (loss) on revaluation of investments
-----Number of shares -----					000						
COMMERCIAL BANKS											
Allied Bank Limited	1,517,200	50,000	-	241,000	1,326,200	102,074	111,759	9,685	18%	14%	0.98%
Bank Al Falah Limited	2,032,900	-	-	459,000	1,573,900	52,836	54,740	1,904	9%	7%	0.31%
United Bank Limited	546,900	371,286	-	105,000	813,186	90,258	93,606	3,348	15%	12%	0.76%
Habib Bank Limited	844,300	364,182	-	105,000	1,103,482	113,912	144,269	30,358	23%	19%	0.98%
MCB Bank Limited	298,317	177,500	-	-	475,817	78,713	82,707	3,993	13%	11%	0.70%
The Bank of Punjab	-	4,173,000	-	125,000	4,048,000	39,716	39,994	278	7%	5%	0.34%
Bank Al Habib Limited	1,805,500	125,000	-	199,000	1,731,500	92,157	111,803	19,646	18%	15%	1.01%
Faysal Bank Limited	-	2,000,000	-	1,966,000	34,000	568	582	14	0%	0%	0.01%
National Bank of Pakistan	29,500	-	-	-	29,500	816	1,176	361	0%	0%	0.01%
	7,074,617	7,260,968	-	3,200,000	11,135,585	571,049	640,637	69,588	103%	84%	
INSURANCE											
Adamjee Insurance Company Limited	3,721,500	27,000	-	815,500	2,933,000	97,329	117,613	20,284	19%	16%	3.36%
INVESTMENT BANK											
Arif Habib Limited	193,500	-	-	190,000	3,500	114	181	67	0%	0%	0.03%
	3,915,000	27,000	-	1,005,500	2,936,500	97,443	117,794	20,352	19%	16%	
Total - September 30, 2020	10,989,617	7,287,968	-	4,205,500	14,072,085	668,492	758,431	89,939	121%	100%	
Total - June 30, 2020	12,083,000	3,161,717	-	4,255,100	10,989,617	752,181	595,852	(156,329)	95%	100%	

5.1.1 The above securities include 590,000 shares pledged with National Clearing Company of Pakistan Limited having market value (in aggregate) amounting to Rs. 25.5033 million for guaranteeing settlement of the Fund's trade in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

6 ADVANCE 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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

7 PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

During the period ended September 30, 2020, management fee was charged at the rate of 2.00% (June 30, 2020: 2.00%). The remuneration is paid to the Management Company on monthly basis in arrears.

7.1 Allocated Expenses and Selling & Marketing Expenses

The Management Company is charging 0.10% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services.

Furthermore Management Company has charged selling and marketing expense to the Fund as follows:

From July 01, 2020 through Sep 30, 2020	1.93% per annum of average daily net assets
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8 ACCRUED EXPENSES AND OTHER LIABILITIES

8.1 Provision for Sindh Workers' Welfare Fund

There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements for the year ended June 30, 2020.

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs. 1.799 million (June 30, 2020: Rs. Nil). 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 SWWF not been provided for, the net assets value per unit would have been higher by Rs. 18.10 (June 30, 2020: Rs. Nil).

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

10 TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

11 EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as, in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

12 TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund for the period ended September 30, 2020 is 1.49% which includes 0.33% representing Government levies, Sindh Workers' Welfare Fund and SECP fee.

13 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Financial Services (Private) Limited (Subsidiary of the Management Company), entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee and custodian of the Fund, the directors and officers of the Management Company and unit holders holding 10% or more of the Fund's net assets.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations and the Trust Deed respectively. Other transactions with the related parties / connected persons have been carried out at agreed terms.

Details of transactions with related parties / connected persons and balances with them at the period end are as follows:

	Management Company	Associated Companies	Trustee	Funds Under Common Management	Directors and Key Executives	Other Connected persons / related parties
	----- (Rupees in '000) -----					
Transactions during the quarter ended September 30, 2020						
Profit on savings accounts	-	677	-	-	-	-
Bank charges	-	-	-	-	-	-
Units issued	99,000	-	-	-	2,550	-
Units redeemed	125,870	806	-	-	2,509	-
Purchase of equity securities	-	44,814	-	-	-	148,365
Sale of equity securities	-	12,154	-	-	-	94,589
Sales load paid	844	-	-	-	-	-
Dividend	-	-	-	-	-	-
Remuneration (including sales tax)	4,199	-	420	-	-	-
CDS Expense	-	-	483	-	-	-
Allocated expenses	186	-	-	-	-	-
Selling and marketing expenses	3,586	-	-	-	-	-
Listing fee	-	7	-	-	-	-
Transactions during the quarter ended September 30, 2019						
Profit on savings accounts	-	10,948	-	-	-	-
Bank charges	-	-	-	-	-	-
Units issued	-	-	-	-	-	-
Units redeemed	-	793	-	-	-	-
Purchase of equity securities	-	-	-	-	-	-
Sale of equity securities	-	1,397	-	-	-	-
Sales load paid	3,869	-	-	-	-	-
Dividend	-	1,333	-	-	-	-
Remuneration (including sales tax)	4,199	-	420	-	-	-
CDS Expense	-	-	483	-	-	-
Allocated expenses	186	-	-	-	-	-
Selling and marketing expenses	3,586	-	-	-	-	-
Listing fee	-	-	-	-	-	-
Balances held as at September 30, 2020						
Units held (in Units '000)	1,071	5,091	-	-	14	-
Units held (in Rupees '000)	83,817	398,344	-	-	1,069	-
Bank balances	-	23,785	-	-	-	-
Profit receivable	-	1,926	-	-	-	-
Investments	-	93,606	-	-	-	511,715
Remuneration payable	1,513	-	154	-	-	-
Allocated expenses payable	132	-	-	-	-	-
Selling and marketing expense payable	3,587	-	-	-	-	-
Sales load payable	733	-	-	-	-	-
Dividend Receivable	-	-	-	-	-	-
Conversion charges payable	9	-	-	-	-	-
Listing fee	-	34	-	-	-	-
Balances held as at June 30, 2020						
Units held (in Units '000)	1,409	5,101	-	-	49	-
Units held (in Rupees '000)	95,713	346,450	-	-	3,333	-
Bank balances	-	7,210	-	-	-	-
Profit receivable	-	1,249	-	-	-	-
Investments	-	56,528	-	-	-	-
Remuneration payable	1,183	-	120	-	-	-
Allocated expenses payable	105	-	-	-	-	-
Selling and marketing expense payable	2,941	-	-	-	-	-
Sales load payable	844	-	-	-	-	-
Conversion charges payable	7	-	-	-	-	-
Conversion charges payable	5	-	-	-	-	-

14 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid or transfer a liability in an orderly transaction between market participants and 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

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
- 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
- Fair value measurements using Inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

The table below provides information on financial assets or liabilities carried at fair values, by valuation methods.

	Carrying Amount			Fair value		
	As at September 30, 2020			As at September 30, 2020		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Level 1	Level 2	Level 3
Rupees in '000						
Financial assets measured at fair value						
Investments	758,431	-	-	758,431	-	-
Financial assets not measured at fair value						
Bank balances	-	-	23,799	-	-	-
Mark-up / interest receivable	-	-	1,933	-	-	-
Deposits and other receivables	-	-	3,398	-	-	-
	-	-	29,130	-	-	-
	758,431	-	29,130	758,431	-	-
Financial liabilities not measured at fair value						
Payable to UBL Fund Managers Limited Management Company	-	-	5,974	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	154	-	-	-
Accrued expenses and other liabilities	-	-	4,331	-	-	-
	-	-	10,459	-	-	-

	Carrying Amount			Fair value		
	As at June 30, 2020			As at June 30, 2020		
	Available for sale	Loans and receivables	Other financial liabilities	Level 1	Level 2	Level 3
Rupees in '000						
Financial assets measured at fair value						
Investments	595,852	-	-	595,852	-	-
	595,852	-	-	595,852	-	-
Financial assets not measured at fair value						
Bank balances	-	7,224	-	-	-	-
Mark-up / interest receivable	-	1,256	-	-	-	-
Deposits and other receivables	-	39,733	-	-	-	-
	-	48,213	-	-	-	-
	595,852	48,213	-	595,852	-	-
Financial liabilities not measured at fair value						
Payable to UBL Fund Managers Limited Management Company	-	-	5,080	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	120	-	-	-
Accrued expenses and other liabilities	-	-	13,085	-	-	-
	-	-	18,285	-	-	-

15 GENERAL

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

15.1 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

15.2 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network (“VPN”) connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

16 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 29, 2020 by the Board of Directors of the Management Company.

**For UBL Fund Managers Limited
(Management Company)**

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

UFPF

UBL Financial Planning Fund

INVESTMENT OBJECTIVE

The objective of the fund is to generate returns on investments as per the respective Allocation Plan by investing in Mutual Funds in line with the risk tolerance of the Investor

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditor	EY Ford Rhodes
Bankers	United Bank Limited
Management Co.Rating	AMI (VIS)

UBL FINANCIAL PLANNING FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

	Note	For The Quarter From July 01, 2020 to August 24, 2020 (Un-Audited)			For The Quarter Ended September 30, 2020 (Un-Audited)			For The Year Ended June 30, 2020 (Audited)			
		UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total		
(Rupees in '000)											
ASSETS											
Bank balances	4	988	12,079	611	13,678	919	46	32	997		
Investments	5	-	186,879	155,586	342,465	51,450	199,425	154,142	405,017		
Mark-up and other receivables		148	394	1,389	1,931	138	261	1,386	1,785		
Advance tax	6	-	-	-	-	1	-	-	1		
Preliminary expenses and floatation costs		24	24	23	71	-	-	-	-		
Total assets		1,160	199,376	157,609	358,145	52,508	199,732	155,560	407,800		
LIABILITIES											
Payable to the Management Company	7	722	462	31	1,215	449	493	31	973		
Payable to the Trustee		3	13	10	26	6	14	10	30		
Annual fee payable to Securities and Exchange Commission of Pakistan (SECP)		1	10	8	19	19	47	35	101		
Accrued and other liabilities	8	434	4,947	494	5,875	376	4819	386	5,581		
Total liabilities		1,160	5,432	543	7,135	850	5,373	462	6,685		
NET ASSETS		-	193,944	157,066	351,010	51,658	194,359	155,098	401,115		
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		-	193,944	157,066	351,010	51,658	194,359	155,098	401,115		
CONTINGENCIES AND COMMITMENTS											
NUMBER OF UNITS IN ISSUE	9	-	1,883,648	1,530,852		497,900	1,912,893	1,531,338			
NET ASSETS VALUE PER UNIT		-	102.9623	102.6002		103.7512	101.6049	101.2829			

The annexed notes from 1 to 15 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

**UBL FINANCIAL PLANNING FUND
INCOME STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	For The Quarter From July 01, 2020 to August 24, 2020 (Un-Audited)	For The Quarter Ended September 30, 2020 (Un-Audited)		Total	For The Quarter Ended September 30, 2019			Total
		UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III		UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	
INCOME								
Mark-up on bank accounts	11	134	3	148	125	52	49	226
Unrealised gain / (loss) on re-measurement of investments classified as 'at fair value through profit or loss' - net	-	2,625	2,186	4,811	1,678	747	1,920	4,345
Income from term deposit receipt (TDR)	-	-	-	-	-	2,097	-	2,097
(Loss) / gain on sale of investments classified as classified as 'at fair value through profit or loss' - net	388	29	7	424	(1,099)	(1,547)	(1,613)	(4,259)
Other income	-	-	-	-	1,497	1,801	170	3,468
Total income	399	2,788	2,196	5,383	2,201	3,150	526	5,877
EXPENSES								
Remuneration of the Management Company	-	-	-	-	-	312	-	312
Sales tax on management fee	-	-	-	-	-	41	-	41
Allocated expenses by the Management Company	7	49	39	95	32	63	47	142
Remuneration of the Trustee	5	35	27	67	23	44	33	100
Sales tax on remuneration of the Trustee	1	4	4	9	3	6	4	13
Annual fee payable to Securities and Exchange Commission of Pakistan	1	10	8	19	6	13	9	28
Amortization of preliminary expenses and floatation costs	-	-	-	-	65	56	-	121
Auditors' remuneration	19	43	43	105	31	31	31	93
Legal and professional charges	16	16	16	48	13	12	13	38
Bank charges and other expenses	1	1	2	4	6	47	10	63
Total expenses	50	158	139	347	179	625	147	951
Net income for the quarter from operating activities	349	2,630	2,057	5,036	2,022	2,525	379	4,926
Provision for Sindh Workers' Welfare Fund (SWWF)	7	52	40	99	40	50	8	98
Net income for the quarter before taxation	342	2,578	2,017	4,937	1,982	2,475	371	4,828
Taxation	-	-	-	-	-	-	-	-
Net income for the quarter after taxation	342	2,578	2,017	4,937	1,982	2,475	371	4,828
<i>Allocation of net income for the quarter:</i>								
Net income for the quarter after taxation	342	2,578	2,017	4,937	1,982	2,475	371	4,828
Income already paid on units redeemed	(342)	(22)	1	(363)	(79)	(25)	-	(104)
	-	2,556	2,018	4,574	1,903	2,450	371	4,724
<i>Accounting income available for distribution</i>								
- Relating to capital gains	-	2,632	2,192	4,824	516	-	307	823
- Excluding capital gains	-	(76)	(174)	(250)	1,387	2,450	64	3,901
	-	2,556	2,018	4,574	1,903	2,450	371	4,724
Earning per unit								

Note

(Rupees in '000)

11

The annexed notes from 1 to 15 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

UBL FINANCIAL PLANNING FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

For The Quarter From July 01, 2020 to August 24, 2020 (Un-Audited)	For The Quarter Ended September 30, 2020 (Un-Audited)			For The Quarter Ended September 30, 2019				
	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total
----- (Rupees in '000) -----								
Net income for the quarter after taxation	342	2,578	2,017	4,937	1,982	2,475	371	4,828
Other comprehensive income for the quarter	-	-	-	-	-	-	-	-
Total comprehensive income for the quarter	342	2,578	2,017	4,937	1,982	2,475	371	4,828

