



Quarterly Report

September 2021



CORPORATE INFORMATION

Board of Directors

Azhar Hamid (Chairman)

Yasir Qadri (Chief Executive Officer)

Syed Furrukh 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 Furrukh Zaeem

Yasir Qadri

Azhar Hamid

Arif Akmal Saifie

HR & Compensation Committee

Azhar Hamid (Chairman)

Huma Pasha*

Syed Furrukh Zaeem

Sadia Saeed**

Yasir Qadri

Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem
Member

Mufti Muhammad Najeeb Khan
Member

*Appointment effective September 16, 2020.

**Resigned effective July 19, 2021.

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 Special Saving Plan-II

Launch Date: 09 March 2020

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

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 Aggressive Income Plan-I

Launch Date: 16 April 2020

UBL Special Saving Fund II

Launch Date: 10 February 2020

Conventional Investment Plans

UBL Mahana Munafa Plan

UBL Children Savings Plan

UBL Equity Builder Plan

UBL Wealth Builder Plan

Islamic Investment Plans

Al-Ameen Mahana Munafa Plan

Al-Ameen Children Savings Plan

Al-Ameen Equity Builder Plan

Al-Ameen Wealth Builder Plan

Al-Ameen Hajj Savings Plan



DIRECTORS' REPORT

The Board of Directors of UBL Fund Managers Limited is pleased to present the annual report of its UBL Liquidity Plus Fund (ULPF), UBL Cash Fund (UCF), UBL Money Market Fund (UMMF), UBL Government Securities Fund (UGSF), UBL Income Opportunity Fund (UIOF), UBL Growth and Income Fund (UGIF), UBL Stock Advantage Fund (USF), UBL Asset Allocation Fund (UAAF), UBL Dedicated Equity Fund (UDEF), UBL Financial Sector Fund (UFSF), UBL Financial Planning Fund [comprising of UBL Active Principal Preservation Plan III (UAPPP-III)], UBL Pakistan Enterprise Exchange Traded Fund (UBLPETF), 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, 2021.

Economy and Money Market outlook 1QFY22

Despite a myriad of challenges, the economic recovery now appears less vulnerable to pandemic related uncertainty as the country enters into the normalization phase. LSM growth stood at 7.3% during 2MFY22 with Automobile, Pharmaceuticals, Food and Textile leading the rise. Going forward, the ongoing economic momentum along with the pace of COVID inoculation drive would be important factors in supporting growth in the near to medium term.

The headline inflation for September arrived in at 9.0%YoY and 2.1%MoM (above street consensus), taking 1QFY22 CPI reading to 8.58% as compared to 8.84% in SPLY. The rise in inflation on MoM basis was primarily driven by food inflation with non-perishable food constituent witnessing a jump of 4.1% MoM. In addition, housing constituent rose by 1.6% MoM during Sep-21 on the back higher electricity fuel price adjustment. The recent surge in food inflation has been brought about by supply and administrative issues which if not addressed would seep into broader prices. However, on an overall basis, we think inflation will remain subdued in upcoming months mainly on account of high base effect. For the current fiscal year, we expect inflation to remain in the range of 8.0-9.0%. Upside risks to our forecast include higher than anticipated increase in electricity tariffs and elevated international commodity prices.

In the recent MPC meeting, the central bank decided to increase the policy rate by 25bps to 7.25% citing that the pace of the economic recovery has exceeded expectations. In addition, the robust recovery in domestic demand, coupled with higher international commodity prices, is leading a strong pick-up in imports and a rise in the current account deficit. The uptick has manifested in the secondary market yields as the 3Yr, 5Yr and 10Yr PKRV yields rose by 104bps, 67bps and 55bps in Sep-21 respectively, underscoring expectations of a monetary tightening cycle. In a reaction to the recent unexpected uptick in inflation, yield curve may move upwards in the upcoming month. We expect the monetary tightening stance to continue.

Sustainability of current growth requires the external account to remain manageable. In this regard, import dynamics are important. The revival of economic activities domestically and a persistent rise in prices of raw materials for consumer and capital goods during the last three months has pushed the import bill upwards. The substantial jump in international commodity prices has consequently put pressure on the exchange rate. Pakistan posted a current account deficit of USD 1,476 MN in August,



much higher as compared to a deficit of USD 814 MN in the previous month. Lack of cross border traveling in relation to the COVID induced restrictions have limited the import of financial services (FY21: USD 258 MN versus FY19: USD 418 MN), construction services (FY21: USD 2 MN versus FY19: USD 1,205 MN) and travel services (FY21: USD 824 MN versus FY19: USD 1,709 MN). Going forward, the resumption in travel activity is expected to increase the import of the aforesaid services thereby further pressurizing the current account balance. We project CAD for FY22 to breach the upper bound of SBP stated target i.e. 3.0% of GDP.

PKR depreciated 8.3% against USD and closed at 170.7 as compared to 157.5 in Jun-21. As per the latest data, Real Effective Exchange Rate (REER) for the month of Aug-21 was 97.4. We don't expect a considerable change in PKR parity from current levels as the REER is already oscillating within 95-100.

As per provisional fiscal numbers, FBR collected PKR 1,395 BN during 1QFY22, exceeding the target of PKR 1,211 BN. We foresee strong revenue collection during the remaining period of current fiscal year on account of robust growth in manufacturing sector and domestic recovery elevating tax collection at import stage. However, the overall fiscal deficit is expected to overshoot the budgeted target of 6.3% of GDP.

Debt Market Review for 1QFY2022

During 1QFY22, SBP raised the policy rate by 25 bps to 7.25%. The first change since June 2020. Despite the increase of only 25 bps in the policy rate, the secondary market yields increased by 31 bps to 92 bps ranging from 3 Months to 10 Years papers during this quarter. The highest increased was witnessed in 1 Year PKRV. With the given macroeconomic outlook, the market is anticipating further monetary tightening during this fiscal year.

Tenors	PKRV as at 30th Sep 2021	PKRV as at 30th June 2021	Change (1QFY22)
3 Months	7.59	7.28	0.31
6 Months	7.99	7.53	0.46
1 Year	8.73	7.81	0.92
3 years	9.72	8.99	0.73
5 Years	9.95	9.49	0.46
10 Years	10.45	9.94	0.51

During 1QFY22, market appetite for the treasury bills remained strong. Heavy participation amounting to PKR ~7.7 trillion was observed, out of this government accepted ~PKR 3.1 trillion. A significant interest was seen in the 6M T-Bills especially in the first 2 months of 1QFY22 mainly on the back of accommodative stance in the monetary policy by SBP in Jul'21. However, very low participation was witnessed in 6M after Sep'21 MPS. During 1QCY22, the market participated PKR ~4.4 trillion in 6M T-Bills which constituted 55% of the total participation followed by 3M T-Bills with the participation of PKR ~2.8 trillion (35% of the total participation). However market hesitant to participate in 1Y T-Bills which constituted only 10% of the total participation.



As further monetary tightening on the cards, a significant participation was observed in floater rate PIBs, a participation of PKR 1.2 trillion took place in the floater rate PIB auctions, out of which the government accepted PKR 781 billion. Out of PKR 781 billion, PKR 66 billion accepted in the 2Y floater PIB, PKR 591bn accepted in the 3Y floater PIB and PKR 123 billion accepted in 5Y floater PIB. In contrast, relatively low participation was witnessed in the fixed rate PIBs as compared to floater rate PIBs. The market participated PKR 943 billion in the fixed rate PIBs, out of which the government proactively accepted ~PKR 385 billion. Despite the heavy participation, the market demanded relatively higher yields. Therefore, yields of 3Y increased by 73 bps, yields of 5Y increased by 46 bps and 51 bps was increased in 10Y PIBs during 1QFY22.

Only one ijara sukuk auction was held during this quarter. The market remained inclined towards variable rate Ijara sukuk. Total participation was PKR 193 billion in the variable rate Ijara sukuk auction and the government accepted PKR 190.5 billion against the target of PKR 75 billion only. In contrast, only PKR 55.8 billion participation was witnessed in the fixed rate Ijara sukuk and the government accepted PKR 12.7 billion against the target of PKR 25 billion.

Stock Market Review for 1QFY22

The benchmark KSE-100 index underwent correction as the local bourse dipped 5.2% mainly due to a downgrade of Pakistan to frontier market status, continuation of PKR depreciation against USD (8.3% QoQ) and a hike in policy rate by 25bps to 7.25% towards the end of the quarter. Going forward, resumption of IMF's EFF, impact of geopolitical re-alignment post US exit from Afghanistan, extension in GSP plus status, speed of COVID vaccine inoculation drive and the direction of international commodity prices would be important factors in determining market momentum over the near to medium term.

Trading activity fell with average value traded and volumes declining by 48% and 40% sequentially. Foreigners offloaded shares amounting to USD 83 MN during the quarter. Among domestic investors, individuals, other organization, Banks/DFI remained net buyers, mopping up shares worth USD 33/27/21 MN. Broker proprietary trading/ mutual funds on the other hand remained net seller within the domestic investors selling shares worth USD 15/7 MN.