The annexed notes from 1 to 15 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL FINANCIAL PLANNING FUND
STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

For The Quarter From July 01, 2020 to August 24, 2020 (Un-Audited)	For The Quarter Ended September 30, 2020 (Un-Audited)			For The Quarter Ended September 30, 2019				
	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total
(Rupees in '000)								
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income for the year before taxation	342	2,578	2,017	4,937	1,982	2,475	371	4,828
Adjustments for:								
Mark-up on bank accounts	(11)	(134)	(3)	(148)	(125)	(52)	(49)	(226)
Unrealised (gain) / loss on re-measurement of investments classified as 'at fair value through profit or loss' - net	-	(2,625)	(2,186)	(4,811)	(1,678)	(747)	(1,920)	(4,345)
Income from term deposit receipt (TDR)					-	(2,097)	-	(2,097)
Net gain / (loss) on sale of investments classified as classified as 'at fair value through profit or loss' - net	(388)	(29)	(7)	(424)	1,099	1,547	1,613	4,259
Amortization of preliminary expenses and floatation costs	-	-	-	-	65	56	-	121
Provision for Sindh Workers' Welfare Fund (SWWF)	7	52	40	99	40	50	8	98
	(392)	(2,736)	(2,156)	(5,284)	(599)	(1,243)	(348)	(2,190)
Decrease / (Increase) in assets								
Investments	51,838	15,200	749	67,787	72,223	87,088	2,567	161,878
Other receivables	-	2	-	-	(75)	(28)	12	(91)
Advance tax	1	-	-	1	-	-	-	-
Preliminary expenses and floatation costs	(24)	(24)	(23)	(71)	(21)	(23)	(22)	(66)
	51,815	15,178	726	67,717	72,127	87,037	2,557	161,721
Increase / (Decrease) in liabilities								
Payable to the Management Company	273	(31)	-	242	4	15	15	34
Payable to the Trustee	(3)	(1)	-	(4)	(10)	(14)	(6)	(30)
Annual fee payable to SECP	(18)	(37)	(27)	(82)	(123)	(227)	(95)	(445)
Accrued and other liabilities	51	76	68	195	102	(672)	28	(542)
	303	7	41	351	(27)	(898)	(58)	(983)
Mark-up received	1	(1)	-	-	125	2,149	49	2,323
Net cash generated from / (used in) operating activities	52,069	15,026	628	67,721	73,608	89,520	2,571	165,699
CASH FLOWS FROM FINANCING ACTIVITIES								
Net receipt from issuance of units	-	-	-	-	9,906	-	-	9,906
Cash dividend paid to unit holders	-	-	-	-	-	-	-	-
Net payment against redemption of units	(52,000)	(2,993)	(49)	(55,042)	(84,683)	(90,033)	(4,256)	(178,972)
Net cash (used in) / generated from financing activities	(52,000)	(2,993)	(49)	(55,042)	(74,777)	(90,033)	(4,256)	(169,066)
Net increase in cash and cash equivalent during the year	69	12,033	579	12,681	(1,169)	(513)	(1,685)	(3,367)
Cash and cash equivalents at beginning of the year	919	46	32	997	1,195	521	1,751	3,467
Cash and cash equivalents at end of the year	988	12,079	611	13,678	26	8	66	100
Cash and cash equivalents								
Bank balances	988	12,079	611	13,678	26	8	66	100

The annexed notes from 1 to 15 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL FINANCIAL PLANNING FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	For The Quarter From July 01, 2020 to August 24, 2020									For The Quarter Ended September 30, 2020									For The Quarter Ended September 30, 2019								
	UBL Active Principal Preservation Plan I			UBL Active Principal Preservation Plan II			UBL Active Principal Preservation Plan III			Total	UBL Active Principal Preservation Plan I			UBL Active Principal Preservation Plan II			UBL Active Principal Preservation Plan III			Total							
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total		Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total								
(Rupees in '000)																											
Net assets at beginning of the quarter	46,371	5,287	51,658	189,746	4,613	194,359	152,963	2,135	155,098	401,115	163,614	5,138	168,752	304,219	4,497	308,716	189,616	831	190,447	667,915							
Issuance of units:																											
UBL Active Principal Preservation Plan I (Nil Units) (2019: 96,848 Units)																											
- Capital value	-	-	-	-	-	-	-	-	-	-	9,985	-	9,985	-	-	-	-	-	-	9,985							
- Element relating to the income for the quarter after taxation	-	-	-	-	-	-	-	-	-	-	(79)	-	(79)	-	-	-	-	-	-	(79)							
UBL Active Principal Preservation Plan II (Nil Units) (2019: Nil Units)																											
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
- Element relating to the income for the quarter after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
UBL Active Principal Preservation Plan III (Nil Units) (2019: Nil Units)																											
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
- Element relating to the income for the quarter after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
	-	-	-	-	-	-	-	-	-	-	9,906	-	9,906	-	-	-	-	-	-	9,906							
Redemption of units																											
UBL Active Principal Preservation Plan I (497,900 Units) (2019: 823,286 Units)																											
- Capital value	(54,208)	-	(54,208)	-	-	-	-	-	-	(54,208)	(84,881)	-	(84,881)	-	-	-	-	-	-	(84,881)							
- Element relating to the income for the quarter after taxation	2,550	(342)	2,208	-	-	-	-	-	-	2,208	277	(79)	198	-	-	-	-	-	-	198							
UBL Active Principal Preservation Plan II (29,245 Units) (2019: 888,324 Units)																											
- Capital value	-	-	-	(3,062)	-	(3,062)	-	-	-	(3,062)	-	-	-	(90,140)	-	(90,140)	-	-	-	(90,140)							
- Element relating to the income for the quarter after taxation	-	-	-	91	(22)	69	-	-	-	69	-	-	-	132	(25)	107	-	-	-	107							
UBL Active Principal Preservation Plan III (486 Units) (2019: 42,796 Units)																											
- Capital value	-	-	-	-	-	-	(49)	-	(49)	(49)	-	-	-	-	-	-	(4,293)	-	(4,293)	(4,293)							
- Element relating to the income for the quarter after taxation	-	-	-	-	-	-	1	(1)	-	-	-	-	-	-	-	-	37	-	37	37							
	(51,658)	(342)	(52,000)	(2,971)	(22)	(2,993)	(48)	(1)	(49)	(55,042)	(84,604)	(79)	(84,683)	(90,008)	(25)	(90,033)	(4,256)	-	(4,256)	(178,972)							
Total comprehensive income for the quarter	-	342	342	-	2,578	2,578	-	2,017	2,017	4,937	-	1,982	1,982	-	2,475	2,475	-	371	371	4,828							
Distribution during the quarter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Net income for the quarter less distribution	-	342	342	-	2,578	2,578	-	2,017	2,017	4,937	-	1,982	1,982	-	2,475	2,475	-	371	371	4,828							
Net assets at end of the Quarter	(5,287)	5,287	-	186,775	7,169	193,944	152,915	4,151	157,066	351,010	88,916	7,041	95,957	214,211	6,947	221,158	185,360	1,202	186,562	503,677							
Undistributed income brought forward:																											
- Realised	-	3,968	3,968	-	3,959	3,959	-	(2,884)	(2,884)	5,043	-	9,274	9,274	-	10,714	10,714	-	6,511	6,511	26,499							
- Unrealised	-	1,319	1,319	-	654	654	-	5,019	5,019	6,992	-	(4,136)	(4,136)	-	(6,217)	(6,217)	-	(5,680)	(5,680)	(16,033)							
	-	5,287	5,287	-	4,613	4,613	-	2,135	2,135	12,035	-	5,138	5,138	-	4,497	4,497	-	831	831	10,466							
Accounting income available for distribution:																											
- Relating to capital gains	-	-	-	-	2,632	2,632	-	2,192	2,192	4,824	-	516	516	-	-	-	-	307	307	823							
- Excluding capital gains	-	-	-	-	(76)	(76)	-	(174)	(174)	(250)	-	1,387	1,387	-	2,450	2,450	-	64	64	3,901							
	-	-	-	-	2,556	2,556	-	2,018	2,018	4,574	-	1,903	1,903	-	2,450	2,450	-	371	371	4,724							
Distribution during the quarter																											
Undistributed income carried forward	-	5,287	5,287	-	7,169	7,169	-	4,153	4,153	16,609	-	7,041	7,041	-	6,947	6,947	-	1,202	1,202	15,190							
Undistributed income carried forward																											
- Realised	-	5,287	5,287	-	4,544	4,544	-	1,967	1,967	11,798	-	5,363	5,363	-	6,200	6,200	-	(718)	(718)	10,845							
- Unrealised	-	-	-	-	2,625	2,625	-	2,186	2,186	4,811	-	1,678	1,678	-	747	747	-	1,920	1,920	4,345							
	-	5,287	5,287	-	7,169	7,169	-	4,153	4,153	16,609	-	7,041	7,041	-	6,947	6,947	-	1,202	1,202	15,190							
	-- (Rupees) --			-- (Rupees) --			-- (Rupees) --			-- (Rupees) --			-- (Rupees) --			-- (Rupees) --			-- (Rupees) --								
Net assets value per unit at end of the quarter	-			<u>102.9623</u>			<u>102.6002</u>			<u>105.4078</u>			<u>102.6711</u>			<u>100.5411</u>											

The annexed notes from 1 to 15 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

**UBL FINANCIAL PLANNING FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

For The Quarter Ended September 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Financial Planning Fund (the Fund) was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on August 07, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 29, 2017 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from September 28, 2017.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.3 The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for subscription on a continuous basis to the public. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.
- 1.4 The objective of the Fund is to generate returns on Investments as per respective Allocation Plans by investing in Mutual Funds in line with the risk tolerance of the Investor. The duration of the Fund and Allocation Plans initially launched therein is perpetual, however, additional Allocation Plans may have a set time frame. Presently, UBL Active Principal Preservation Plan I has been matured date August 24, 2020 currently the fund offers only UBL Active Principal Preservation Plan II & UBL Active Principal Preservation Plan III.
- 1.5 VIS Credit Rating Company has assigned Management quality rating of 'AM1' dated December 31, 2019 to the Management Company.
- 1.6 Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.

2. STATEMENT OF COMPLIANCE

- 2.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

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

- 2.1.2 The 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, 2020.
- 2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2019.
- 2.1.4 In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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, JUDGEMENT AND CHANGES THEREIN

The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.

3.2 The preparation of this condensed interim financial information in conformity with 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 judgments 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 the 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, 2020.

3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

Note	September 30, 2020				June 30, 2020			
	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total
	(Rupees in '000)				(Rupees in '000)			

4. BANK BALANCES

Bank accounts - saving	4.1	988	12,079	611	13,678	919	46	32	997
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4.1 These carry mark-up at the rates ranging from 4.75% to 6.50% (June 30, 2019: 8% to 8.25%) per annum maintained with United Bank Limited (a related party).

5. INVESTMENTS

Investments by Category

5.1 At fair value through profit or loss	5.1.1	-	186,879	155,586	342,465	51,450	199,425	154,142	405,017
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5.1.1 Units of mutual funds classified as 'at fair value through profit or loss

Name of Investee Fund (funds under common management)	Number of units				Balance as at September 30, 2020				
	As at July 01, 2020	Purchased during the period	Sold / redeemed during	As at September 30, 2020	Carrying value	Market value	Appreciation (Diminution)	Market value as a % of net assets of	Market value as a % of total
(Rupees in '000) (%)									
Held by UBL Active Principal Preservation Plan I									
UBL Money Market Fund	510,855	-	510,855	-	-	-	-	-	0.00%
Held by UBL Active Principal Preservation Plan II									
UBL Money Market Fund	1,980,112	-	150,643	1,829,469	184,254	186,879	2,625	96.36%	
Held by UBL Active Principal Preservation Plan III									
UBL Money Market Fund	1,530,494	-	7,364	1,523,130	153,400	155,586	2,186	99.06%	
					<u>153,400</u>	<u>155,586</u>	<u>2,186</u>	<u>99.06%</u>	
Total as at September 30, 2020					<u>337,654</u>	<u>342,465</u>	<u>4,811</u>		
Total as at June 30, 2020					<u>398,025</u>	<u>405,017</u>	<u>6,992</u>		

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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

No management fee is being charged in UBL Active Principal Preservation Plan I, UBL Active Principal Preservation Plan II & UBL Active Principal Preservation Plan III as no investment is made in term deposits by both plans.

7.1 Allocated expenses and selling and marketing expenses

The Management Company is charging 0.1% per annum of average daily net assets on account of fee in UBL Active Principal Preservation Plan I, UBL Active Principal Preservation Plan II & UBL Active Principal Preservation Plan III and expenses related to registrar services, accounting, operation and valuation services

8. ACCRUED EXPENSES AND OTHER LIABILITIES

8.1 Provision for Workers' Welfare Fund (WWF)

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act (SWWF Act), 2014 had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs.0.5 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies (including the Management Company of the Fund) whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF which is currently pending. However, as a matter of abundant caution, MUFAP has recommended to all its members to record a provision for SWWF from the date of enactment of SWWF Act, 2014 (i.e. starting from May 21, 2015). However, All these plans have been launched after 2015 so provision for SWWF has been made from their respective date of launch.

Had the provision for SWWF is being made on a daily basis. Had the provision for SWWF not been recorded in the financial statements of the Fund, the net assets value of UBL Active Principal Preservation Plan I would have been higher by Rs.0.0178 per unit, UBL Active Principal Preservation Plan II and UBL Active Principal Preservation Plan III would have been higher by Re.0.0276 per unit and Re.0.0261 per unit respectively as at June 30, 2020. (June 30, 2020: UAPPP-I: 0.331 per unit, UAPPP-II: 0.17 per unit & UAPPP-III: 0.071 per unit).