Fund-wise performance is as follows:

1) UBL LIQUIDITY PLUS FUND (ULPF)

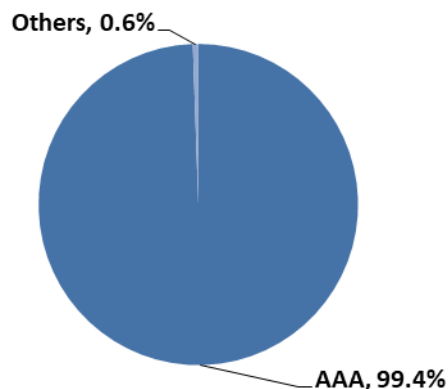
UBL Liquidity Plus Fund (ULPF) is an open end Money Market Fund with investment objective to provide attractive daily returns while maintaining comparatively high liquidity. ULPF yielded return of 8.73%p.a. during 1QFY22. Major exposure was maintained in cash at the end of Sep21, thus maintaining high portfolio quality. The net assets of the fund were PKR 30,262mn at the end of 1QFY22. The Asset allocation was made as such to ensure high liquidity is kept intact. The weighted average maturity of the Fund was 3.3 days the end 1QFY22.

	ULPF	Benchmark
1QFY'22 Return:	8.73%	6.75%
Standard Deviation (12m Rolling):	0.28%	0.08%
Sharpe Ratio (12m Rolling):	1.04	(6.49)



Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
Cash	2.2%	4.7%	80.4%
Placements with Banks	0.0%	11.9%	19.1%
T-Bills	89.0%	65.2%	0.0%
Placements with DFIs	8.4%	9.0%	0.0%
Others	0.3%	9.2%	0.6%
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)	8.73%	8.05%	7.52%	9.56%	8.15%	8.70%
Benchmark	6.75%	6.76%	6.71%	9.04%	7.62%	8.10%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 550.515 million for the quarter September 30, 2021 which mainly includes markup / interest income on bank balances, Government Securities. After accounting for the expenses of PKR 33,576 million, the Fund managed to earn a net income of PKR 599.850 million. The net assets of the Fund were PKR 30,262.222 million as at September 30, 2021 representing the net asset value of PKR 101.2894 per unit.

The Chief Executive under the authority granted by the Board of Directors approved interim distributions of PKR 524.500 million to the unit holders.

VIS Credit Rating Company Limited has reaffirmed the AA+(f) rating of the Fund.



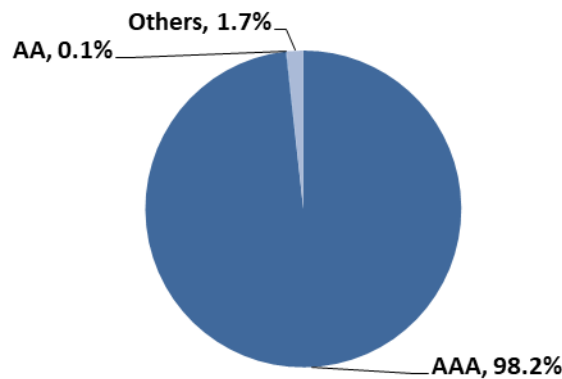
2) UBL MONEY MARKET FUND (UMMF)

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 9.5% p.a. whereas its net assets were PKR 3,077 million at the end of 1QFY22. The Fund Manager maintained a high-quality liquid profile during the period with major allocation of 83.8% to cash & cash equivalents. The weighted average time to maturity of the Fund was 2.9 day at the end of 1QFY22.

	UMMF	Benchmark
1QFY'22 Return:	9.50%	6.75%
Standard Deviation (12m Rolling):	0.73%	0.08%
Sharpe Ratio (12m Rolling):	0.03	(6.49)

Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
Cash	9.3%	5.6%	83.8%
Placements with Banks	0.0%	7.2%	14.5%
Placements with DFIs	8.9%	16.1%	0.0%
T-Bills	81.4%	70.3%	0.0%
Others	0.4%	0.8%	1.7%
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)	9.50%	8.10%	7.25%	9.22%	7.70%	8.25%
Benchmark	6.75%	6.76%	6.71%	9.04%	7.62%	8.65%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 54,260 million for the quarter ended September 30, 2021 which mainly includes markup / interest income on bank balances, placements and Government Securities. After accounting for the expenses of PKR 8.920 million, the Fund managed to earn a net income of PKR 64.974 million. The net assets of the Fund were PKR 3,076.828 million as at September 30, 2021 representing the net asset value of PKR 103.0111 per unit.

VIS Credit Rating Company Limited has reaffirmed the AA+(f) rating of the Fund.

3) UBL CASH FUND (UCF)

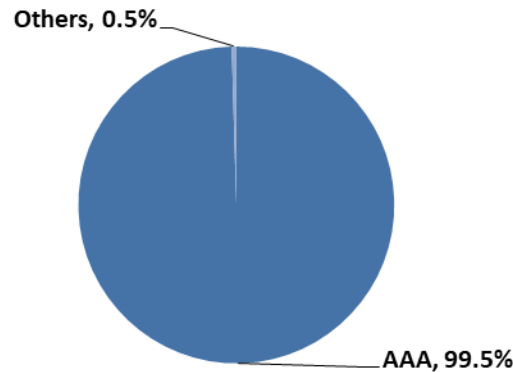
The objective of UBL Cash Fund (UCF) is to generate attractive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors. During the period under review, UCF generated a return of 8.20% p.a. whereas its net assets were PKR 7,327mn at the end of 1QFY22. The weighted average time to maturity of the fund was 2.58 day at the end of 1QFY22.

	UCF	Benchmark
1QFY'22 Return:	8.20%	6.75%
Standard Deviation (12m Rolling):	0.13%	0.08%
Sharpe Ratio (12m Rolling):	2.24	(6.49)

Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
Cash	4.2%	1.9%	92.0%
Placements with Banks	0.0%	0.0%	7.5%
Placements with DFIs	4.5%	5.6%	0.0%
T-Bills	91.0%	83.6%	0.0%
Others	0.3%	8.9%	0.5%
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)	8.20%	7.84%	7.52%	-	-	9.56%
Benchmark	6.75%	6.76%	6.71%	-	-	7.38%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 95.507 million for the quarter ended September 30, 2021 which mainly includes markup / interest income on bank balances, term deposit receipts, Government Securities and. After accounting for the expenses of PKR 4.449 million, the Fund managed to earn a net income of PKR 96.838 million. The net assets of the Fund were PKR 7,327.214 million as at September 30, 2021 representing the net asset value of PKR 102.1161 per unit.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned and maintained the AA+(f) rating of the Fund.

4) UBL GOVERNMENT SECURITIES FUND (UGSF)

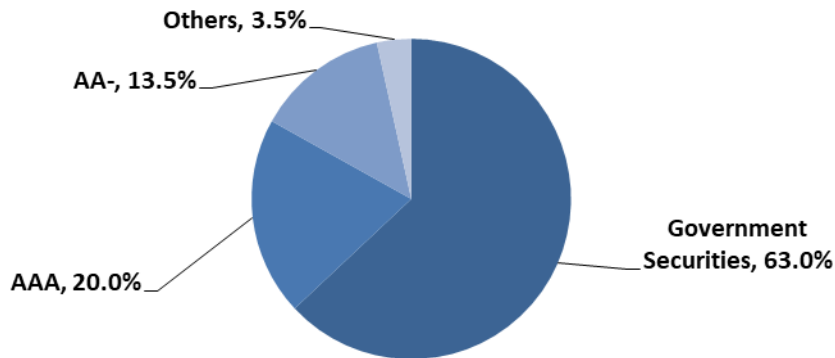
The objective of the Fund is to generate a competitive return with minimum risk, by investing primarily in Government Securities. UBL Government Securities Fund posted a return of 12.13% p.a whereas its net assets were PKR 2,332mn at the end of 1QFY22. The fund has 53.3% exposure in PIB- Floater at the end of 1QFY22. The weighted average maturity of the Fund was 1.85 years at the end of 1QFY22.

	UGSF	Benchmark
1QFY'22 Return:	12.13%	7.52%
Standard Deviation (12m Rolling):	1.37%	0.19%
Sharpe Ratio (12m Rolling):	0.23	1.06



Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
PIB - Floater	65.5%	36.8%	53.3%
Cash	11.4%	15.6%	25.2%
PIB - Fixed	0.0%	12.4%	9.8%
Placements with Banks	0.0%	0.0%	8.3%
T-Bills	21.4%	34.2%	0.0%
Others	1.7%	1.0%	3.5%
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)	12.13%	9.74%	7.54%	9.80%	7.80%	9.21%
Benchmark	7.52%	7.54%	7.43%	9.77%	8.38%	8.34%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 43.895 million for the quarter ended September 30, 2021 which mainly includes markup / interest income on bank balances, term deposit receipts, Government Securities and. After accounting for the expenses of PKR 9.163 million, the Fund managed to earn a net income of PKR 65.789 million. The net assets of the Fund were PKR 2,332.450 million as at September 30, 2021 representing the net asset value of PKR 105.8643 per unit.

The Chief Executive under the authority granted by the Board of Directors approved interim distribution of PKR 65.369 million to the unit holders during the year.

VIS Credit Rating Company Limited has reaffirmed the AA(f) rating of the Fund.



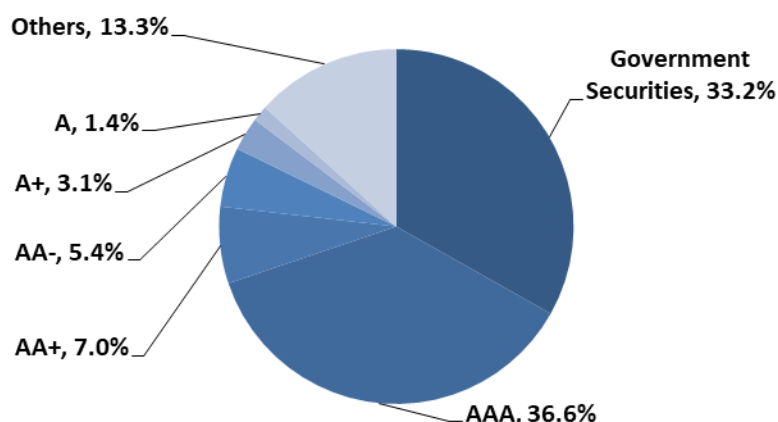
5) UNITED GROWTH & INCOME FUND (UGIF)

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 13.02% p.a. during 1QFY22. Its fund size stood at PKR 1,582mn at end of Sep-21. The fund manager had major exposure in Cash and PIBs, weighted average time to maturity of the fund was 2.54 years at the end of 1QFY22.

	UGIF	Benchmark
1QFY'22 Return:	13.02%	7.87%
Standard Deviation (12m Rolling):	3.94%	0.24%
Sharpe Ratio (12m Rolling):	1.21	2.00

Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
Cash	14.4%	16.3%	24.2%
PIB - Floater	15.9%	17.8%	21.5%
Term Finance Certificates/ Sukuks	9.1%	10.2%	17.0%
Placements with Banks	0.0%	0.0%	11.0%
Spread Transaction	6.4%	3.8%	9.4%
T-Bills	25.4%	42.8%	6.0%
PIB - Fixed	0.0%	4.9%	5.7%
Commercial Paper	1.0%	1.2%	1.4%
Others	27.7%	3.1%	3.9%
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)	13.02%	18.06%	12.02%	11.37%	8.91%	7.26%
Benchmark	7.87%	7.86%	7.71%	9.98%	8.61%	9.98%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 46.414 million for the quarter ended September 30, 2021 which mainly includes markup / interest income on bank balances, Government Securities, Corporate Sukuks. After accounting for the expenses of PKR 8.471 million, the Fund managed to earn a net income of PKR 57.055 million. The net assets of the Fund were PKR 1,582.250 million as at September 30, 2021 representing the net asset value of PKR 87.6917 per unit.

VIS Credit Rating Company Limited has reaffirmed the A+(f) 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 -4.37%. The fund manager maintained the exposure in local equity market of around 95.5% while exposure in cash stood at 1.8% at the end of Sep-21. The net assets of the fund were PKR 7,523mn as at 1QFY22.

	USF	Benchmark
1QFY'22 Return:	-4.37%	-5.19%
Standard Deviation (12m Rolling):	13.90%	14.41%
Sharpe Ratio (12m Rolling):	0.05	0.24

Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
Equities	93.2%	93.8%	95.5%
Cash	5.6%	5.8%	1.8%
Others	1.1%	0.5%	2.7%
Leverage	Nil	Nil	Nil



USF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USF	-4.37%	0.65%	7.89%	12.02%	20.07%	460.42%
Benchmark	-5.19%	0.70%	10.67%	9.51%	10.75%	261.10%

Returns are on absolute basis

The Fund earned a total loss of PKR 346,521 million for the quarter ended September 30, 2021 (including an unrealized loss of PKR 431.711 million on re-measurement of investments). The earnings of the Fund represent income from bank balances and dividends. After accounting for expenses of PKR 90.787 million, the fund managed to earn a net loss of PKR 347,667 million. The net assets of the Fund were PKR 7,522.901 million as at September 30, 2021 representing the net asset value of PKR 75.10 per unit.

7) UBL INCOME OPPORTUNITY FUND (UIOF)

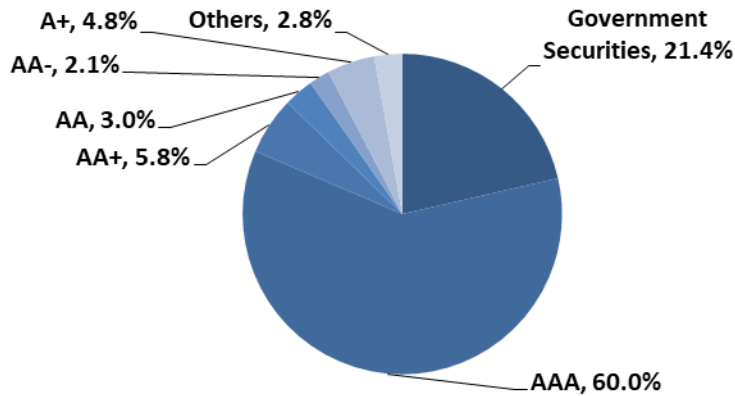
The objective of UBL Income Opportunity Fund is to provide a competitive rate of return to its investors by investing in quality TFCs / Sukuk, Government Securities, Bank Deposits, and short and long term debt instruments. The Fund posted a return of 7.98% p.a. during 1QFY22. The weighted average maturity of the fund was 1.15 years at the end of Sep-21. The Fund's Asset Size stood at PKR 2,559mn as at 1QFY22.

	UIOF	Benchmark
1QFY'22 Return:	7.98%	7.54%
Standard Deviation (12m Rolling):	0.62%	0.19%
Sharpe Ratio (12m Rolling):	(0.49)	1.16

Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
Cash	19.8%	15.7%	41.0%
Placements with Banks	0.0%	10.2%	20.9%
PIB - Floater	11.5%	15.5%	17.6%
Term Finance Certificates/ Sukuks	5.2%	7.1%	13.9%
T-Bills	34.4%	38.1%	3.8%
Spread Transaction	10.3%	11.1%	0.0%
Others	18.9%	2.3%	2.8%
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)	7.98%	7.28%	6.93%	10.25%	8.00%	8.14%
Benchmark	7.54%	7.57%	7.45%	9.81%	8.42%	8.19%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 62.283 million for the quarter ended September 30, 2021, which mainly includes markup / interest income on bank balances, placements, government securities, corporate bonds / sukuks and investment in margin trading system. After accounting for the expenses of PKR 9.277 million, the Fund managed to earn a net income of PKR 59.730 million. The net assets of the Fund were PKR 2,558.664 million as at September 30, 2021 representing the net asset value of PKR 112.4068 per unit.

VIS Credit Rating Company Limited has reaffirmed the AA-(f) rating of 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 0.23%. The fund manager maintained the exposure in local equity market of around 37.9% while exposure in cash stood at 20.7% at the end of Sep-21. The net assets of the fund were PKR 874mn as at 1QFY22.

	UAAF	Benchmark
1QFY'22 Return:	0.23%	-0.86%
Standard Deviation (12m Rolling):	5.89%	5.74%
Sharpe Ratio (12m Rolling):	0.17	0.43



Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
Equities	36.5%	37.3%	37.9%
Cash	26.9%	26.1%	20.7%
Term Finance Certificates/ Sukuks	12.3%	12.3%	16.3%
PIB - Floater	21.9%	11.0%	11.2%
PIB - Fixed	0.0%	10.5%	10.4%
Others	2.4%	2.8%	3.5%
Leverage	Nil	Nil	Nil

UAAF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UAAF	0.23%	3.28%	8.22%	27.72%	41.57%	128.15%
Benchmark	-0.86%	2.75%	9.70%	27.30%	46.63%	107.07%

Returns are on absolute basis

The Fund earned a total loss of PKR 8.449 million for the quarter ended September 30, 2021 (including an unrealized loss of PKR 23.395 million). The earnings of the Fund mainly include income from Government Securities, bank balances, Corporate TFC's, Term Deposits Receipts amounting to PKR 10.586 and dividend income of PKR 4.692 million. After accounting for expenses of PKR 6.435 million, the net income of the Fund amounted to Rs.1.748 million. The net assets of the Fund were PKR 874.261 million as at September 30, 2021 representing the net asset value of PKR 149.1384 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 3.12%. The fund manager maintained the exposure in local equity market of around 89.6% while exposure in cash stood at 7.6% at the end of Sep-21. The net assets of the Fund were PKR 1,024mn as at 1QFY22.

	UFSF	Benchmark
1QFY'22 Return:	3.12%	-5.19%
Standard Deviation (12m Rolling):	13.43%	14.41%
Sharpe Ratio (12m Rolling):	0.06	0.24



Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
Equities	92.9%	93.9%	89.6%
Cash	6.5%	4.8%	7.6%
Others	0.6%	1.3%	2.8%
Leverage	Nil	Nil	Nil

UFSF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UFSF	3.12%	8.57%	8.02%	-4.62%	-	-15.48%
Benchmark	-5.19%	0.70%	10.67%	9.51%	-	-3.57%

Returns are on absolute basis

The Fund incurred a total income of PKR 34.188 million for the quarter ended September 30, 2021. The earnings of the Fund represent income from bank balances and dividends. After accounting for expenses of PKR 11.097 million, the Fund incurred a net income of PKR 25.252 million. The net assets of the Fund were PKR 1,023.631 million as at September 30, 2021 representing the net asset value of PKR 77.3460 per unit.

10) UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND (UBLPETF)

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 -5.85%. The fund manager maintained the exposure in local equity market of around 93.8% while exposure in cash stood at 3.4% at the end of Sep-21. The net assets of the Fund were PKR 50mn as at 1QFY22.

	UBLP-ETF	Benchmark
1QFY'22 Return:	-5.85%	-5.74%
Standard Deviation (12m Rolling):	12.91%	13.37%
Sharpe Ratio (12m Rolling):	(0.27)	(0.10)

Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
Equities	95.7%	95.6%	93.8%
Cash	1.8%	1.8%	3.4%
Others	2.4%	2.7%	2.8%
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	-5.85%	-1.09%	3.77%	-	-	24.62%
Benchmark	-5.74%	-0.06%	5.91%	-	-	28.21%

Returns are on absolute basis

The Fund earned a total income of PKR 0.926 million for the quarter ended September 30, 2021. The earnings of the Fund represent income from bank balances and dividends. After accounting for expenses of PKR 0.218 million.

The net assets of the Fund were PKR 50.323 million as at September 30, 2021 representing the net asset value of PKR 12.8704 per unit.

The Chief Executive under the authority granted by the Board of Directors approved interim distribution of PKR 3.124 million during the quarter ended September 30, 2021.

11) UBL FINANCIAL PLANNING FUND (UFPF)

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

The Plan yielded return of 2.30% during Sep-21 against benchmark return of 1.72%. Major exposure was maintained in Money Market funds. The net assets of the Plan were PKR 27mn as at the 1QFY22.

	UAPPP-III	Benchmark
1QFY'22 Return:	2.30%	1.72%
Standard Deviation (12m Rolling):	1.32%	0.00%
Sharpe Ratio (12m Rolling):	(0.36)	0.00

Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
Money Market Funds	88.9%	83.3%	74.1%
Cash	8.4%	12.7%	19.7%
Others	2.7%	4.0%	6.3%
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	2.30%	3.70%	6.76%	-	-	9.66%
Benchmark	1.72%	3.45%	6.94%	-	-	12.71%

Returns are on absolute basis

UFPF comprises of the UBL Active Principal Preservation Plan - III. The Plan earned a total income of PKR 1 million for the quarter ended September 30, 2021. The earnings of the Fund represent income from bank balances and capital gains from sale of investments. After accounting for expenses of PKR 0.211 million, the Fund managed to earn a net income of PKR 1.040 million. The net assets of the Fund were PKR 27.255 million as at September 30, 2021 representing the net asset value of PKR 109.5359 per unit.

12) 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 7.84%. Major exposure was maintained in T-Bills at the end of Sep-21, thus maintaining high portfolio quality. The net assets of the fund were PKR 278mn as at the 1QFY22.

	USSP-I	Benchmark
1QFY'22 Return:	7.84%	7.52%
Standard Deviation (12m Rolling):	0.89%	0.19%
Sharpe Ratio (12m Rolling):	(1.72)	1.06

Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
T-Bills*	10.6%	61.9%	62.4%
Cash	71.0%	19.3%	19.0%
PIB - Fixed*	18.0%	18.1%	17.9%
Others	0.5%	0.8%	0.7%
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)	7.84%	7.08%	5.70%	-	-	10.85%
Benchmark	7.52%	7.54%	7.43%	-	-	9.79%

Returns are annualized using the Morningstar Methodology

The Plan earned a total income of PKR 6.001 million for the quarter ending September 30, 2021. The earnings of the Fund represent markup / interest income on bank balances and Government Securities. After accounting for expenses of PKR 1.379 million, the Fund managed to earn a net income of PKR 6.644 million. The net assets of the Fund were PKR 278.135 million as at September 30, 2021 representing the net asset value of PKR 103.8680 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 7.61%. Major exposure was maintained in T-Bills at the end of Sep-21. The net assets of the Plan were PKR 573mn as at 1QFY22.

	USSP-II	Benchmark
1QFY'22 Return:	7.61%	7.52%
Standard Deviation (12m Rolling):	0.84%	0.19%
Sharpe Ratio (12m Rolling):	(1.32)	1.06

Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
T-Bills*	0.0%	57.6%	59.1%
PIB - Fixed*	29.1%	29.3%	29.5%
Cash	70.3%	12.1%	10.6%
Others	0.6%	1.0%	0.8%
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)	7.61%	7.25%	6.12%	-	-	11.36%
Benchmark	7.52%	7.54%	7.43%	-	-	9.75%

Returns are annualized using the Morningstar Methodology



The Plan earned a total income of PKR 12.805 million for the period ending September 30, 2021. The earnings of the Fund represent markup / interest income on bank balances and Government Securities. After accounting for expenses of PKR 2.418 million, the Fund managed to earn a net income of PKR 14.159 million. The net assets of the Fund were PKR 572.911 million as at September 30, 2021 representing the net asset value of PKR 103.6414 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 11.19%. Major exposure was in PIBs at the end of Sep-21. The net assets of the Plan were PKR 49mn as at the 1QFY22.

	USSP-III	Benchmark
1QFY'22 Return:	11.19%	7.52%
Standard Deviation (12m Rolling):	2.18%	0.19%
Sharpe Ratio (12m Rolling):	(0.50)	1.06

Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
PIB - Fixed*	57.6%	58.0%	57.8%
T-Bills*	25.9%	25.1%	25.6%
Cash	15.9%	15.8%	15.2%
Others	0.6%	1.1%	1.5%
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)	11.19%	9.30%	6.15%	-	-	12.55%
Benchmark	7.52%	7.54%	7.43%	-	-	9.66%

Returns are annualized using the Morningstar Methodology

The Plan earned a total income of PKR 1.307 million for the period ended September 30, 2021. The earnings of the Fund represent markup / interest income on bank balances and Government Securities. After accounting for expenses of PKR 0.279 million, the Fund managed to earn a net income of PKR 1.884 million. The net assets of the Fund were PKR 48.895 million as at September 30, 2021 representing the net asset value of PKR 107.2404 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 7.57%. Major exposure was maintained in T-Bills at the end of Sep-21, thus maintaining high portfolio quality. The net assets of the Plan were PKR 132mn as at the 1QFY22.

	USSP-IV	Benchmark
1QFY'22 Return:	7.57%	7.52%
Standard Deviation (12m Rolling):	0.61%	0.19%
Sharpe Ratio (12m Rolling):	(2.70)	1.06

Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
T-Bills*	0.0%	71.6%	73.0%
Cash	99.4%	27.2%	26.4%
Others	0.7%	1.2%	0.6%
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)	7.57%	6.40%	5.58%	-	-	11.18%
Benchmark	7.52%	7.54%	7.43%	-	-	9.56%

Returns are annualized using the Morningstar Methodology

The Plan earned a total income of PKR 2.853 million for the quarter ended September 30, 2021. The earnings of the Fund represent markup / interest income on bank balances and Government Securities. After accounting for expenses of PKR 0.899 million, the Fund managed to earn a net income of PKR 2.884 million. The net assets of the Fund were PKR 132.292 million as at September 30, 2021 representing the net asset value of PKR 101.9401 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 475.57%. The net assets of the Plan were PKR 38mn as at 1QFY22. Major exposure was maintained in T-bills at the end of 1QFY22.



	USSP-V	Benchmark
1QFY'22 Return:	475.57%	7.52%
Standard Deviation (12m Rolling):	52.76%	0.19%
Sharpe Ratio (12m Rolling):	1.08	1.06

Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
T-Bills*	73.9%	74.5%	89.4%
Cash	25.6%	24.9%	9.9%
Others	0.6%	0.7%	0.7%
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)	475.57%	152.42%	64.36%	-	-	36.19%
Benchmark	7.52%	7.54%	7.43%	-	-	9.02%

Returns are annualized using the Morningstar Methodology

The Plan earned a total income of PKR 0.784 million for the quarter ended September 30, 2021. The earnings of the Fund represent markup / interest income on bank balances and Government Securities. After accounting for expenses of PKR 0.183 million, the Fund managed to earn a net income of PKR 16.111 million. The net assets of the Fund were PKR 37.820 million as at September 30, 2021 representing the net asset value of PKR 160.0994 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 7.89%. The net assets for the Plan were PKR 94mn as at 1QFY22. Major exposure was maintained in T-Bills at the end of 1QFY22, thus maintaining high portfolio quality.

	USSP-VI	Benchmark
1QFY'22 Return:	7.89%	7.52%
Standard Deviation (12m Rolling):	0.74%	0.19%
Sharpe Ratio (12m Rolling):	(0.74)	1.06



Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
T-Bills*	0.0%	43.8%	51.1%
PIB - Fixed*	33.2%	33.0%	37.9%
Cash	65.3%	21.2%	10.5%
Others	1.5%	2.0%	0.5%
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)	7.89%	7.44%	6.68%	-	-	10.88%
Benchmark	7.52%	7.54%	7.43%	-	-	9.26%

Returns are annualized using the Morningstar Methodology

The Plan earned a total income of PKR 2.045 million for the quarter ended September 30, 2021. The earnings of the Fund represent markup / interest income on bank balances and Government Securities. After accounting for expenses of PKR 0.374 million, the Fund managed to earn a net income of PKR 2.373 million. The net assets of the Fund were PKR 94.474 million as at September 30, 2021 representing the net asset value of PKR 100.9736 per unit.