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

10. TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision

11. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as, in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

12. TOTAL EXPENSE RATIO

Total Expense Ratio of UBL Active Principal Preservation Plan I, UBL Active Principal Preservation Plan II and UBL Active Principal Preservation Plan III is 2.13%, 0.11% and 0.11% respectively as on September 30, 2020 and these include 0.02%, 0.03% and 0.03% representing Government Levy, Sindh Worker's Welfare Fund and SECP Fee respectively.

13 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Financial Services (Private) Limited, being entity under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the Fund, the directors key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, NBFC Regulations and constitutive documents of the Fund respectively.

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
(Rupees in '000)						
For the period ended June 30, 2020						
UBL Active Principal						
Preservation Plan I						
Transactions during the year						
Mark-up on bank accounts	-	11	-	-	-	-
Bank and other charges	-	-	-	-	-	-
Units issued	-	-	-	-	-	-
Bonus units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-
Remuneration (Inclusive of SST)	-	-	5	-	-	-
Allocated expenses	7	-	-	-	-	-
Purchase of investment	-	-	-	-	-	-
Sale of investment	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Dividend received	-	-	-	-	-	-
As at September 30, 2020						
Balances held						
Units held (units in '000)	-	-	-	-	-	-
Units held (Rupees in '000)	-	-	-	-	-	-
Term Deposit Receipt (TDR)	-	-	-	-	-	-
Bank balances	-	988	-	-	-	-
Remuneration payable	-	-	3	-	-	-
Allocated expenses payable	26	-	-	-	-	-
Other payable	1	-	-	-	-	-
Units of mutual funds held	-	-	-	-	-	-
Sales load payable	-	-	-	-	-	-
Mark-up receivable	-	148	-	-	-	-

Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
----- (Rupees in '000) -----					

For the period ended June 30, 2020

**UBL Active Principal
Preservation Plan II**

Transactions during the year

Income from term deposit receipt (TDR)	-	-	-	-	-
Mark-up on bank accounts	-	134	-	-	-
Bank and other charges	-	-	-	-	-
Units issued	-	-	-	-	1,422
Bonus units issued	-	-	-	-	-
Units redeemed	-	-	-	-	-
Remuneration (Inclusive of SST)	-	-	35	-	-
Allocated expenses	49	-	-	-	-
Purchase of investment	-	-	-	-	-
Sale of investment	-	-	-	-	-
Dividend paid	-	-	-	-	-
Dividend received	-	-	-	-	-

As at September 30, 2020

Balances held

Units held (units in '000)	-	-	-	-	901
Units held (Rupees in '000)	-	-	-	-	92,769.03
Term Deposit Receipt (TDR)	-	-	-	-	-
Bank balances	-	12,079	-	-	-
Remuneration payable	-	-	13	-	-
Allocated expenses payable	32	-	-	-	-
Other payable	430	-	-	-	-
Units of mutual funds held	-	-	-	186,879	-
Sales Load payable	-	-	-	-	-
Mark-up receivable	-	394	-	-	-
Mark-up receivable on TDR	-	-	-	-	-

Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
----- (Rupees in '000) -----					

For the period ended June 30, 2020

**UBL Active Principal
Plan III**

Transactions during the year

Mark-up on bank accounts	-	3	-	-	-
Bank and other charges	-	-	-	-	-
Units issued	-	-	-	-	-
Bonus units issued	-	-	-	-	-
Units redeemed	-	-	-	-	-
Remuneration (inclusive of SST)	-	-	31	-	-
Allocated expenses	39	-	-	-	-
Purchase of investment	-	-	-	-	-
Sale of investment	-	-	-	-	-
Dividend paid	-	-	-	-	-
Dividend received	-	-	-	-	-

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
(Rupees in '000)						
As at September 30, 2020						
Balances held						
Units held (units in '000)	-	-	-	-	-	391
Units held (Rupees in '000)	-	-	-	-	-	40,116.68
Term Deposit Receipt (TDR)	-	-	-	-	-	-
Bank balances	-	611	-	-	-	-
Remuneration payable	-	-	10	-	-	-
Allocated expenses payable	26	-	-	-	-	-
Other payable	5	-	-	-	-	-
Units of mutual funds held	-	-	-	155,586	-	-
Sales load payable	-	-	-	-	-	-
Mark-up receivable	-	11	-	-	-	-
Mark-up receivable on TDR	-	-	-	-	-	-

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
(Rupees in '000)						
For the period ended June 30, 2019						
UBL Active Principal Preservation Plan I						
Transactions during the year						
Mark-up on bank accounts	-	125	-	-	-	-
Bank and other charges	-	7	-	-	-	-
Units issued	-	-	-	-	-	-
Bonus units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-
Remuneration (Inclusive of SST)	-	-	26	-	-	-
Allocated expenses	32	-	-	-	-	-
Purchase of investment	-	-	-	23,496	-	-
Sale of investment	-	-	-	95,721	-	-
Dividend paid	-	-	-	-	-	-
Dividend received	-	-	-	-	-	-

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
(Rupees in '000)						
As at June 30, 2020						
Balances held						
Units held (units in '000)	-	-	-	-	-	387
Units held (Rupees in '000)	-	-	-	-	-	40,105
Term Deposit Receipt (TDR)	-	-	-	-	-	-
Bank balances	-	919	-	-	-	-
Remuneration payable	-	-	6	-	-	-
Allocated expenses payable	-	-	-	-	-	-
Other payable	449	-	-	-	-	-
Units of mutual funds held	-	-	-	51,450	-	-
Sales load payable	1	-	-	-	-	-
Mark-up receivable	-	137	-	-	-	-

UBL Active Principal Preservation Plan II	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
(Rupees in '000)						
Transactions during the year						
For the period ended June 30, 2019						
Income from term deposit receipt (TDR)	-	2097	-	-	-	-
Mark-up on bank accounts	-	52	-	-	-	-
Bank and other charges	-	45	-	-	-	-
Units issued	-	-	-	-	-	-
Bonus units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-
Remuneration (Inclusive of SST)	353	-	50	-	-	-
Allocated expenses	63	-	-	-	-	-
Purchase of investment	-	-	-	54,981	-	-
Sale of investment	-	-	-	144,165	-	-
Dividend paid	-	-	-	-	-	-
Dividend received	-	-	-	-	-	-
As at June 30, 2020						
Balances held						
Units held (units in '000)	-	-	-	-	-	901
Units held (Rupees in '000)	-	-	-	-	-	91,498
Term Deposit Receipt (TDR)	-	-	-	-	-	-
Bank balances	-	46	-	-	-	-
Remuneration payable	27	-	14	-	-	-
Allocated expenses payable	36	-	-	-	-	-
Other payable	430	-	-	-	-	-
Units of mutual funds held	-	-	-	199,425	-	-
Sales Load payable	-	-	-	-	-	-
Mark-up receivable	-	95	-	-	-	-

UBL Active Principal Plan III	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
(Rupees in '000)						
For the period ended September 30, 2019						
Transactions during the period						
Mark-up on bank accounts	-	48	-	-	-	-
Bank and other charges	-	7	-	-	-	-
Units issued	-	-	-	-	-	-
Bonus units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-
Remuneration (inclusive of SST)	-	-	37	-	-	-
Allocated expenses	47	-	-	-	-	-
Purchase of investment	-	-	-	43,462	-	-
Sale of investment	-	-	-	46,030	-	-
Dividend paid	-	-	-	-	-	44
Dividend received	-	-	-	-	-	-
As at June 30, 2020						
Balances held						
Units held (units in '000)	-	-	-	-	-	391
Units held (Rupees in '000)	-	-	-	-	-	39,602
Term Deposit Receipt (TDR)	-	-	-	-	-	-
Bank balances	-	32	-	-	-	-
Remuneration payable	-	-	10	-	-	-
Allocated expenses payable	26	-	-	-	-	-
Other payable	-	-	-	-	-	-
Units of mutual funds held	-	-	-	154,142	-	-
Sales load payable	-	-	-	-	-	-
Mark-up receivable	-	8	-	-	-	-

14. GENERAL

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

14.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

14.3 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

15. DATE OF AUTHORISATION FOR ISSUE

15.1 This condensed interim financial information was authorised for issue on October 29, 2020 by the Board of Directors of the Management Company.

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBLP-ETF

UBL Pakistan Enterprise Exchange Traded Fund

INVESTMENT OBJECTIVE

UBL Pakistan Enterprise Exchange Traded Fund (UBLP-ETF) aims to track the performance of the benchmark index in order to provide long-term capital appreciation and dividend yield to its investors.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	Ernst & Young Ford Rhodes Sidat Hyder & Co.
Bankers	Soneri Bank Limited
Management Co.Rating	AM1 (JCR-VIS)

UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

	Note	(Un-audited) September 30, 2020 (Rupees in '000)	Audited June 30, 2020
ASSETS			
Bank balances	4	442	549
Investments	5	40,274	35,701
Dividend and mark-up receivable		442	294
Advance tax		91	46
Preliminary expenses, floatation costs and other receivables		1,872	627
TOTAL ASSETS		43,121	37,217
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	7	1,035	180
Payable to Central Depository Company of Pakistan - Trustee		8	8
Annual fee payable to the Securities and Security and Exchange Commission of Pakistan (SECP)		2	2
Accrued and other liabilities		868	701
TOTAL LIABILITIES		1,913	891
NET ASSETS		41,208	36,326
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		41,208	36,326
CONTINGENCIES AND COMMITMENTS			
	9		
		(Number of units)	
NUMBER OF UNITS IN ISSUE		3,160,000	3,150,000
		(Rupees)	
NET ASSETS VALUE PER UNIT		13.0405	11.5321
Face Value Per Unit		10	10

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

September 30,
2020

	Note	(Rupees in '000)
INCOME		
Mark-up on bank account		9
Dividend income		440
Net unrealised gain on revaluation of investments classified as 'at fair value through profit or loss'		-
Net gain / (loss) on sale of investments classified as at 'fair value through profit and loss'		-
Other Income		465
Total income		914
EXPENSES		
Remuneration of the Management Company	7	66
Sales tax on management remuneration	7	9
Remuneration of Central Depository Company of Pakistan Limited - Trustee		12
Annual fee - Securities and Exchange Commission of Pakistan		2
Amortization of preliminary expenses and floatation costs		50
Listing and rating fee		25
Auditors' remuneration		246
Brokerage and settlement charges		81
Legal and professional charges		107
Bank and other charges		2
Total expenses		600
Net operating income for the period		314
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net		(1)
Provision for Sindh Workers' Welfare Fund	8	(6)
Net income for the period before taxation		307
Taxation	10	-
Net income for the period after taxation		307
<i>Allocation of net income for the period:</i>		
Net income for the period after taxation		307
Income already paid on units redeemed		-
		307
<i>Accounting income available for distribution</i>		
- Relating to capital gains		307
- Excluding capital gains		-
		307
Earnings per unit	14	

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020**

	September 30, 2020
	(Rupees in '000)
Net income for the year after taxation	307
Other comprehensive income	
Items that may be reclassified subsequently to income statement	
Gain on sale of investments classified at 'fair value through other comprehensive income' (FVOCI)	166
Unrealised gain on re-measurement of investments classified as 'at fair value through other comprehensive income - net	4,246
Total comprehensive income for the period	4,719

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

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	September 30, 2020 (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES	
Net profit for the period before taxation	307
Adjustments for:	
Dividend income	(440)
Mark-up on bank account	(9)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	1
Provision for Sindh Workers' Welfare Fund (SWWF)	6
Amortization of preliminary expenses and floatation costs	50
	(392)
Decrease in assets	
Investments	(216)
Preliminary expenses, floatation costs and other receivables	(1,245)
	(1,461)
Increase in liabilities	
Payable to UBL Fund Managers Limited - Management Company	855
Payable to Central Depository Company of Pakistan - Trustee	-
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	-
Accrued and other liabilities	167
	1,022
Advance tax paid	(45)
Mark-up and dividend received	301
Net cash flows generated used in operating activities	(268)
CASH FLOWS FROM FINANCING ACTIVITIES	
Net receipt from issuance of units	1,172
Net payment against redemption of units	(1,010)
Net cash flows generated from financing activities	161
Net increase in cash and cash equivalents during the period	(107)
Cash and cash equivalents at beginning of the period	549
Cash and cash equivalents at end of the period	442

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

September 30, 2020

	Capital value	Undistributed income	Realized and Unrealised appreciation on investments classified as FVTOCI - net	Total
	----- (Rupees in '000) -----			
Net assets at beginning of the period	32,581	(8)	3,753	36,326
Issuance of 90,000 units				
- Capital value	1,038	-	-	1,038
- Element of income	134	-	-	134
Total proceeds on issuance of units	1,172	-	-	1,172
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	1	-	-	1
Redemption of 80,000 units				
- Capital value	9,225	-	-	9,225
- Element of (loss)	(10,235)	-	-	(10,235)
Total payments on redemption of units	(1,010)	-	-	(1,010)
Total comprehensive income for the period	-	307	4,412	4,719
Distribution during the Period	-	-	-	-
Net income for the period less distribution	-	307	4,412	4,719
Net assets at end of the period	32,743	299	8,165	41,208

Undistributed income brought forward comprise of :

- Realised (loss)	(8)
- Unrealised income	-
	<u>(8)</u>

Accounting income available for distribution :

- Relating to capital gains	307
- Excluding capital gains	-
	307

Distribution during the Period

	-
Undistributed income carried forward	<u><u>299</u></u>

Undistributed income carried forward comprise of :

- Realised (loss)	299
- Unrealised income	-
	<u><u>299</u></u>

(Rupees)

Net assets value per unit at end of the period 13.0405

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Pakistan Enterprise Exchange Traded Fund, was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on November 28, 2019 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on February 13, 2020 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from March 20, 2020. UBL Pakistan Enterprise Exchange Traded Fund, was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on November 28, 2019 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on February 13, 2020 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from Mar 20, 2020.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.3 The Fund is an Open Ended Exchange Traded Mutual Fund and is listed on Pakistan Stock Exchange (PSX). The Fund has commenced its operations on 20 March 2020.
- 1.4 The objective of the Fund is to track the performance of the Benchmark index. The index shall be periodically re-balanced & reconstituted as specified in this document in order to provide long-term capital appreciation and dividends yield to the investors.
- 1.5 VIS Credit Rating Company has reaffirmed management quality rating of AM1 on December 31, 2019.
- 1.6 Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

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

- 2.1.2 The 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, 2020.
- 2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2019.
- 2.1.4 In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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, judgement and changes therein

- 3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.

- 3.2** The preparation of this condensed interim financial information in conformity with 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 judgments 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 the 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, 2020.
- 3.4** There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5** The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

	Note	30 September 2020 (Rupees in '000)	30 June 2020 (Rupees in '000)
4 BANK BALANCES			
Savings accounts		442	549
		<u>442</u>	<u>549</u>
5 INVESTMENTS			
Available For Sale			
- Listed equity securities	5.1	40,274	35,701
		<u>40,274</u>	<u>35,701</u>

5.1 Equity securities - Available For Sale

Shares of listed companies - fully paid ordinary shares of Rs. 10 each unless stated otherwise

Name of the Investee Company	As at July 01, 2020	Purchases during the quarter	Sales during the quarter	As at 30 September 2020	Cost of holdings as at 30 September 2020	Market value as at 30 September 2020	Unrealised gain/ (loss) as at September 30, 2020	Percentage of total Investments	Percentage of Net Assets	Par value as a percentage of issued capital of the investee company
	Note ----- (Number of shares) -----			----- (Rupees in '000) -----						
CEMENT										
Lucky Cement Company Limited	8,505	243	-	243	3,248	5,521	2,273	13.71%	13.40%	0.17%
	<u>8,505</u>	<u>243</u>		<u>243</u>	<u>3,248</u>	<u>5,521</u>	<u>2,273</u>	<u>13.71%</u>	<u>13.40%</u>	<u>0.17%</u>
COMMERICAL BANKS										
Bank Alfalah Limited	46,935	1,341	-	1,341	1,483	1,638	154	4.07%	3.97%	0.01%
Habib Bank Limited	48,510	1,386	-	1,386	5,055	6,362	1,308	15.80%	15.44%	0.04%
MCB Bank Limited	32,130	783	-	783	4,037	4,779	742	11.87%	11.60%	0.04%
United Bank Limited	27,405	918	-	918	3,306	3,710	404	9.21%	9.00%	0.03%
	<u>154,980</u>	<u>4,428</u>		<u>4,428</u>	<u>13,881</u>	<u>16,489</u>	<u>2,608</u>	<u>40.94%</u>	<u>40.01%</u>	<u>0.12%</u>
POWER GENERATION & DISTRIBUTION										
Hub Power Company Limited	64,260	1,836	-	1,836	4,372	5,058	686	12.56%	12.27%	0.04%
	<u>64,260</u>	<u>1,836</u>		<u>1,836</u>	<u>4,372</u>	<u>5,058</u>	<u>686</u>	<u>12.56%</u>	<u>12.27%</u>	<u>0.04%</u>
FERTILIZER										
Fauji Fertilizer Company Limited	45,990	1,314	-	1,314	4,141	4,982	841	12.37%	12.09%	0.04%
Engro Fertilizer Limited	39,690	1,134	-	1,134	2,229	2,422	192	6.01%	5.88%	0.02%
Engro Corporation	19,215	549	-	549	5,010	5,803	793	14.41%	14.08%	0.10%
	<u>104,895</u>	<u>2,997</u>		<u>2,997</u>	<u>11,380</u>	<u>13,206</u>	<u>1,827</u>	<u>32.79%</u>	<u>32.05%</u>	<u>0.16%</u>
Total as at 30 September 2020					<u>28,508</u>	<u>40,274</u>	<u>7,394</u>			
Total as at 30 June 2020					32,554	35,701	3,147			

5.1.1 **Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin:**

	September 30, 2020	
	(Number of shares)	(Rupees in '000)
Engro Fertilizers Limited	10,000	608
Fauji Fertilizer Company Limited	15,000	1,620
Habib Bank Limited	15,000	1,961
The Hub Power Company Limited	15,000	1,177
	55,000	5,366

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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

During the period ended September 30, 2020, management fee was charged at the rate of 0.65%. The remuneration is paid to the Management Company on monthly basis in arrears.

8. PROVISION FOR SINDH WORKERS' WELFARE FUND

There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements for the year ended June 30, 2020.

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs. 0.006 million (June 30, 2020: Rs. 0.004 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 SWWF not been provided for, the net assets value per unit would have been higher by Rs. 0.0019 (June 30, 2020: Rs. 0.0013).

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

10. TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

11. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as, in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

12. TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund for the period ended September 30, 2020 is 1.39% which includes 0.18% representing Government levies, Sindh Workers' Welfare Fund and SECP fee.

13. TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Financial Services (Private) Limited, being entity under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the Fund, the directors key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, NBFC Regulations and constitutive documents of the Fund respectively.

Details of transactions with related parties / connected persons during the period and balances held with them at the quarter ended September 30, 2020 are as follows:

	Management company	Associated companies (Rupees in '000)	Trustee	Other connected persons / related parties
September 30, 2020				
Transactions during the period				
Units issued	-	-	-	-
Units redeemed	1,009	-	-	-
Securities transferred to the fund	-	108	-	1,047
Securities transferred by the fund	-	96	-	899
Remuneration (including sales tax)	75	-	-	-
As at September 30, 2020, 2020 (Un-audited)				
Balances held				
Units held (units in '000)	560	-	-	2,500
Units held (Rupees in '000)	7,303	-	-	32,601
Investment	-	3,710	-	31,043
Balance	-	-	-	-
Remuneration payable	25	-	-	-
Other Payable	1,010	-	-	-
As at June 30, 2020 (audited)				
Balances held				
Units held (units in '000)	640	-	-	-
Units held (Rupees in '000)	7,381	-	-	-
Investment	-	31,775	-	-
Receivable from Management Company - net	325	-	-	-
Remuneration payable	22	-	8	-

14. 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.

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

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

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

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: 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 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyse financial instruments measured at the end of the period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Fair value			Total
	Level 1	Level 2	Level 3	
September 30, 2020 (Un-audited)	(Rupees in '000)			
Financial assets measured at fair value				
- Equity securities - listed	<u>40,274</u>	-	-	<u>40,274</u>

15. GENERAL

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

15.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

15.3 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

16. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 29 OCTOBER 2020 by the Board of Directors of the Management Company.

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

USSF

UBL Special Savings Fund

INVESTMENT OBJECTIVE

UBL Special Savings Fund shall be an open-end Capital Protected Fund that aims to not only provide its unitholders capital preservation but competitive regular returns from a portfolio of fixed income investments in line with the risk tolerance of the Investor.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditor	KPMG - Taseer Hadi & Co
Bankers	Allied Bank Limited JS Bank Limited Soneri Bank Limited Habib Metropolitan Bank Limited
Management Co.Rating	AMI (VIS)

UBL Special Savings Fund
Statement of Assets and Liabilities
As at 30 September 2020

		(Un-audited) September 30, 2020						
		USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
		(Rupees in '000)						
Assets								
Bank balances	4	6,544	6,849	1,255	4,111	29,175	15,322	63,256
Investments	5.	309,338	680,705	95,621	189,962	2,655,312	125,581	4,056,519
Profit receivables		5,042	11,171	1,642	3,138	36,015	1,607	58,615
Prepayments and other receivables		16	88	17	16	13	11	161
Preliminary expenses and floatation cost	6	418	-	-	-	-	-	418
Advance tax	7	214	108	112	4	-	-	438
Total assets		321,572	698,921	98,647	197,231	2,720,515	142,521	4,179,407
Liabilities								
Payable to the Management Company	8	1,848	1,516	416	668	712	237	5,397
Payable to Central Depository Company of Pakistan Limited - Trustee		18	40	6	11	157	8	240
Payable to Securities and Exchange Commission of Pakistan		16	36	5	10	166	8	241
Dividend payable		-	-	-	-	-	-	-
Accrued expenses and other payables	9	1,795	4,170	902	854	15,211	723	23,655
Total liabilities		3,677	5,762	1,329	1,543	16,246	976	29,533
Net assets		317,895	693,159	97,318	195,688	2,704,269	141,545	4,149,874
Unit holders' fund (as per statement attached)		317,895	693,159	97,318	195,688	2,704,269	141,545	4,149,874
Contingencies and commitments								
		(Number of units)						
Number of units in issue		2,949,633	6,424,746	870,673	1,823,831	26,829,045	1,355,364	
		(Rupees in '000)						
Net assets value per unit		107.7744	107.8889	111.7733	107.2952	100.7963	104.4335	

The annexed notes 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL Special Savings Fund
Statement of Assets and Liabilities
As at 30 June 2020

		(Audited) June 30, 2020						
		USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
		(Rupees in '000)						
Assets								
Bank balances	4	7,125	14,078	2,905	3,676	47,493	11,749	87,026
Investments	5	321,618	719,304	117,833	193,417	5,150,623	172,920	6,675,715
Profit receivables	6	11,159	24,993	4,214	6,531	27,344	4,094	78,335
Prepayments and other receivables		5	77	5	74	-	-	161
Preliminary expenses and floatation cost	8	512	-	-	-	-	-	512
Advance tax	9	214	108	112	4	-	-	438
Total assets		340,633	758,560	125,069	203,702	5,225,460	188,763	6,842,187
Liabilities								
Payable to the Management Company	10	3,368	2,431	563	339	1,388	487	8,576
Payable to Central Depository Company of Pakistan Limited - Trustee	11	19	44	7	12	294	11	387
Payable to Securities and Exchange Commission of Pakistan	12	77	162	40	42	912	32	1,265
Dividend payable		-	-	-	-	-	-	-
Accrued expenses and other payables	13	6,216	12,779	1,979	3,029	58,233	17,116	99,352
Total liabilities		9,680	15,416	2,589	3,422	60,827	17,646	109,580
Net assets		330,953	743,144	122,480	200,280	5,164,633	171,117	6,732,607
Unit holders' fund (as per statement attached)		330,953	743,144	122,480	200,280	5,164,633	171,117	6,732,607
Contingencies and commitments								
		(Number of units)						
Number of units in issue		3,091,239	6,943,525	1,099,609	1,885,931	51,110,917	1,656,741	
		(Rupees in '000)						
Net assets value per unit		107.0617	107.0269	111.3854	106.1967	101.0475	103.2856	

The annexed notes 1 to 18 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL Special Savings Fund
Income Statement
For the Quarter Ended September 30 2020

Note	Quarter Ended September, 2020						Total
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP V	USSP VI	
	(Rupees in '000)						
Income							
Financial income	8,590	20,144	2,863	6,115	51,765	3,815	93,292
Loss on sale of investments - net	12	318	369	22	46,740	971	48,432
Other income	30	113	51	8	-	63	265
	<u>8,632</u>	<u>20,575</u>	<u>3,283</u>	<u>6,145</u>	<u>98,505</u>	<u>4,849</u>	<u>141,989</u>
Expenses							
Remuneration of the Management Company	814	1,799	268	503	828	383	4,595
Sindh sales tax on the Management Company's remuneration	106	234	35	65	108	50	598
Selling and marketing expenses	394	499	154	426	-	-	1,473
Allocated Expense	-	-	-	-	828	-	828
Remuneration of Central Depository Company of Pakistan Limited - Trustee	55	122	18	34	561	26	816
Annual fee of Securities and Exchange Commission of Pakistan	16	36	5	10	166	8	241
Auditors' remuneration	18	18	18	18	18	18	108
Formation cost	95	-	-	-	-	-	95
Bank charges	1	1	1	1	3	-	7
Listing fees	1	1	1	1	1	1	6
Legal and professional charges	8	8	8	8	8	8	48
Brokerage expenses	-	-	-	-	-	-	0
Other expenses	-	-	-	-	-	-	-
Total operating expenses	<u>1,508</u>	<u>2,718</u>	<u>508</u>	<u>1,066</u>	<u>2,521</u>	<u>494</u>	<u>8,815</u>
Net income for the quarter ended from operating activities	<u>7,124</u>	<u>17,857</u>	<u>2,775</u>	<u>5,079</u>	<u>95,984</u>	<u>4,355</u>	<u>133,174</u>
Provision for Sindh Workers' Welfare Fund	9.1 (140)	(351)	(55)	(100)	(1,882)	(85)	(2,613)
Net income for the quarter ended before taxation	<u>6,984</u>	<u>17,506</u>	<u>2,720</u>	<u>4,979</u>	<u>94,102</u>	<u>4,270</u>	<u>130,561</u>
Taxation	12 -	-	-	-	-	-	0
Net income for the quarter ended after taxation	<u>6,984</u>	<u>17,506</u>	<u>2,720</u>	<u>4,979</u>	<u>94,102</u>	<u>4,270</u>	<u>130,561</u>
Net income for the quarter ended after taxation	6,984	17,506	2,720	4,979	94,102	4,270	130,561
Income already paid on units redeemed	(128)	(547)	(231)	(111)	(26)	(398)	(1,441)
Accounting income available for distribution	<u>6,856</u>	<u>16,959</u>	<u>2,489</u>	<u>4,868</u>	<u>94,076</u>	<u>3,872</u>	<u>129,120</u>
Accounting income available for distribution							
- Relating to capital gains	12	310	340	22	28,139	807	29,630
- Excluding capital gains	6,844	16,649	2,149	4,846	65,937	3,065	99,490
	<u>6,856</u>	<u>16,959</u>	<u>2,489</u>	<u>4,868</u>	<u>94,076</u>	<u>3,872</u>	<u>129,120</u>
Earnings per unit	13						