13) UBL SPECIAL SAVINGS FUND II

g) 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 5.29%. The net assets for the Plan were PKR 137mn as at 1QFY22. Major exposure was maintained in PIBs at the end of 1QFY22, thus maintaining high portfolio quality.

	USSP-VIII	Benchmark
1QFY'22 Return:	5.29%	7.52%
Standard Deviation (12m Rolling):	0.79%	0.19%
Sharpe Ratio (12m Rolling):	(1.93)	1.06



Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
PIB - Fixed*	46.2%	46.0%	45.6%
T-Bills*	36.9%	34.4%	34.5%
Cash	14.0%	16.4%	18.2%
Others	2.9%	3.2%	1.6%
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)	5.29%	5.97%	5.71%	-	-	7.61%
Benchmark	7.52%	7.54%	7.43%	-	-	7.92%

Returns are annualized using the Morningstar Methodology

USSF II comprises of UBL Special Savings Plan VIII (USSP-VIII). The Plan earned a total income of PKR 2.649 million for the quarter ended September 30, 2021. The earnings of the Fund represent markup / interest income on bank balances and Government Securities. After accounting for expenses of PKR 0.629 million, the Fund managed to earn a net income of PKR 2.293 million. The net assets of the Fund were PKR 137.124 million as at September 30, 2021 representing the net asset value of PKR 100.2866 per unit

The Chief Executive under the authority granted by the Board of Directors approved interim distributions of PKR 1.763 million to the unit holders during the period.

14) UBL DEDICATED EQUITY FUND (UDEF)

The investment objective of the Fund is to provide other 'Fund of Funds' schemes & Separately Managed Accounts an avenue for investing in Equities. During the period under review, the fund posted a return of -2.86%. The fund manager maintained the exposure in local equity market of around 84.6% while exposure in cash stood at 3.4% at the end of Sep-21. The net assets of the Fund were PKR 29mn as at 1QFY22.

	UDEF	Benchmark
1QFY'22 Return:	-2.86%	-5.19%
Standard Deviation (12m Rolling):	13.98%	14.41%
Sharpe Ratio (12m Rolling):	0.38	0.24



Asset Allocation (% of Total Assets)			
	Jul'21	Aug'21	Sep'21
Equities	85.0%	89.6%	84.6%
Cash	4.6%	0.1%	3.4%
Others	10.5%	10.3%	12.0%
Leverage	Nil	Nil	Nil

UDEF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UDEF	-2.86%	5.98%	12.56%	19.36%	-	15.06%
Benchmark	-5.19%	0.70%	10.67%	9.51%	-	6.55%

Returns are on absolute basis

The Fund incurred a gross loss of PKR 0.527 million for the quarter ended September 30, 2021. The earnings of the Fund represent income from bank balances, gains on investments and dividends. After accounting for expenses of PKR 0.564 million, the Fund incurred a net loss of PKR 0.849 million. The net assets of the Fund were PKR 28.693 million as at September 30, 2021 representing the net asset value of PKR 115.0599 per unit.

Future Outlook

With the local bourse currently trading at a much discounted forward PE multiple of 5.3x as compared to historical PE of 8.0x, we maintain a buoyant view on equities. Also, market's current earnings yield differential with 10Y PIB yield is 8.4% (18.9% vs. 10.5%) which is much higher than the average yield gap of 1.1% over the last 15 years. Further, earnings growth is also expected to remain robust during the next 12 months. Large cap stocks in the banking, oil exploration, fertilizer and power sectors are trading at a huge discount to their fundamental valuations. For patient investors, potential catalysts should eventually unlock enormous value in the above names and drive the next leg of stock market performance.

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

____SD____
Yasir Qadri
CHIEF EXECUTIVE

Karachi,
Dated: October 27, 2021

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	Yousuf Adil Chartered Accountants
Bankers	Allied Bank Limited JS Bank Limited Soneri Bank Limited Habib Metropoliton Bank Limited Habib Bank Limited
Management Co.Rating	AM1 (VIS)

UBL Special Savings Fund

Condensed Interim Statement of Assets and Liabilities (Un-Audited)

As at 30 September 2021

		30 Sep 2021						
		USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
Note		(Rupees in '000)						
Assets								
Bank balances	4	53,189	61,098	7,462	35,086	3,844	10,004	170,683
Investments	5	225,009	510,135	41,057	97,257	34,660	84,738	992,856
Profit receivable		1,762	4,585	604	784	23	449	8,207
Deposits, prepayments and other receivables		17	89	17	17	17	12	169
Preliminary expenses and floatation cost	6	41	-	-	-	-	-	41
Advance income tax	7	214	108	112	4	233	-	671
Total assets		280,232	576,015	49,252	133,148	38,777	95,203	1,172,627
Liabilities								
Payable to UBL Fund Managers Limited - Management Company	8	1,805	1,221	169	545	194	546	4,480
Payable to Central Depository Company of Pakistan Limited - Trustee	9	16	34	3	-	10	6	69
Payable to Securities and Exchange Commission of Pakistan	10	14	29	2	-	2	5	52
Accrued expenses and other payables	11	262	1,820	183	311	751	172	3,499
Total liabilities		2,097	3,104	357	856	957	729	8,100
Net assets		278,135	572,911	48,895	132,292	37,820	94,474	1,164,527
Unit holders' fund (as per statement attached)		278,135	572,911	48,895	132,292	37,820	94,474	1,164,527
Contingencies and commitments								
12		(Number of units)						
Number of units in issue		2,677,774	5,527,822	455,938	1,297,742	236,227	935,627	
		(Rupees)						
Net assets value per unit		103.8680	103.6414	107.2404	101.9401	160.0994	100.9736	

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Financial Officer

SD

Chief Executive Officer

SD

Director

UBL Special Savings Fund

Condensed Interim Statement of Assets and Liabilities (Audited)

As at 30 June 2021

		30 June 2021						
		USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
Note		(Rupees in '000)						
Assets								
Bank balances	4	6,733	426,193	2,664	173,518	10,640	75,193	694,941
Investments	5	269,079	171,024	51,525	-	34,028	36,409	562,065
Profit receivable		8,257	7,127	1,453	308	1,542	1,086	19,773
Deposits, prepayments and other receivables		6	77	5	4	4	-	96
Preliminary expenses and floatation cost	6	136	-	-	-	-	-	136
Advance income tax	7	214	108	112	4	-	-	438
Total assets		284,425	604,529	55,759	173,834	46,214	112,688	1,277,449
Liabilities								
Payable to UBL Fund Managers Limited - Management Company	8	2,181	1,786	389	1,124	407	266	6,153
Payable to Central Depository Company of Pakistan Limited - Trustee	9	17	36	4	10	9	7	83
Payable to Securities and Exchange Commission of Pakistan	10	61	133	16	37	338	27	612
Accrued expenses and other payables	11	5,195	11,594	1,578	2,968	16,397	1,883	39,615
Total liabilities		7,454	13,549	1,987	4,139	17,151	2,183	46,463
Net assets		276,971	590,980	53,772	169,695	29,063	110,505	1,230,986
Unit holders' fund (as per statement attached)		276,971	590,980	53,772	169,695	29,063	110,505	1,230,986
Contingencies and commitments								
12		(Number of units)						
Number of units in issue		2,717,755	5,808,529	514,994	1,695,565	282,188	1,115,553	
		(Rupees)						
Net assets value per unit		101.9118	101.7433	104.4127	100.0818	102.9920	99.0587	

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Financial Officer

SD

Chief Executive Officer

SD

Director

UBL Special Savings Fund
Condensed Interim Income Statement (Un-Audited)
For the Quarter Ended September 30 2021

		For the Quarter Ended September 30 2021						
		USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
Note		(Rupees in '000)						
Income								
	Profit on bank deposits and profit / return on investments calculated using the effective yield method	6,001	12,791	1,304	2,852	784	2,027	25,757
	Other income	-	14	3	1	-	18	36
	Total Income	6,001	12,805	1,307	2,853	784	2,045	25,793
Expenses								
	Remuneration of the Management Company	701	1,472	125	383	9	269	2,959
	Sindh sales tax on the Management Company's remuneration	91	191	16	50	1	35	384
	Allocation of expenses relating to the Fund	49	109	11	18	136	17	340
	Selling and marketing expenses	350	486	87	383	-	-	1,306
	Remuneration of Central Depository Company of Pakistan Limited - Trustee	47	100	8	26	6	18	205
	Annual fee of Securities and Exchange Commission of Pakistan	14	29	2	8	2	5	60
	Auditors' remuneration	19	19	19	19	19	19	114
	Formation cost	95	-	-	-	-	-	95
	Bank charges	4	3	2	3	2	2	16
	Listing fees	1	1	1	1	-	1	5
	Legal and professional charges	8	8	8	8	8	8	48
	Total operating expenses	1,379	2,418	279	899	183	374	5,532
	Net income for the period from operating activities	4,622	10,387	1,028	1,954	601	1,671	20,261
11.1	Reversal for Sindh Workers' Welfare Fund (SWWF)	2,022	3,772	856	930	15,510	702	23,792
	Net income for the period before taxation	6,644	14,159	1,884	2,884	16,111	2,373	44,055
13	Taxation	-	-	-	-	-	-	-
	Net income for the period after taxation	6,644	14,159	1,884	2,884	16,111	2,373	44,055
Allocation of net income for the period after taxation								
	Net income for the period after taxation	6,644	14,159	1,884	2,884	16,111	2,373	44,055
	Income already paid on units redeemed	(42)	(360)	(27)	(321)	(2,609)	(302)	(3,661)
		6,602	13,799	1,857	2,563	13,502	2,071	40,394
Accounting income available for distribution								
	- Relating to capital gains	-	-	-	-	-	-	-
	- Excluding capital gains	6,602	13,799	1,857	2,563	13,502	2,071	40,394
		6,602	13,799	1,857	2,563	13,502	2,071	40,394
Earnings per unit								