The annexed notes 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL Special Savings Fund
Income Statement
For the Quarter Ended September 30 2019

	Note	Quarter Ended September, 2019				For the period	For the period	Total
		USSP-I	USSP-II	USSP-III	USSP-IV	from 13 Sep 2019 to 30 Sep 2019	from 09 Aug 2019 to 30 Sep 2019	
(Rupees in '000)								
Income								
Financial income		14,018	29,033	9,306	7,131	28,327	1,397	89,212
Loss on sale of investments - net		(4,084)	(1)	-	(32)	(128)	-	(4,245)
Other income		230	332	9	6	-	-	577
		<u>10,164</u>	<u>29,364</u>	<u>9,315</u>	<u>7,105</u>	<u>28,199</u>	<u>1,397</u>	<u>85,544</u>
Expenses								
Remuneration of the Management Company	10.1	1,069	2,226	678	509	198	97	4,777
Sindh sales tax on the Management Company's remuneration		139	289	88	66	26	13	621
Selling and marketing expenses	10.2	427	-	-	-	-	-	427
Allocated Expense		-	-	-	-	206	-	206
Remuneration of Central Depository Company of Pakistan Limited - Trustee		72	151	46	35	135	7	446
Annual fee of Securities and Exchange Commission of Pakistan	12	21	45	13	10	40	2	131
Auditors' remuneration	16	21	21	21	21	3	5	92
Formation cost		95	-	-	-	-	-	95
Bank charges		9	8	1	5	-	-	23
Listing fees		2	2	2	2	-	-	8
Legal and professional charges		9	9	9	9	1	3	40
Brokerage expenses		26	7	-	10	19	-	62
Other expenses		4	1	-	1	2	-	8
Total operating expenses		<u>1,894</u>	<u>2,759</u>	<u>858</u>	<u>668</u>	<u>630</u>	<u>127</u>	<u>6,936</u>
Net income from operating activities		<u>8,270</u>	<u>26,605</u>	<u>8,457</u>	<u>6,437</u>	<u>27,569</u>	<u>1,270</u>	<u>78,608</u>
Provision for Sindh Workers' Welfare Fund	13.1	(3)	(522)	(166)	(126)	(541)	(25)	(1,383)
Net income for the quarter & period before taxation		<u>8,267</u>	<u>26,083</u>	<u>8,291</u>	<u>6,311</u>	<u>27,028</u>	<u>1,245</u>	<u>77,225</u>
Taxation	20	-	-	-	-	-	-	0
Net income for the quarter & period after taxation		<u>8,267</u>	<u>26,083</u>	<u>8,291</u>	<u>6,311</u>	<u>27,028</u>	<u>1,245</u>	<u>77,225</u>
Net income for the period after taxation		8,267	26,083	8,291	6,311	27,028	1,245	77,225
Income already paid on units redeemed		-	-	-	-	-	-	0
Accounting income available for distribution		<u>8,267</u>	<u>26,083</u>	<u>8,291</u>	<u>6,311</u>	<u>27,028</u>	<u>1,245</u>	<u>77,225</u>
Accounting income available for distribution								
- Relating to capital gains		-	-	-	-	-	-	0
- Excluding capital gains		8,267	26,083	8,291	6,311	27,028	1,245	77,225
		<u>8,267</u>	<u>26,083</u>	<u>8,291</u>	<u>6,311</u>	<u>27,028</u>	<u>1,245</u>	<u>77,225</u>

The annexed notes 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL Special Savings Fund
Statement of Comprehensive Income
For the Quarter Ended September 30 2020

	Quarter Ended September, 2020						Total
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP V	USSP VI	
	(Rupees in '000)						
Net income for the quarter ended after taxation	6,984	17,506	2,720	4,979	94,102	4,270	130,561
Other comprehensive income for the quarter ended							
<i>Items to be reclassified to income statement in subsequent periods:</i>							
Unrealised loss on re-measurement of investments - classified at fair value through other comprehensive income	(4,821)	(11,705)	(2,291)	(2,927)	(39,299)	(2,569)	(63,612)
Reclassification adjustment relating to investments - at fair value through other comprehensive income sold during the period.	-	-	-	-	-	-	-
	(4,821)	(11,705)	(2,291)	(2,927)	(39,299)	(2,569)	(63,612)
Total comprehensive income for the quarter ended	2,163	5,801	429	2,052	54,803	1,701	66,949

The annexed notes 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL Special Savings Fund
Statement of Comprehensive Income
For the Quarter Ended September 30 2019

	Quarter Ended September, 2019				For The Period From 13 Sep 2019 To 30 Sep 2019	For the period from 09 Aug 2019 to 30 Sep 2019	Total
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP V	USSP VI	
	(Rupees in '000)						
Net income for the quarter & period after taxation	8,267	26,083	8,291	6,311	27,028	1,245	77,225
Other comprehensive income for the period							
<i>Items to be reclassified to income statement in subsequent periods:</i>							
Unrealised loss on re-measurement of investments - classified at fair value through other comprehensive income	11,471	15,577	5,353	1,990	(519)	-	33,872
Reclassification adjustment relating to investments - at fair value through other comprehensive income sold during the period.	-	-	-	-	-	-	-
	11,471	15,577	5,353	1,990	(519)	-	33,872
Total comprehensive income for the quarter & period	19,738	41,660	13,644	8,301	26,509	1,245	111,097

The annexed notes 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL Special Savings Fund
Statement of Movement in Unit Holders' Fund
For the Quarter Ended September 30 2020

Quarter Ended September, 2020																											
USSP-I				USSP-II				USSP-III				USSP-IV				USSP-V				USSP-VI				Total			
Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total				
(Rupees in '000)				(Rupees in '000)				(Rupees in '000)				(Rupees in '000)				(Rupees in '000)				(Rupees in '000)							
At beginning of the Quarter																											
313,265	664	17,024	330,953	700,054	1,516	41,574	743,144	111,736	5,371	5,373	122,480	188,885	704	10,691	200,280	5,111,287	1,807	51,539	5,164,633	165,411	356	5,350	171,117	6,590,638	10,418	131,551	6,732,607
Issuance of 0 - 1,890.0, 0, 739,142.0 units																											
-	-	-	-	203	-	-	203	-	-	-	-	-	-	-	-	73,913	-	-	73,913	-	-	-	-	74,116	-	-	74,116
Redemption of 141,607 - 520,670, 228,536 - 62,699 - 26,621,614, 301,376 units																											
(15,161)	-	-	(15,161)	(55,726)	-	-	(55,726)	(25,600)	-	-	(25,600)	(6,995)	-	-	(6,995)	(2,502,191)	-	-	(2,502,191)	(31,128)	-	-	(31,128)	(2,636,211)	-	-	(2,636,211)
136	(178)	(67)	(7)	566	(647)	(283)	(283)	208	(231)	(140)	(140)	124	(111)	(62)	(62)	(6)	(26)	(2)	(2)	505	(398)	(252)	(252)	1,604	(1,441)	(806)	(806)
(15,025)	(128)	(67)	(15,221)	(55,160)	(647)	(283)	(55,990)	(25,220)	(231)	(140)	(25,991)	(6,471)	(111)	(62)	(6,644)	(2,502,197)	(26)	(2)	(2,502,135)	(30,623)	(398)	(252)	(31,273)	(2,634,607)	(1,441)	(806)	(2,636,854)
Total comprehensive income for the quarter ended																											
-	6,984	(4,821)	2,163	-	17,506	(11,705)	5,801	-	2,720	(2,291)	429	-	4,979	(2,927)	2,052	-	94,162	(39,299)	54,863	-	4,270	(2,569)	1,701	-	130,561	(53,612)	66,949
UBL Special Savings Plan V @ Rs. 1,7018 per unit paid on 22 Jul 2020																											
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(86,945)	-	(86,945)	-	-	-	-	-	(86,945)	-	(86,945)
Net income for the period less distribution																											
-	6,984	(4,821)	2,163	-	17,506	(11,705)	5,801	-	2,720	(2,291)	429	-	4,979	(2,927)	2,052	-	7,157	(39,299)	(32,142)	-	4,270	(2,569)	1,701	-	43,616	(53,612)	(19,996)
Net assets at end of the quarter																											
298,239	7,520	12,136	317,895	645,097	18,475	29,587	693,159	86,516	7,860	2,842	97,318	182,414	5,572	7,792	195,688	2,653,093	8,938	12,238	2,704,269	134,788	4,228	2,829	141,845	4,030,147	52,593	57,134	4,149,874
Accounting income available for distribution :																											
- Relating to capital gains																											
12	-	-	12	310	-	-	310	340	-	-	340	22	-	-	22	28,139	-	-	28,139	807	-	-	807	29,630	-	-	29,630
- Excluding capital gains																											
6,966	-	-	6,966	16,699	-	-	16,699	2,499	-	-	2,499	4,866	-	-	4,866	55,976	-	-	55,976	3,085	-	-	3,085	99,490	-	-	99,490
Distribution during the quarter																											
UBL Special Savings Plan V @ Rs. 1,7018 per unit paid on 22 Jul 2020																											
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(86,945)	-	-	(86,945)	-	-	-	-	(86,945)	-	-	(86,945)
Undistributed income carried forward																											
7,520	-	-	7,520	18,475	-	-	18,475	7,860	-	-	7,860	5,572	-	-	5,572	8,938	-	-	8,938	4,228	-	-	4,228	52,593	-	-	52,593
Undistributed income carried forward comprise of :																											
- Realised income																											
7,520	-	-	7,520	18,475	-	-	18,475	7,860	-	-	7,860	5,572	-	-	5,572	8,938	-	-	8,938	4,228	-	-	4,228	52,593	-	-	52,593
- Unrealised income																											
7,520	-	-	7,520	18,475	-	-	18,475	7,860	-	-	7,860	5,572	-	-	5,572	8,938	-	-	8,938	4,228	-	-	4,228	52,593	-	-	52,593
Net assets value per unit at beginning of the quarter																											
107.0617				107.0269				111.3854				106.1967				101.0475				103.2856							
Net assets value per unit at end of the quarter																											
107.7744				107.8889				111.7733				107.2952				100.7953				104.4335							

The annexed notes 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL Special Savings Fund
Statement of Movement in Unit Holders' Fund
For the Quarter Ended September 30 2019

	Quarter Ended September, 2019																For the period from 13 Sep 2019 to 30 Sep 2019				For the period from 09 Aug 2019 to 30 Sep 2019				Total			
	US\$P-I				US\$P-II				US\$P-III				US\$P-IV				US\$P-V				US\$P-VI							
	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total				
	(Rupees in '000)				(Rupees in '000)				(Rupees in '000)				(Rupees in '000)				(Rupees in '000)				(Rupees in '000)							
At beginning of the period	471,249	136	(11,665)	459,720	925,449	1,024	(24,654)	901,819	287,855	(60)	(2,970)	284,825	183,380	(78)	(815)	182,787	-	-	-	-	-	-	-	-	1,847,033	1,022	(39,804)	1,808,151
Issuance of 3,000, 0, 15,313, 387,109, 46,569,414, 1,577,260 units	293	-	-	293	-	-	-	-	1,514	-	-	1,514	38,583	-	-	38,583	4,656,941	-	-	4,656,941	155,726	-	-	155,726	4,853,067	-	-	4,853,067
Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Element of income during the period relating to other comprehensive income relating to net income for the period after taxation	13	-	-	13	-	-	-	-	78	-	-	78	194	-	-	194	9,038	-	-	9,038	1,285	-	-	1,285	10,608	-	-	10,608
Total proceeds on issuance of units	306	-	-	306	-	-	-	-	1,592	-	-	1,592	38,777	-	-	38,777	4,665,980	-	-	4,665,979	157,011	-	-	157,011	4,863,665	-	-	4,863,665
Redemption of 777,386, 1,106,015, 43,807, 161,316, 0, 10,609 units	(75,878)	-	-	(75,878)	(107,739)	-	-	(107,739)	(4,331)	-	-	(4,331)	(16,078)	-	-	(16,078)	-	-	-	-	(1,061)	-	-	(1,061)	(205,087)	-	-	(205,087)
Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Element of income during the period relating to other comprehensive income relating to net income for the period after taxation	(1,028)	-	-	(1,028)	(3,028)	-	-	(3,028)	(134)	-	-	(134)	(72)	-	-	(72)	-	-	-	-	(9)	-	-	(9)	(4,265)	-	-	(4,265)
Total payments on redemption of units	(76,906)	-	-	(76,906)	(110,767)	-	-	(110,767)	(4,465)	-	-	(4,465)	(16,150)	-	-	(16,150)	-	-	-	-	(1,070)	-	-	(1,070)	(209,352)	-	-	(209,352)
Total comprehensive income for the period	-	8,267	11,471	19,738	-	26,083	15,877	41,660	-	8,291	5,353	13,644	-	6,311	1,990	8,301	-	27,028	(519)	26,509	-	1,245	-	1,245	-	77,225	33,872	111,097
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	8,267	11,471	19,738	-	26,083	15,877	41,660	-	8,291	5,353	13,644	-	6,311	1,990	8,301	-	27,028	(519)	26,509	-	1,245	-	1,245	-	77,225	33,872	111,097
Net assets at end of the period	394,651	8,403	(194)	402,860	814,682	27,107	(9,077)	832,712	284,981	8,231	2,383	275,695	206,007	6,233	1,475	213,715	4,665,980	27,028	(519)	4,692,488	155,945	1,245	-	157,190	6,602,246	78,247	(5,932)	6,674,559
	136				1,024				(60)				(78)				-				-							
Accounting income available for distribution :																												
- Related to capital gains																												
- Excluding capital gains	8,267				26,083				8,291				6,311				27,028				1,245							
Distribution during the period	8,267				26,083				8,291				6,311				27,028				1,245							
Undistributed income carried forward	8,403				27,107				8,231				6,233				27,028				1,245							
Undistributed income carried forward comprise of :																												
- Realised income	8,403				27,107				8,231				6,233				27,028				1,245							
- Unrealised income	-				-				-				-				-				-							
	8,403				27,107				8,231				6,233				27,028				1,245							
	(Rupees)				(Rupees)				(Rupees)				(Rupees)				(Rupees)				(Rupees)							
Net assets value per unit at end of the period	107.7744				107.8889				111.7733				107.2952				100.7963				104.4335							

The annexed notes 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL Special Savings Fund
Cash Flow Statement
For the Quarter Ended September 30 2020

Note	Quarter Ended September, 2020						Total
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP V	USSP VI	
	(Rupees in '000)						
CASH FLOWS FROM OPERATING ACTIVITIES							
Net income for the quarter before taxation	6,984	17,506	2,720	4,979	94,102	4,270	130,561
Adjustments for non cash and other items:							
Financial income	(8,590)	(20,144)	(2,863)	(6,115)	(51,765)	(3,815)	(93,292)
Provision for Sindh Workers' Welfare Fund	140	351	55	100	1,882	85	2,613
Formation cost	95	-	-	-	-	-	95
Loss on sale of investments - net	(12)	(318)	(51)	(22)	(46,740)	(971)	(48,114)
	<u>(8,367)</u>	<u>(20,111)</u>	<u>(2,859)</u>	<u>(6,037)</u>	<u>(96,623)</u>	<u>(4,701)</u>	<u>(138,698)</u>
Net cash generated from operations before working capital changes	(1,383)	(2,605)	(139)	(1,058)	(2,521)	(431)	(8,137)
Working capital changes							
<i>Movement in working capital</i>							
Investments	7,470	27,212	19,972	550	2,502,752	45,741	2,603,697
Prepayments and other receivables	(11)	(11)	(12)	58	(13)	(11)	-
Advance tax	-	-	-	-	-	-	-
Payable to the Management Company	(1,520)	(915)	(147)	329	(676)	(250)	(3,179)
Payable to Central Depository Company of Pakistan Limited - Trustee	(1)	(4)	(1)	(1)	(137)	(3)	(147)
Payable to Securities and Exchange Commission of Pakistan	(61)	(126)	(35)	(32)	(746)	(24)	(1,024)
Dividend payable	-	-	-	-	-	-	-
Accrued expenses and other payables	(4,561)	(8,960)	(1,132)	(2,275)	(44,904)	(16,478)	(78,310)
	<u>1,316</u>	<u>17,196</u>	<u>18,645</u>	<u>(1,371)</u>	<u>2,456,276</u>	<u>28,975</u>	<u>2,521,037</u>
Profits received during the quarter	14,707	33,966	5,435	9,508	43,094	6,302	113,012
Net cash flows used in operating activities	14,640	48,557	23,941	7,079	2,496,849	34,846	2,625,912
CASH FLOWS FROM FINANCING ACTIVITIES							
Proceeds from issuance of units	-	204	-	-	73,913	-	74,117
Payments on redemption of units	(15,221)	(55,990)	(25,591)	(6,644)	(2,502,135)	(31,273)	(2,636,854)
Total distribution to unit holders	-	-	-	-	(86,945)	-	(86,945)
Net cash flows generated from financing activities	(15,221)	(55,786)	(25,591)	(6,644)	(2,515,167)	(31,273)	(2,649,682)
Cash and cash equivalents at beginning of the quarter	7,125	14,078	2,905	3,676	47,493	11,749	87,026
Cash and cash equivalents at end of the quarter	6,544	6,849	1,255	4,111	29,175	15,322	63,256
CASH AND CASH EQUIVALENTS							
Bank balances	<u>6,544</u>	<u>6,849</u>	<u>1,255</u>	<u>4,111</u>	<u>29,175</u>	<u>15,322</u>	<u>63,256</u>

The annexed notes 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL Special Savings Fund
Cash Flow Statement
For the Quarter Ended September 30 2019

Note	Quarter Ended September, 2019						Total
	USSP-I	USSP-II	USSP-III	USSP-IV (Rupees in '000)	USSP V	USSP VI	
					For The Period From 13 Sep 2019 To 30 Sep 2019	For the period from 09 Aug 2019 to 30 Sep 2019	
CASH FLOWS FROM OPERATING ACTIVITIES							
Net income for the period before taxation	8,267	26,083	8,291	6,311	27,028	1,245	77,225
Adjustments for non cash and other items:							
Financial income	(14,018)	(29,033)	(9,306)	(7,131)	(28,327)	(1,397)	(89,212)
Provision for Sindh Workers' Welfare Fund	3	522	166	126	541	25	1,383
Formation cost	95	-	-	-	-	-	95
Loss on sale of investments - net	4,084	1	-	32	128	-	4,245
	(9,836)	(28,510)	(9,140)	(6,973)	(27,658)	(1,372)	(83,489)
Net cash generated from operations before working capital changes	(1,569)	(2,427)	(849)	(662)	(630)	(127)	(6,264)
Working capital changes							
<i>Movement in working capital</i>							
Investments	37,474	32,440	(3,446)	(50,033)	(4,616,259)	-	(4,599,824)
Prepayments and other receivables	(11)	22,141	180	9,882	(11)	(310)	31,871
Advance tax	-	(2)	1	(1)	-	-	(2)
Payable to the Management Company	462	819	34	203	450	930	2,898
Payable to Central Depository Company of Pakistan Limited - Trustee	(17)	(28)	(6)	(2)	135	6	88
Payable to Securities and Exchange Commission of Pakistan	(208)	(169)	(9)	-	40	2	(344)
Dividend payable	-	-	-	-	-	-	-
Accrued expenses and other payables	(3,050)	(26,042)	(459)	(117)	49	50	(29,569)
	34,650	29,159	(3,705)	(40,068)	(4,615,596)	678	(4,594,882)
Profits received during the quarter & period	23,215	47,587	15,496	9,581	27,976	109	123,964
Net cash flows used in operating activities	56,296	74,319	10,942	(31,149)	(4,588,250)	660	(4,477,182)
CASH FLOWS FROM FINANCING ACTIVITIES							
Proceeds from issuance of units	306	-	1,592	38,777	4,665,979	157,011	4,863,665
Payments on redemption of units	(76,904)	(110,767)	(4,469)	(16,150)	-	(1,066)	(209,356)
Total distribution to unit holders	-	-	-	-	-	-	-
Net cash flows generated from financing activities	(76,598)	(110,767)	(2,877)	22,627	4,665,979	155,945	4,654,309
Cash and cash equivalents at beginning of the quarter & period	23,311	39,497	543	37,274	-	-	100,625
Cash and cash equivalents at end of the quarter & period	3,009	3,049	8,608	28,752	77,729	156,605	277,752
CASH AND CASH EQUIVALENTS							
Bank balances	3,009	3,049	8,608	28,752	77,729	156,605	277,752

The annexed notes 1 to 18 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL Special Savings Fund

Notes to the Financial Statements

For the Quarter Ended September 30 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Special Savings Fund (the Fund) was established under the Non Banking Finance Companies (Establishment & Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and was approved as an open end mutual fund by the Securities and Exchange Commission of Pakistan ("SECP"). It was constituted under a Trust Deed, dated 19 October 2018 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company and Central Depository Company of Pakistan Limited ("CDC") as the Trustee. The registered office of the Management Company is situated at 4th Floor STSM Building, Beaumont Road, Civil Lines Karachi. The Fund commenced its operations from 09 November 2018.

The Fund has been categorized by the Management Company as Capital protected fund. The Fund consists of four plans namely, UBL Special Savings Fund - Plan I ("USSP I"), UBL Special Savings Fund - Plan II ("USSP II"), UBL Special Savings Fund - Plan III ("USSP III"), UBL Special Savings Fund - Plan IV ("USSP IV"), UBL Special Savings Fund - Plan V ("USSP V") and

UBL Special Savings Fund - Plan VI ("USSP VI") The investment objectives of each plan is as follows:

The "UBL Special Savings Plan-I (USSP-I)" shall be an open-end Capital Protected Fund that aims to not only provide its unit-holders capital preservation but competitive regular returns from a portfolio of fixed income investments in line with the risk tolerance of the Investor.

The "UBL Special Savings Plan-II (USSP-II)" is an allocation plan under "UBL Special Savings Fund" with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for thirty six (36) months & beyond from (commencement of life of Plan)

The "UBL Special Savings Plan-III (USSP-III)" is an allocation plan under "UBL Special Savings Fund" with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for thirty six (36) months & beyond from (commencement of life of Plan)

The "UBL Special Savings Plan-IV (USSP-IV)" is an allocation plan under "UBL Special Savings Fund" with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for twenty four (24) months & beyond from (commencement of life of Plan)

The "UBL Special Savings Plan-V (USSP-V)" is an allocation plan under "UBL Special Savings Fund" with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for thirty Six (36) months & beyond from (commencement of life of Plan)

The "UBL Special Savings Plan-VI (USSP-VI)" is an allocation plan under "UBL Special Savings Fund" with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for twenty four (24) months & beyond from (commencement of life of Plan)

The Fund is an open end mutual fund, listed on the Pakistan Stock Exchange Limited. Units of the Fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.

Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and

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

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

2.1.2 The 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, 2020.

2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2019, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2019.

2.1.4 In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 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, JUDGEMENT AND CHANGES THEREIN

- 3.1** The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.
- 3.2** The preparation of this condensed interim financial information in conformity with 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 judgments 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 the 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, 2020.
- 3.4** There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5** The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

4. BANK BALANCES

	Note	September 30, 2020						Total
		USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	
		(Rupees in '000)						
Current account		-	-	-	-	8	-	8
Savings accounts	4.1	6,544	6,849	1,255	4,111	29,167	15,322	63,248
September 30, 2020		<u>6,544</u>	<u>6,849</u>	<u>1,255</u>	<u>4,111</u>	<u>29,175</u>	<u>15,322</u>	<u>63,256</u>
June 30, 2020		<u>7,125</u>	<u>14,078</u>	<u>2,905</u>	<u>3,676</u>	<u>47,493</u>	<u>11,749</u>	<u>87,026</u>

- 4.1** These carry profit rates ranging from 5.50% to 7% per annum.(6.50 % to 8.50% 30 June 2020)

5. INVESTMENTS

Investments by category		Balance as at September 30, 2020						Total
		USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	
At fair value through other comprehensive income		(Rupees in '000)						
Government securities								
5.1	Pakistan investment bonds	309,338	680,705	95,621	189,962	1,932,826	125,581	3,334,033
5.2	Treasury bills	-	-	-	-	722,486	-	722,486
September 30, 2020		<u>309,338</u>	<u>680,705</u>	<u>95,621</u>	<u>189,962</u>	<u>2,655,312</u>	<u>125,581</u>	<u>4,056,519</u>
June 30, 2020		<u>321,618</u>	<u>719,304</u>	<u>117,833</u>	<u>193,417</u>	<u>5,150,523</u>	<u>172,920</u>	<u>6,675,615</u>

5.1	Issue date	Tenor	Face value		As at 30 Sep 2020	Amortised Cost as at 30 Sep 2020	Market value as at 30 Sep 2020	Market value as a percentage of		
			As at 30 June 2020	Purchased during the period				Sold / matured during the period	Total investments of plan	Net assets of the Plan
(Rupees in '000)										
-----%-----										
Held by USSP I										
	July 12, 2018	5 years	100,000	-	-	100,000	87,445	99,380	32.13	31.26
	July 12, 2018	3 years	220,000	-	10,000	210,000	204,387	209,958	67.87	66.05
			<u>320,000</u>	<u>-</u>	<u>10,000</u>	<u>310,000</u>	<u>291,832</u>	<u>309,338</u>	<u>100</u>	<u>97</u>
Held by USSP II										
	July 12, 2018	3 years	523,000	-	34,000	489,000	470,613	488,901	71.82	70.53
	July 12, 2018	5 years	193,000	-	-	193,000	174,037	191,804	28.18	27.67
			<u>716,000</u>	<u>-</u>	<u>34,000</u>	<u>682,000</u>	<u>644,650</u>	<u>680,705</u>	<u>100.00</u>	<u>98.20</u>
Held by USSP III										
	July 12, 2018	3 years	57,000	-	21,000	36,000	35,642	35,993	37.64	36.98
	July 12, 2018	5 years	60,000	-	-	60,000	52,275	59,628	62.36	61.27
			<u>117,000</u>	<u>-</u>	<u>21,000</u>	<u>96,000</u>	<u>87,917</u>	<u>95,621</u>	<u>100.00</u>	<u>98.25</u>
Held by USSP IV										
	July 12, 2018	3 years	190,000	-	-	190,000	181,530	189,962	100.00	97.07
			<u>190,000</u>	<u>-</u>	<u>-</u>	<u>190,000</u>	<u>181,530</u>	<u>189,962</u>	<u>100.00</u>	<u>97.07</u>
Held by USSP V										

Issue date	Tenor	Face value		As at 30 Sep 2020	Carrying value as at 30 Sep 2020	Market value as at 30 Sep 2020	percentage of			
		As at 30 June 2020	Purchased during the period				Sold / matured during the period	Total investments of plan	Net assets of the Plan	
Pakistan Investment Bonds										
	12 July 2018	3 years	600,000.00	-	-	600,000	597,929	599,878	22.59	22.18
	19 September 2019	3 years	175,000.00	-	-	175,000	171,383	177,921	6.70	6.58
	19 September 2019	5 years	75,000.00	-	-	75,000	76,910	76,157	2.87	2.82
	18 June 2020	3 years	-	1,075,000	-	1,075,000	1,079,014	1,078,870	40.63	39.90
			<u>850,000</u>	<u>1,075,000</u>	<u>-</u>	<u>1,925,000</u>	<u>1,925,236</u>	<u>1,932,826</u>	<u>72.79</u>	<u>71.47</u>