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Financial Officer

SD
Chief Executive Officer

SD
Director

UBL Special Savings Fund
Condensed Interim Income Statement (Un-Audited)
For the Quarter Ended September 30 2020

		Quarter Ended September, 2020						
		USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
Note		(Rupees in '000)						
Income								
	Profit on bank deposits and profit / return on investments calculated using the effective yield method	8,590	20,144	2,863	6,115	51,765	3,815	93,292
	Realised (loss) / gain on sale of investments	12	318	369	22	46,740	971	48,432
	Other income	30	113	51	8	-	63	265
	Total Income	8,632	20,575	3,283	6,145	98,505	4,849	141,989
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
	Allocation of expenses relating to the Fund	-	-	-	-	828	-	828
	Selling and marketing expenses	394	499	154	426	-	-	1,473
	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
	Total operating expenses	1,508	2,718	508	1,066	2,521	494	8,815
	Net income for the period from operating activities	7,124	17,857	2,775	5,079	95,984	4,355	133,174
	Provision for Sindh Workers' Welfare Fund (SWWF)	11.1 (140)	(351)	(55)	(100)	(1,882)	(85)	(2,613)
	Net income for the period before taxation	6,984	17,506	2,720	4,979	94,102	4,270	130,561
	Taxation	13 -	-	-	-	-	-	-
	Net income for the period after taxation	6,984	17,506	2,720	4,979	94,102	4,270	130,561
Allocation of net income for the period after taxation								
	Net income for the period 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)
		6,856	16,959	2,489	4,868	94,076	3,872	129,120
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
		6,856	16,959	2,489	4,868	94,076	3,872	129,120
Earnings per unit								

15

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Financial Officer

SD
Chief Executive Officer

SD
Director

UBL Special Savings Fund
Condensed Interim Statement of Comprehensive Income (Un-Audited)
For the Quarter Ended September 30 2021

	For the Quarter Ended September 30 2021						
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
	(Rupees in '000)						
Net income for the period after taxation	6,644	14,159	1,884	2,884	16,111	2,373	44,056
Other comprehensive income for the period							
Items to be reclassified to income statement in subsequent periods:							
Unrealised (loss)/ gain on re-measurement of investments - classified at fair value through other comprehensive income	(1,368)	(3,310)	(568)	(136)	(12)	(281)	(5,675)
Total comprehensive income / (loss) for the period	5,276	10,850	1,316	2,748	16,099	2,092	38,381

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Financial Officer

SD

Chief Executive Officer

SD

Director

UBL Special Savings Fund
Condensed Interim Statement of Comprehensive Income (Un-Audited)
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 period after taxation	6,984	17,506	2,720	4,979	94,102	4,270	130,561
Other comprehensive income for the period							
Items to be reclassified to income statement in subsequent periods:							
Unrealised (loss)/ gain 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)
	(4,821)	(11,705)	(2,291)	(2,927)	(39,299)	(2,569)	(63,612)
Total comprehensive income for the period	<u>2,163</u>	<u>5,801</u>	<u>429</u>	<u>2,052</u>	<u>54,803</u>	<u>1,701</u>	<u>66,949</u>

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Financial Officer

SD

Chief Executive Officer

SD

Director

UBL Special Savings Fund
Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)
For the Quarter Ended September 30 2021

	USSP-I				For the Quarter Ended September 30 2021				USSP-II				USSP-III			
	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)			
Net assets at beginning of the period	273,712	3,259	-	276,971	583,147	3,720	4,113	590,980	51,015	7,175	(4,418)	53,772				
Issuance of 0, 123,487 , 0, 0, 1,365,045 and 0 units																
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Element of income during the period																
- relating to other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- relating to net income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total proceeds on issuance of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of 39,981, 280,707 , 59,055, 397,823, 45,960 , 179,925 units																
- Capital value	(4,076)	-	-	(4,076)	(28,559)	-	-	(28,559)	(6,167)	-	-	(6,167)				
- Element of income during the period																
- relating to other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- relating to net income for the period after taxation	6	(42)	-	(36)	-	(360)	-	(360)	-	(27)	-	(27)	-	(27)	-	(27)
Total payments on redemption of units	(4,070)	(42)	-	(4,112)	(28,559)	(360)	-	(28,919)	(6,167)	(27)	-	(6,194)				
Total comprehensive income for the period	-	6,644	(1,368)	5,276	-	14,159	(3,310)	10,850	-	1,884	(568)	1,316				
Distribution during the period																
Nil	-	-	-	-	-	-	-	-	-	-	-	-				
Net income for the period less distribution	-	6,644	(1,368)	5,276	-	14,158	(3,310)	10,850	-	1,884	(568)	1,317				
Net assets at end of the period	269,642	9,861	(1,368)	278,135	554,588	17,518	803	572,911	44,848	9,032	(4,986)	48,895				

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Financial Officer

SD

Chief Executive Officer

SD

Director

UBL Special Savings Fund
Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)
For the Quarter Ended September 30 2021

	For the Quarter Ended September 30 2021											
	USSP-IV				USSP-V				USSP-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
	(Rupees in '000)				(Rupees in '000)				(Rupees in '000)			
Net assets at beginning of the period	168,948	1,300	(553)	169,695	29,859	481	(1,277)	29,063	109,083	1,750	(328)	110,505
Issuance of 0, 0, 0, 0, 0 and 0 units												
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-
- Element of income during the period												
- relating to other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
- relating to net income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-
Total proceeds on issuance of units	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of 39,981, 280,707, 59,055, 397,823, 45,960, 179,925 units												
- Capital value	(39,815)	-	-	(39,815)	(4,733)	-	-	(4,733)	(17,824)	-	-	(17,824)
- Element of income during the period												
- relating to other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
- relating to net income for the period after taxation	(15)	(321)	-	(336)	-	(2,609)	-	(2,609)	3	(302)	-	(299)
Total payments on redemption of units	(39,830)	(321)	-	(40,151)	(4,733)	(2,609)	-	(7,342)	(17,821)	(302)	-	(18,123)
Income already paid on units redeemed												
Total comprehensive income for the period	-	2,884	(136)	2,748	-	16,111	(12)	16,099	-	2,373	(281)	2,092
Distribution during the period												
Nil	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	2,884	(136)	2,748	-	16,111	(12)	16,099	-	2,373	(281)	2,092
Net assets at end of the period	129,118	3,863	(689)	132,292	25,126	13,983	(1,289)	37,820	91,262	3,821	(609)	94,474

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Financial Officer

SD

Chief Executive Officer

SD

Director

UBL Special Savings Fund
Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)
For the Quarter Ended September 30 2021

Undistributed income brought forward:

- Realised income
- Unrealised income

Accounting income available for distribution:

- Relating to capital gains
- Excluding capital gains

Distribution during the period

Nil

Undistributed income carried forward

Undistributed income carried forward comprise of:

- Realised income
- Unrealised income

Net assets value per unit at end of the period

USSP-I				For the quarter ended September 30, 2021				USSP-III			
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)			
	3,259				3,720				7,175		
	3,259				3,720				7,175		
	-				-				-		
	6,602				13,799				1,857		
	6,602				13,799				1,857		
	-				-				-		
	9,861				17,518				9,032		
	9,861				17,518				9,032		
	-				-				-		
	9,861				17,518				9,032		
			(Rupees)				(Rupees)				(Rupees)
			103,8680				103,6414				107,2404

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Financial Officer

SD

Chief Executive Officer

SD

Director

UBL Special Savings Fund
Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)
For the Quarter Ended September 30 2021

	For the quarter ended September 30, 2021											
	USSP-IV				USSP-V				USSP-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
	(Rupees in '000)				(Rupees in '000)				(Rupees in '000)			
Undistributed income brought forward:												
- Realised income		1,300				481				(96)		10,418
- Unrealised income		-				-				-		-
		1,300				481				(96)		10,418
Accounting income available for distribution:												
- Relating to capital gains		-				-				-		-
- Excluding capital gains		2,563				13,502				2,071		40,394
		2,563				13,502				2,071		40,394
Distribution during the period												
Nil		-				-				-		-
Undistributed income carried forward		3,863				13,983				1,975		50,812
Undistributed income carried forward comprise of:												
- Realised income		3,863				13,983				1,975		50,812
- Unrealised income		-				-				-		-
		3,863				13,983				1,975		50,812
Net assets value per unit at end of the period				(Rupees)				(Rupees)				(Rupees)
				101.9401				160.0994				100.9736

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Financial Officer

SD

Chief Executive Officer

SD

Director

UBL Special Savings Fund
Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)
For the Quarter Ended September 30 2020

	Quarter Ended September, 2020											
	USSP-I				USSP-II				USSP-III			
	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)			
Net assets at beginning of the period	313,265	664	17,024	330,953	700,054	1,516	41,574	743,144	111,736	5,371	5,373	122,480
Issuance of 0, 1.890, 0, 0, 739, 142, 0 units												
- Capital value	-	-	-	-	203	-	-	203	-	-	-	-
- Element of income during the period relating to other comprehensive income relating to net income for the period after taxation	-	-	-	-	-	-	1	1	-	-	-	-
Total proceeds on issuance of units	-	-	-	-	203	-	1	204	-	-	-	-
Redemption of 141.607, 520.670, 62.099, 25.021, 014, 301.376 units												
- Capital value	(15,161)	-	-	(15,161)	(55,726)	-	-	(55,726)	(25,500)	-	-	(25,500)
- Element of income during the period relating to other comprehensive income relating to net income for the period after taxation	-	-	(67)	(67)	-	-	(283)	(283)	-	-	(140)	(140)
Total payments on redemption of units	135	(128)	-	7	566	(547)	-	19	280	(231)	-	49
	(15,026)	(128)	(67)	(15,221)	(55,160)	(547)	(283)	(55,990)	(25,220)	(231)	(140)	(25,591)
Total comprehensive income for the period	-	6,984	(4,821)	2,163	-	17,506	(11,705)	5,801	-	2,720	(2,291)	429
Distribution during the period												
- UBL Special Savings Plan V @ Rs. 1.7018 per unit paid on 22 July 2020	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	6,984	(4,821)	2,163	-	17,506	(11,705)	5,801	-	2,720	(2,291)	429
Net assets at end of the period	<u>298,239</u>	<u>7,520</u>	<u>12,136</u>	<u>317,895</u>	<u>645,097</u>	<u>18,475</u>	<u>29,587</u>	<u>693,159</u>	<u>86,516</u>	<u>7,860</u>	<u>2,942</u>	<u>97,318</u>

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

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

SD

Chief Financial Officer

SD

Chief Executive Officer

SD

Director

UBL Special Savings Fund
Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)
For the Quarter Ended September 30 2020

	USSP-I				USSP-II				USSP-III			
	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)			
Undistributed income brought forward:												
- Realised income		664				1,516				5,371		
- Unrealised income		-				-				-		
		<u>664</u>				<u>1,516</u>				<u>5,371</u>		
Accounting income available for distribution:												
- Relating to capital gains		12				310				340		
- Excluding capital gains		6,844				16,649				2,149		
		<u>6,856</u>				<u>16,959</u>				<u>2,489</u>		
Distribution during the period												
- UBL Special Savings Plan V @ Rs. 1.7018 per unit paid on 22 July 2020		-				-				-		
Undistributed income carried forward		<u><u>7,520</u></u>				<u><u>18,475</u></u>				<u><u>7,860</u></u>		
Undistributed income carried forward comprise of:												
- Realised income		7,520				18,475				7,860		
- Unrealised income		-				-				-		
		<u><u>7,520</u></u>				<u><u>18,475</u></u>				<u><u>7,860</u></u>		
				(Rupees)				(Rupees)				(Rupees)
Net assets value per unit at end of the period				<u><u>107.7744</u></u>				<u><u>108</u></u>				<u><u>111.7733</u></u>

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Financial Officer

SD

Chief Executive Officer

SD

Director

UBL Special Savings Fund
Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)
For the Quarter Ended September 30 2020

	Quarter Ended September, 2020															
	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
	(Rupees in '000)				(Rupees in '000)				(Rupees in '000)				(Rupees in '000)			
Net assets at beginning of the period	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																
- Capital value	-	-	-	-	73,913	-	-	73,913	-	-	-	-	74,116	-	-	74,116
- Element of income during the period relating to other comprehensive income relating to net income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1
Total proceeds on issuance of units	-	-	-	-	73,913	-	-	73,913	-	-	-	-	74,116	-	1	74,117
Redemption of 141,607, 520,670, 62,099, 25,021, 014, 301,376 units																
- Capital value	(6,595)	-	-	(6,595)	(2,502,101)	-	-	(2,502,101)	(31,128)	-	-	(31,128)	(2,636,211)	-	-	(2,636,211)
- Element of income during the period relating to other comprehensive income relating to net income for the period after taxation	-	-	(62)	(62)	-	-	(2)	(2)	-	-	(252)	(252)	-	-	(806)	(806)
Total payments on redemption of units	(6,471)	(111)	(62)	(6,644)	(2,502,107)	(26)	(2)	(2,502,135)	(30,623)	(398)	(252)	(31,273)	(2,634,607)	(1,441)	(806)	(2,636,854)
Income already paid on units redeemed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	4,979	(2,927)	2,052	-	94,102	(39,299)	54,803	-	4,270	(2,569)	1,701	-	130,561	(63,612)	66,949
Distribution during the period																
- UBL Special Savings Plan V @ Rs. 1.7018 per unit paid on 22 July 2020	-	-	-	-	-	(86,945)	-	(86,945)	-	-	-	-	-	(86,945)	-	(86,945)
Net income for the period less distribution	-	4,979	(2,927)	2,052	-	7,157	(39,299)	(32,142)	-	4,270	(2,569)	1,701	-	43,616	(63,612)	(19,996)
Net assets at end of the period	182,414	5,572	7,702	195,688	2,683,093	8,938	12,238	2,704,269	134,788	4,228	2,529	141,545	4,030,147	52,593	67,134	4,149,874

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

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

SD

Chief Financial Officer

SD

Chief Executive Officer

SD

Director

UBL Special Savings Fund
Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)
For the Quarter Ended September 30 2020

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
(Rupees in '000)				(Rupees in '000)				(Rupees in '000)				(Rupees in '000)			
Undistributed income brought forward:															
- Realised income	704			1,807				356				10,418			
- Unrealised income	-			-				-				-			
	<u>704</u>			<u>1,807</u>				<u>356</u>				<u>10,418</u>			
Accounting income available for distribution:															
- Relating to capital gains	22			28,139				807				29,630			
- Excluding capital gains	4,846			65,937				3,065				99,490			
	<u>4,868</u>			<u>94,076</u>				<u>3,872</u>				<u>129,120</u>			
Distribution during the period															
- UBL Special Savings Plan V @ Rs. 1.7018 per unit paid on 22 July 2020	-			(86,945)				-				(86,945)			
	<u>5,572</u>			<u>8,938</u>				<u>4,228</u>				<u>52,593</u>			
Undistributed income carried forward															
Undistributed income carried forward comprise of:															
- Realised income	5,572			8,938				4,228				52,593			
- Unrealised income	-			-				-				-			
	<u>5,572</u>			<u>8,938</u>				<u>4,228</u>				<u>52,593</u>			
			(Rupees)				(Rupees)				(Rupees)				
Net assets value per unit at end of the period			<u>107.2952</u>				<u>100.7963</u>				<u>104</u>				

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Financial Officer

SD

Chief Executive Officer

SD

Director

UBL Special Savings Fund
Condensed Interim Cash Flow Statement (Un-Audited)
For the Quarter Ended September 30 2021

	For the Quarter Ended September 30 2021						
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
	(Rupees in '000)						
CASH FLOWS FROM OPERATING ACTIVITIES							
Net income for the period before taxation	6,644	14,159	1,884	2,884	16,111	2,373	44,056
Adjustments:							
Profit on bank deposits and profit / return on investments calculated using the effective yeild method	(6,001)	(12,791)	(1,304)	(2,852)	(784)	(2,027)	(25,759)
(Reversal) /provision for Sindh Workers' Welfare Fund	(2,022)	(3,772)	(856)	(930)	(15,510)	(702)	(23,792)
Formation cost	95	-	-	-	-	-	95
Realised gain on sale of investments	-	-	-	-	-	-	-
	(7,928)	(16,562)	(2,160)	(3,782)	(16,294)	(2,729)	(49,456)
Net cash generated from operations before working capital changes	(1,284)	(2,403)	(276)	(898)	(183)	(356)	(5,400)
Working capital changes							
<i>(Increase) / decrease in assets</i>							
Investments	42,702	(342,420)	9,901	(97,391)	(644)	(48,610)	(436,462)
Deposits, prepayments and other receivables	(11)	(12)	(12)	(13)	(13)	(12)	(73)
Advance tax	-	-	-	-	(233)	-	(233)
	42,691	(342,432)	9,889	(97,404)	(890)	(48,622)	(436,768)
<i>Increase / (decrease) in liabilities</i>							
Payable to the Management Company	(376)	(565)	(220)	(579)	(213)	280	(1,673)
Payable to Central Depository Company of Pakistan Limited - Trustee	(1)	(2)	(1)	(10)	1	(1)	(14)
Payable to Securities and Exchange Commission of Pakistan	(47)	(104)	(14)	(37)	(336)	(22)	(560)
Dividend payable	-	-	-	-	-	-	-
Accrued expenses and other payables	(2,911)	(6,002)	(539)	(1,727)	(136)	(1,009)	(12,324)
	(3,335)	(6,673)	(774)	(2,353)	(684)	(752)	(14,571)
Profits received during the period	12,496	15,332	2,153	2,374	2,303	2,664	37,322
Net cash generated from operating activities	50,568	(336,176)	10,992	(98,281)	546	(47,066)	(419,417)
CASH FLOWS FROM FINANCING ACTIVITIES							
Proceeds from issuance of units	-	-	-	-	-	-	-
Payments on redemption of units	(4,112)	(28,919)	(6,194)	(40,151)	(7,342)	(18,123)	(104,841)
Total distribution to unit holders							
Net cash (used) in financing activities	(4,112)	(28,919)	(6,194)	(40,151)	(7,342)	(18,123)	(104,841)
Net (decrease) / increase in cash and cash equivalents	46,456	(365,095)	4,798	(138,432)	(6,796)	(65,189)	(524,258)
Cash and cash equivalents at beginning of the period	6,733	426,193	2,664	173,518	10,640	75,193	694,941
Cash and cash equivalents at end of the period	53,189	61,098	7,462	35,086	3,844	10,004	170,683