5.2 Market Treasury Bills

	10 October 2019	1 year	998,000	-	998,000	-	-	-	-	-
	27 February 2020	1 year	250,000	-	-	250,000	238,162	242,998	9.15	8.99
	26 March 2020	1 year	375,000	-	375,000	-	-	-	-	-
	9 April 2020	6 months	92,000	-	92,000	-	-	-	-	-
	23 April 2020	6 months	2,200,000	-	2,200,000	-	-	-	-	-
	23 April 2020	1 year	375,000	-	-	375,000	360,766	360,595	13.58	13.33
	18 June 2020	1 year	125,000	-	-	125,000	118,969	118,893	4.48	4.40
			<u>4,415,000</u>	<u>-</u>	<u>3,665,000</u>	<u>750,000</u>	<u>717,897</u>	<u>722,486</u>	<u>27.21</u>	<u>26.72</u>

Held by USSP VI

5.1 Pakistan Investment Bonds

	12 July 2018	3 years	81,000	8,000	-	89,000	86,280	88,981	70.86	62.86
	19 September 2019	3 years	50,000	-	14,000	36,000	36,290	36,600	29.14	25.86
			<u>131,000</u>	<u>8,000</u>	<u>14,000</u>	<u>125,000</u>	<u>122,570</u>	<u>125,581</u>	<u>100.00</u>	<u>88.72</u>

5.2 Market Treasury Bills

	10 October 2019	1 year	22,000	-	22,000	-	-	-	-	-
	26 March 2020	1 year	19,500	-	19,500	-	-	-	-	-
			<u>41,500</u>	<u>-</u>	<u>41,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

6. PRELIMINARY EXPENSES AND FLOATATION COST

	2020 USSP I (Rupees in '000)
Deferred formation cost	513
Amortisation during the period	<u>(95)</u>
Unamortised formation cost at end of the period	<u>418</u>

- 6.1 As per the offering documents all preliminary and floatation expenses of the Fund including expenses incurred in connection with the establishment and authorisation of the Fund, including execution and registration of the Constitutive Documents, issue, legal costs, printing, circulation and publication of the Offering Document, and all expenses incurred for announcing the Fund and other expenses during and up to the Initial Offering Period (IOP), shall be borne and reimbursed by the Fund to the Management Company subject to the audit of expenses. Deferred formation cost shall be borne by the Fund and amortised within the maturity of plan which is 36 months.

7. ADVANCE 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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

8. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

During the quarter ended September 30, 2020, management fee was charged remuneration at the rate of 1% per annum of average daily net assets of USSP I, USSP II, USSP III, USSP IV, USSP VI and 0.1 % per annum of average daily net assets of USSP V same as 30 June 2020

Allocated expenses and selling and marketing expenses

The Management Company is charging 0.1% per annum of the average daily net assets of USSP V on account of fee and expenses related to registrar services, accounting, operation and valuation services from 13 September 2019 and 0.50%, 0.33, 0.77% and 1% per annum of the average daily net assets of USSP I, USSP II, USSP III and USSP IV respectively on account of selling and marketing expense from 16 July 2020.

9. ACCRUED EXPENSES AND OTHER LIABILITIES

9.1 Provision for Workers' Welfare Fund (WWF)

There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.1 to the annual audited financial statements for the year ended June 30, 2020.

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs. 20.3809 million (June 30, 2020: Rs. 17.767 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 SWWF not been provided for, the net assets value per unit of USSP I, USSP II, USSP III, USSP IV, USSP V and USSP VI would have been higher by Rs.0.5253, Rs.0.4298, Rs0.8145, Rs 0.3448, Rs 0.5294 and 0.3901 respectively (June 30, 2020: Rs.USSP I Rs 0.4559, USSP II Rs 0.3472, USSP III Rs 0.5954, USSP IV Rs 0.2805, USSP V Rs 0.2411 and USSP VI Rs 0.2657).

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020

11. TOTAL EXPENSE RATIO (TER)

The Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/18/2016 dated 20 July 2016, requires that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (all the expenses, including government levies, incurred during the year divided by average net assets value for the year) in the periodic financial statements of CIS / the Fund.

	2020					
	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI
Total expense ratio	2.02%	1.71%	2.10%	2.32%	0.53%	1.51%
Government levy, SWWF and SECP fee	0.33%	0.35%	0.36%	0.36%	0.27%	0.38%

12. TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

13. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as, in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

14. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al - Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee and custodian of the Fund, the directors and officers of the Management Company and unit holders holding 10% or more of the Fund's net assets.

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

All other transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with the market rates.

Details of transactions with related parties / connected persons and balances with them at the period end are as follows:

	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
USSP I	----- (Rupees in '000) -----					
Transactions during the period	----- (For the quarter ended 30 September 2020) (Un-audited) -----					
Units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Sale of securities	-	-	-	-	-	-
Remuneration	814	-	49	-	-	-
Sindh sales tax on remuneration	106	-	6	-	-	-
Selling and marketing expense	394	-	-	-	-	-

Transactions during the period	----- (For the quarter ended 30 September 2019) (Un-audited) -----					
Units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Sales of securities	-	44,330	-	-	-	-
Remuneration	1,069	-	-	-	-	-
Sindh sales tax on remuneration	139	-	64	-	-	-
Selling and marketing expense	427	-	8	-	-	-

Balances held	----- (As at 30 September 2020) (Un-audited) -----					
Remuneration payable*	296	-	18	-	-	-
Sales load and other payables	96	27	-	-	-	-
Formation cost payable	1,137	-	-	-	-	-
Payable against selling and marketing	319	-	-	-	-	-

* These balances are inclusive of Sindh Sales Tax.

Balances held	----- (As at 30 June 2020) (Audited) -----					
Remuneration payable*	323	-	19	-	-	-
Sales load and other payables	1,553	27	-	-	-	-
Formation cost payable	1,137	-	-	-	-	-
Payable against selling and marketing	355	-	-	-	-	-

* These balances are inclusive of Sindh Sales Tax.

	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
USSP II	----- (Rupees in '000) -----					
Transactions during the period	----- (For the quarter ended 30 September 2020) (Un-audited) -----					
Sale of securities	-	-	-	18,994	-	-
Remuneration	1,799	-	108	-	-	-
Sindh sales tax on remuneration	234	-	14	-	-	-
Selling and marketing expense	499	-	-	-	-	-
Transactions during the period	----- (For the quarter ended 30 September 2019) (Un-audited) -----					
Remuneration	2,226	-	134	-	-	-
Sindh sales tax on remuneration	289	-	17	-	-	-

Balances held	------(As at 30 September 2020) (Un-audited)-----					
Remuneration payable*	647	-	40	-	-	-
Sales load and other payables	370	564	-	-	-	-
	499					

Balances held	------(As at 30 June 2020) (Audited)-----					
Remuneration payable*	718	-	44	-	-	-
Sales load and other payables	1,713	564	-	-	-	-

* These balances are inclusive of Sindh Sales Tax.

USSP III

Transactions during the period	------(For the quarter ended 30 September 2020) (Un-audited)-----					
Value of units issued	-	-	-	-	-	-
Value of units redeemed	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Sale of securities	-	-	-	-	-	-
Remuneration	268	-	16	-	-	-
Sindh sales tax on remuneration	35	-	2	-	-	-
Selling and marketing expense	154					

Transactions during the period	------(For the quarter ended 30 September 2019) (Un-audited)-----					
Value of units issued	-	-	-	-	-	-
Value of units redeemed	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Remuneration	678	-	41	-	-	-
Sindh sales tax on remuneration	88	-	5	-	-	-

Balances held	------(As at 30 September 2020) (Un-audited)-----					
Units held (units in '000)	-	-	-	-	-	-
Units held (Rupees in '000)	-	-	-	-	-	-
Remuneration payable*	91	-	6	-	-	-
Sales load and other payables	170	-	-	-	-	-
Payable against selling and marketing	155	-	-	-	-	-

Balances held	------(As at 30 June 2020) (Audited)-----					
Units held (units in '000)	-	-	-	-	-	293
Units held (Rupees in '000)	-	-	-	-	-	32,636
Remuneration payable*	119	-	7	-	-	-
Sales load and other payables	444	43	-	-	-	-

* These balances are inclusive of Sindh Sales Tax.

USSP IV

Transactions during the period	------(For the quarter ended 30 September 2020) (Un-audited)-----					
Value of units issued	-	-	-	-	-	-
Value of units redeemed	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Remuneration	503	-	30	-	-	-
Sindh sales tax on remuneration	65	-	4	-	-	-
Selling and marketing expense	426	-	-	-	-	-

Transactions during the period	------(For the quarter ended 30 September 2019) (Un-audited)-----					
Value of units issued	-	-	-	-	-	-
Value of units redeemed	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Remuneration	509	-	58	-	-	-
Sindh sales tax on remuneration	66	-	8	-	-	-

Balances held	------(As at 30 September 2020) (Un-audited)-----					
Units held (units in '000)	-	-	-	-	-	856
Units held (Rupees in '000)	-	-	-	-	-	91,860
Remuneration payable*	184	-	11	-	-	-
Sales load and other payables	58	11	-	-	-	-
Payable against selling and marketing	426	-	-	-	-	-
Balances held	------(As at 30 June 2020) (Audited)-----					
Units held (units in '000)	-	-	-	-	-	856
Units held (Rupees in '000)	-	-	-	-	-	90,904
Remuneration payable*	194	-	12	-	-	-
Sales load and other payables	145	11	-	-	-	-
Deposit With CDC	-	-	69	-	-	-
USSP V						
Transactions during the period	------(For the quarter ended 30 September 2020) (Un-audited)-----					
Value of units issued	-	-	-	-	-	72,992
Value of units redeemed	-	-	-	-	-	2,500,000
Dividend paid	-	-	-	-	-	85,873
Sale of securities	-	-	-	1,073,936	-	-
Remuneration	828	-	496	-	-	-
Sindh sales tax on remuneration	108	-	65	-	-	-
Reimbursement of Expense	828	-	-	-	-	-
Transactions during the period	------(For the quarter ended 30 September 2019) (Un-audited)-----					
Value of units issued	-	-	-	-	-	4,660,000
Value of units redeemed	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Remuneration	198	-	175	-	-	-
Sindh sales tax on remuneration	26	-	23	-	-	-
Balances held	------(As at 30 September 2020) (Un-audited)-----					
Units held (units in '000)	-	-	-	-	-	26,190
Units held (Rupees in '000)	-	-	-	-	-	2,639,878
Remuneration payable*	251	-	157	-	-	-
Sales load and other payables	11	15	-	-	-	-
Reimbursement of Expense	450	-	-	-	-	-
Balances held	------(As at 30 June 2020) (Audited)-----					
Units held (units in '000)	-	-	-	-	-	50,460
Units held (Rupees in '000)	-	-	-	-	-	5,098,857
Remuneration payable*	483	-	294	-	-	-
Sales load and other payables	31	15	-	-	-	-
Reimbursement of Expense	874	-	-	-	-	-
USSP VI						
Transactions during the period	------(For the quarter ended 30 September 2020) (Un-audited)-----					
Value of units issued	-	-	-	-	-	-
Value of units redeemed	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Sale of securities	-	-	-	36,142	-	-
Purchase of securities	-	-	7,996	-	-	-
Remuneration	383	-	23	-	-	-
Sindh sales tax on remuneration	50	-	3	-	-	-
Transactions during the period	------(For the quarter ended 30 September 2019) (Un-audited)-----					
Value of units issued	-	-	-	-	600	35,934
Value of units redeemed	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Remuneration	97	-	86	-	-	-
Sindh sales tax on remuneration	12	-	11	-	-	-
Balances held	------(As at 30 September 2020) (Un-audited)-----					
Units held (units in '000)	-	-	-	-	6	428
Units held (Rupees in '000)	-	-	-	-	626	44,710
Remuneration payable*	132	8	-	-	-	-
Sales load and other payables	105	-	-	-	-	-
Balances held	------(As at 30 June 2020) (Audited)-----					
Units held (units in '000)	-	-	-	-	6	159
Units held (Rupees in '000)	-	-	-	-	620	16,422
Remuneration payable*	184	-	11	-	-	-
Sales load and other payables	303	58	-	-	-	-

15 GENERAL

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

15.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

15.3 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

16 DATE OF AUTHORISATION FOR ISSUE

16.2 This condensed interim financial information was authorised for issue on October 29, 2020 by the Board of Directors of the Management Company.

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

USSF II

UBL Special Savings Fund II

INVESTMENT OBJECTIVE

UBL Special Savings Fund shall be an open-end Capital Protected Fund that aims to not only provide its unitholders capital preservation but competitive regular returns from a portfolio of fixed income investments in line with the risk tolerance of the Investor.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditor	Deloitte yousuf Adil
Bankers	Soneri Bank Limited
Management Co.Rating	AM1 (JCR-VIS)

UBL Special Savings Fund II
Condensed Interim Statement of Assets and Liabilities
As at 30 September 2020

		USSP VIII	
		(Un-Audited)	(Audited)
		30, September	30, June
		2020	2020
	<i>Note</i>	----- (Rupees in '000) -----	
Assets			
Bank balances	4	10,049	43,426
Investment	5	136,788	108,143
Profit receivable		1,046	2,918
Formation Cost		651	853
Prepayments and other receivables		9	8
Advance tax	6	1,562	1,562
Total assets		<u>150,104</u>	<u>156,910</u>
Liabilities			
Payable to UBL Fund Managers Limited - Management Company	7	1,256	1,145
Payable to Central Depository Company of Pakistan Limited - Trustee		8	9
Payable to Securities and Exchange Commission of Pakistan		8	10
Accrued expenses and other payables	8	1,649	1,460
Total liabilities		<u>2,920</u>	<u>2,624</u>
Net assets		<u>147,184</u>	<u>154,286</u>
Unit holders' fund (as per statement attached)		<u>147,184</u>	<u>154,286</u>
Contingencies and commitments	9	(Number of Units)	
Number of units in issue		<u>1,452,528</u>	<u>1,517,331</u>
		(Rupees)	
Net assets value per unit		<u>101.3295</u>	<u>101.6827</u>
Face value per unit		<u>100.0000</u>	<u>100.0000</u>

The annexed notes 1 to 16 form an integral part of these financial statements.

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL Special Savings Fund II

Condensed Interim Income Statement (Un-audited)

For the Quarter ended September 30, 2020

		Quarter Ended
		September 30,
		2020
<i>Note</i>		---- (Rupees in '000) ----
Income		
	Markup on bank deposits and mark-up / return on investments calculated using the effective interest method	3,008
Expenses		
	Remuneration of UBL Fund Managers Limited - Management Company	320
7.1	Allocation of expenses relating to the Fund	38
	Remuneration of Central Depository Company of Pakistan Limited - Trustee	26
	Annual fee of Securities and Exchange Commission of Pakistan	8
	Formation cost	202
	Auditors' remuneration	118
	Listing fees	18
	Legal and professional charges	47
	Bank charges	2
	Total operating expenses	777
	Net income from operating activities	2,231
	Provision for Sindh Workers' Welfare Fund	(44)
8.1	Net income for the period before taxation	2,188
	Taxation	-
10	Net income for the period after taxation	2,188
Allocation of net income for the period after taxation		
	Net income for the period after taxation	2,188
	Income already paid on units redeemed	(31)
	Accounting income available for distribution	2,157
Accounting income available for distribution		
	- Relating to capital gains	-
	- Excluding capital gains	2,157
		2,157

The annexed notes 1 to 16 form an integral part of these financial statements.

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL Special Savings Fund II
Condensed Interim Statement of Comprehensive Income (Un-audited)
For the Quarter ended September 30, 2020

	<u>Quarter Ended</u> <u>September 30,</u> <u>2020</u> ---- (Rupees in '000) ----
Net income for the period after taxation	2,188
Other comprehensive income for the period	-
Unrealised loss on re-measurement of investments - classified at fair value through other comprehensive income	(2,716)
Total comprehensive income for the period	<u><u>(529)</u></u>

The annexed notes 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL Special Savings Fund II

Condensed Interim Statement of Movement in Unit holders' Fund (Un-audited)

For the Quarter ended September 30, 2020

Quarter Ended September 30, 2020

	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total
----- (Rupees in '000) -----				
Net assets at beginning of the quarter	152,032	(247)	2,501	154,286
Issuance of Nil units				
- Capital value	-	-	-	-
- Element of income	-	-	-	-
Total proceeds on issuance of units	-	-	-	-
Redemption of 64,803 units				
- Capital value	(6,590)	-	-	(6,590)
- Element of loss				
- relating to other comprehensive income for the period	48	-	-	48
- relating to net income for the period after taxation		(31)	-	(31)
Total payments on redemption of units	(6,542)	(31)	-	(6,573)
Income already paid on units redeemed				
Total comprehensive income for the period	-	2,188	(2,716)	(529)
Interim distribution:	-	-	-	-
Net income for the period less distribution	-	2,188	(2,716)	(529)
Net assets at end of the quarter	<u>145,490</u>	<u>1,910</u>	<u>(215)</u>	<u>147,184</u>
Undistributed income brought forward:				
- Realised income		(2,748)		
- Unrealised income		2,501		
		(247)		
Accounting income available for distribution				
- Relating to capital gains		-		
- Excluding capital gains		2,157		
		2,157		
		-		
Undistributed income carried forward		<u>1,910</u>		
Undistributed income carried forward comprise of:				
- Realised income		4,626		
- Unrealised income		(2,716)		
		<u>1,910</u>		
				(Rupees)
Net assets value per unit at end of the period				<u>101.3295</u>

The annexed notes 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL Special Savings Fund II
Condensed Interim Cash Flow Statement (Un-audited)
For the Quarter ended September 30, 2020

	Note	<u>Quarter Ended</u> <u>September 30,</u> <u>2020</u> <u>---- (Rupees in '000) ----</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation		2,188
Adjustments:		
Markup on bank deposits and mark-up / return on investments calculated using the effective interest method		(3,008)
Provision for Sindh Workers' Welfare Fund		44
Formation cost		202
		<u>(2,762)</u>
Net cash used in operations before working capital changes		(574)
Working capital changes		
<i>(Increase) / Decrease in assets</i>		
Investments		(31,360)
Prepayments and other receivables		(1)
Advance tax		-
		<u>(31,361)</u>
<i>Increase / (decrease) in liabilities</i>		
Payable to UBL Fund Managers Limited - Management Company		111
Payable to Central Depository Company of Pakistan Limited - Trustee		(1)
Payable to Securities and Exchange Commission of Pakistan		(2)
Accrued expenses and other payables		144
		<u>251</u>
Profit received		4,880
Net cash flows (used in) / generated from operating activities		<u>(26,804)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units		-
Payments on redemption of units		(6,573)
Cash distribution to unit holders		-
Net cash flows generated from financing activities		<u>(6,573)</u>
Net increase in cash and cash equivalents		(33,377)
Cash and cash equivalents at beginning of the period		43,426
Cash and cash equivalents at end of the period		<u>10,049</u>
CASH AND CASH EQUIVALENTS		
Bank balances		10,049
Cash and cash equivalents at end of the period		<u>10,049</u>

The annexed notes 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL Special Savings Fund II
Notes to the Condensed Interim Financial Information (Un-Audited)
For the Quarter ended September 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

UBL Special Savings Fund II was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on June 17, 2019 and was approved by the Securities and Exchange Commission of Pakistan (SECP) for registration on June 19, 2019 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Fund commenced its operations from February 10, 2020. Accordingly these financial statements have been prepared from February 10, 2020 to June 30, 2020.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Fund is an open ended mutual fund. The Fund currently comprises of one plan namely, UBL Special Savings Plan VIII (USSP VIII) (the "Plan") which is listed on the Pakistan Stock Exchange Limited. The Plan is categorised as open-end Capital Protected Fund that aims to not only provide its unit-holders capital preservation but competitive regular returns from a portfolio of fixed income investments in line with the risk tolerance of the Investor. Capital preservation is for the units held within Plan till thirty (30) months & beyond from commencement of Life of Plan.

Class A units are the capital preserved units which are issued in Pre-IPO, IPO and subscription period of the Plan. As per the first supplement to the offering document of the Fund dated December 4, 2019, the subscription period of the plan was for 60 days until April 3, 2020. The subscription period was extended to June 2, 2020 vide third supplement to the offering document dated March 30, 2020. Back end load is applicable after the subscription period until the completion of 30 months of life of the Plan.

VIS Credit Rating Company has assigned management quality rating of AM1 to the Management Company as on December 31, 2019.

Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

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

2.1.2 The 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, 2020.

2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020.

2.1.4 In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2020.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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, JUDGEMENT AND CHANGES THEREIN

3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.

3.2 The preparation of this condensed interim financial information in conformity with 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 judgments 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 the 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, 2020.

3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

	Note	September 30, 2020	June 30, 2020
4 BANK BALANCES			
In saving accounts	4.1	10,049	43,426
		<u>10,049</u>	<u>43,426</u>

4.1 These carry profit rates ranging from 7.00% to 8.35% (June 2019: from 7% to 9%) per annum.

5 INVESTMENTS

Note	September 30, 2020	June 30, 2020
------	-----------------------	------------------

Investments by category

At fair value through other comprehensive income

Government securities

- Pakistan Investment Bonds

- Market Treasury bills

5.1	132,836	104,259
5.2	3,952	3,884
	<u>136,788</u>	<u>108,143</u>

5.1 Investment in Pakistan Investment Bonds - At fair value through other comprehensive Income

Issue Date	Note	Tenor	At the beginning of the quarter	Acquired during the quarter	Sold / matured during the quarter	At the end of the quarter	Market value as at Sep 30, 2020	Percentage of investment
			----- No. of certificates -----			----- (Rupees in '000) -----		
PIBs								
September 19, 2019	5.2.1	3 Year	50,000	14,000	-	64,000	65,068	48%
July 12, 2018	5.2.2	3 Year	-	17,000	-	17,000	16,997	12%
September 19, 2019	5.2.3	5 Year	50,000	-	-	50,000	50,771	37%
			<u>100,000</u>	<u>31,000</u>	<u>-</u>	<u>131,000</u>	<u>132,836</u>	<u>97%</u>

5.2 Investment in Market Treasury Bills - At fair value through other comprehensive Income

Issue date	Tenor	At the beginning of	Acquired during the	Sold / matured	At the end of the quarter	Market value as at Sep 30, 2020	Percentage of investment
		----- No. of certificates -----				(Rupees in '000) -----	
Market Treasury Bills							
December 5, 2019	1 Year	4,000	-	-	4,000	3,952	3%
		4,000	-	-	4,000	3,952	3%

5.2.1 This Pakistan Investment Bonds carry coupon interest at the rate of 9% per annum.

5.2.2 This Pakistan Investment Bonds carry coupon interest at the rate of 7.25% per annum.

5.2.3 This Pakistan Investment Bonds carry coupon interest at the rate of 9.5% per annum.

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). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

During the period ended September 30, 2020, management fee was charged at the rate of 0.75% (June 30, 2020: 0.75%). The remuneration is paid to the Management Company on monthly basis in arrears.

7.1 Allocated expenses and selling and marketing expenses

The Management Company is charging 0.1% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services

The Management Company is charging 0.4% per annum of average daily net assets on account of fee and expenses related to selling and marketing expenses.

8 ACCRUED EXPENSES AND OTHER PAYABLES

8.1 Provision for Workers' Welfare Fund (WWF)

There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.1 to the annual audited financial statements for the year ended June 30, 2020.

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs. 0.16 million (June 30, 2020: Rs. 0.12 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 SWWF not been provided for, the net assets value per unit would have been higher by Rs. 0.1105 (June 30, 2020: Rs. 0.0771).

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2020 and June 30, 2020.

10 TAXATION

The income of the Fund is exempt from tax under clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Further, the Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. As the Management Company intends to distributed through cash at least 90% of the Fund's net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

11. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as, in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

12. TOTAL EXPENSE RATIO (TER)

Total Expense Ratio of the Fund for the period ended September 30, 2020 is 2.18% which includes 0.24% representing Government levies, Sindh Workers' Welfare Fund and SECP fee.

13. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of Management Company.

Transactions with the connected persons are carried out in the normal course of business, at agreed / contracted rates.

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

Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

Details of transactions with related parties / connected persons during the quarter and balances held with them at the quarter ended September 30, 2019 are as follows:

Transactions during the quarter

	Quarter ended September 30, 2020					
	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
	----- (Rupees in '000) -----					
Units issued - (Units in '000)	-	-	-	-	-	-
Value of Units issued	-	-	-	-	-	-
Profit on saving accounts	-	-	-	-	-	-
Purchase of securities	-	-	-	25,431	-	-
Remuneration	320	-	23	-	-	-
Dividend paid	-	-	-	-	-	-
Formation Cost	202	-	-	-	-	-
Allocation of expenses relating to the Fund	38	-	-	-	-	-

Balances outstanding as at quarter end

	As at September 30, 2020					
Units held (in units '000)	1,000	-	-	-	-	-
Units held (in rupees '000)	101,329	-	-	-	-	-
Bank balances	-	-	-	-	-	-
Remuneration payable	110	-	8	-	-	-
Payable against allocated expenses	25	-	-	-	-	-
Formation Cost	1,010	-	-	-	-	-
Back End Load Payable	111	-	-	-	-	-
Profit receivable	-	-	-	-	-	-

Balances outstanding as at

	As at June 30, 2020					
Units held (in units '000)	1,000	-	-	-	-	-
Units held (in rupees '000)	101,683	-	-	-	-	-
Bank balances	-	-	-	-	-	-
Remuneration payable	109	-	9	-	-	-
Payable against allocated expenses	26	-	-	-	-	-
Formation Cost	1,010	-	-	-	-	-
Profit receivable	-	-	-	-	-	-

14. 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 the 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.

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).

The table below provides information on financial assets or liabilities carried at fair values, by valuation methods.

On-balance sheet financial instruments

	Carrying Amount		Fair value		
	As at September 30, 2020		As at September 30, 2020		
	Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3
Rupees in '000					
Financial assets measured at fair value					
Bank balances	-	10,049	-	-	-
Investments	-	-	-	136,788	-
Profits receivable	-	1,046	-	-	-
Formation Cost	-	651	-	-	-
	-	11,745	-	136,788	-
Financial liabilities not measured at fair value					
Payable to Management Company	-	1,256			
Payable to Trustee	-	8			
Accrued expenses and other liabilities	-	1,649			
	-	2,913			

	Carrying Amount			Fair value		
	As at June 30, 2020			As at June 30, 2020		
	Fair value through profit or loss	Loans and receivables	Other financial liabilities	Level 1	Level 2	Level 3
Rupees in '000						
Financial assets measured at fair value						
Bank balances	-	-	43,426	-	-	-
Investments	-	-	-	-	108,143	-
Profits receivable	-	-	2,918	-	-	-
Formation Cost	-	-	853	-	-	-
	-	-	47,197	-	108,143	-
Financial liabilities not measured at fair value						
Payable to Management Company	-	-	1,145			
Payable to Trustee	-	-	9			
Accrued expenses and other liabilities	-	-	469			
	-	-	1,623			

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

14.2 Net assets attributable to unitholders. The Fund routinely redeems and issues the units at the amount equal to the proportionate share of net assets of the Fund at the time of redemption, calculated on a basis consistent with that used in these financial statements. Accordingly, the carrying amount of net assets attributable to unitholders approximates their fair value. The units are categorized into Level 2 of the fair value hierarchy.

15 GENERAL

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

15.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

15.3 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network (“VPN”) connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

16 Date of authorisation for issue

16.1 This condensed interim financial information was authorised for issue on October 29, 2020 by the Board of Directors of the Management Company.

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Chief Financial Officer









SD
Director









**Be aware, Be alert,
Be safe**

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