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Financial Officer

SD
Chief Executive Officer

SD
Director

UBL Special Savings Fund
Condensed Interim Cash Flow Statement (Un-Audited)
For the Quarter Ended September 30 2020

	Quarter Ended September, 2020						
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
	(Rupees in '000)						
CASH FLOWS FROM OPERATING ACTIVITIES							
Net income for the period before taxation	6,984	17,506	2,720	4,979	94,102	4,270	130,561
Adjustments:							
Profit on bank deposits and profit / return on investments calculated using the effective yield method	(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
Realised loss / (gain) on sale of investments	(12)	(318)	(51)	(22)	(46,740)	(971)	(48,114)
	(8,367)	(20,111)	(2,859)	(6,037)	(96,623)	(4,701)	(138,698)
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>(Increase) / decrease in assets</i>							
Investments	7,470	27,212	19,972	550	2,502,752	45,741	2,603,697
Deposits, prepayments and other receivables	(11)	(11)	(12)	58	(13)	(11)	-
Advance tax	-	-	-	-	-	-	-
	7,459	27,201	19,960	608	2,502,739	45,730	2,603,697
<i>Increase / (decrease) in liabilities</i>							
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)
	(6,143)	(10,005)	(1,315)	(1,979)	(46,463)	(16,755)	(82,660)
Profits received during the period	14,707	33,966	5,435	9,508	43,094	6,302	113,012
Net cash generated from / (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 (used in) / generated from financing activities	(15,221)	(55,786)	(25,591)	(6,644)	(2,515,167)	(31,273)	(2,649,682)
Net (decrease) / increase in cash and cash equivalents	(581)	(7,229)	(1,650)	435	(18,318)	3,573	(23,770)
Cash and cash equivalents at beginning of the period	7,125	14,078	2,905	3,676	47,493	11,749	87,026
Cash and cash equivalents at end of the period	6,544	6,849	1,255	4,111	29,175	15,322	63,256

The annexed notes 1 to 20 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Financial Officer

SD
Chief Executive Officer

SD
Director

UBL Special Savings Fund

Notes To And Forming Part Of The Condensed Interim Financial Statements (Un-Audited)

For the Quarter Ended September 30 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Special Savings 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 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 Fund commenced its operations from 9 November 2018.

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.

The Fund has been categorized by the Management Company as Capital Protected Fund. The Fund consists of six 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)" 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 Plan is due to mature on 27 Dec 2021.

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 duration of the plan is perpetual.

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 duration of the plan is perpetual.

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 duration of the plan is perpetual.

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 duration of the plan is perpetual.

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 duration of the plan is perpetual.

The Fund is an open end mutual fund and is 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.

VIS Credit Rating Company has re-affirmed quality rating of 'AM1' (stable outlook) to the Management Company as on 31 December 2020 (31 December 2019: AM1) while the Fund is currently not rated.

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.

The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme's Trust Deed to the Registrar acting under Sindh Trusts Act, 2020 for registration.

2 STATEMENT OF COMPLIANCE

- 2.1 These condensed interim financial statements have prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- - International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 with the requirements of IAS 34, 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.

2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2020.

2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISK MANAGEMENT POLICIES

3.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2021.

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and 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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Fund accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2021.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on or after July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

4 BANK BALANCES

Note	30 September 2021 (Un-Audited)						Total
	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	
	(Rupees in '000)						
Savings accounts	53,189	61,098	7,462	35,086	3,844	10,004	170,683
Current accounts	-	-	-	-	-	-	-
	<u>53,189</u>	<u>61,098</u>	<u>7,462</u>	<u>35,086</u>	<u>3,844</u>	<u>10,004</u>	<u>170,683</u>
30 June 2021 (Audited)							
	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
	(Rupees in '000)						
Saving accounts	6,733	426,193	2,664	173,518	10,632	75,193	694,933
Current accounts	-	-	-	-	8	-	8
	<u>6,733</u>	<u>426,193</u>	<u>2,664</u>	<u>173,518</u>	<u>10,640</u>	<u>75,193</u>	<u>694,941</u>

4.1 These carry profit rates ranging from 5.50% to 8.00% (30 June 2021: 5.50% to 9%) per annum.

5 INVESTMENTS

Note	30 September 2021 (Un-Audited)						Total
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	
	(Rupees in '000)						
At fair value through other comprehensive income							
Government securities	5,1	50,037	169,735	28,453	-	36,109	284,334
- Pakistan investment bonds	5,1	174,972	340,400	12,604	-	48,629	708,522
- Market treasury bills	5,1	<u>225,009</u>	<u>510,135</u>	<u>41,057</u>	<u>97,257</u>	<u>34,660</u>	<u>992,856</u>
30 June 2021 (Audited)							
	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
	(Rupees in '000)						
At fair value through other comprehensive income							
Government securities	5,1	239,409	171,024	38,668	-	36,409	485,510
- Pakistan investment bonds	5,1	29,670	-	12,857	-	-	76,555
- Market treasury bills	5,1	<u>269,079</u>	<u>171,024</u>	<u>51,525</u>	<u>34,028</u>	<u>36,409</u>	<u>562,065</u>

5.1 Investment in Government Securities - at fair value through other comprehensive income

Issue date	Tenor	Face value				Market value as a percentage of			
		As at 01 July 2021	Purchased during the period	Sold / matured during the period	As at 30 September 2021	Amortised Cost as at 30 September 2021	Market value as at 30 September 2021	Total investments of plan	Net assets of the Plan
(Rupees in '000)							%		
Held by USSP I									
Pakistan investment bonds									
12 July 2018	3 years	189,000	-	189,000	-	-	-	-	-
12 July 2018	5 years	51,000	-	-	51,000	46,257	50,037	22.24	17.99
		<u>240,000</u>	<u>-</u>	<u>189,000</u>	<u>51,000</u>	<u>46,257</u>	<u>50,037</u>	<u>22.24</u>	<u>17.99</u>
Market treasury bills									
25 February 2021	1 year	30,000	-	30,000	-	-	-	-	-
August 12, 2021	6 months	-	150,000	-	150,000	146,086	145,886	64.84	52.45
August 26, 2021	6 months	-	30,000	-	30,000	29,144	29,086	12.93	10.46
		<u>-</u>	<u>30,000</u>	<u>-</u>	<u>180,000</u>	<u>175,230</u>	<u>174,972</u>	<u>77.76</u>	<u>62.91</u>

Issue date	Tenor	Face value				Amortised Cost as at 30 September 2021	Market value as at 30 September 2021	Market value as a percentage of	
		As at 01 July 2021	Purchased during the period	Sold / matured during the period	As at 30 September 2021			Total investments of plan	Net assets of the Plan
(Rupees in '000)								%	
Held by USSP II									
Pakistan investment bonds									
12 July 2018	5 years	173,000	-	-	173,000	160,413	169,735	33.27	29.63
		173,000	-	-	173,000	160,413	169,735	33.27	29.63
Market treasury bills									
August 12, 2021	6 months	-	350,000	-	350,000	340,876	340,400	66.73	59.42
		-	350,000	-	350,000	340,876	340,400	66.73	59.42
Held by USSP III									
Pakistan investment bonds									
12 July 2018	3 years	47,000	-	47,000	-	-	-	-	-
12 July 2018	5 years	31,000	-	2,000	29,000	26,412	28,453	69.30	58.19
		78,000	-	49,000	29,000	26,412	28,453	69.30	58.19
Market treasury bills									
February 25, 2021	1 year	7,000	6,000	-	13,000	12,627	12,604	5.60	4.53
		7,000	6,000	-	13,000	12,627	12,604	5.60	4.53
Held by USSP IV									
Pakistan investment bonds									
12 July 2018	3 years	190,000	-	190,000	-	-	-	-	-
		190,000	-	190,000	-	-	-	-	-
Market treasury bills									
13 February 2020	1 year	3,200	-	3,200	-	-	-	-	-
August 12, 2021	6 months	-	100,000	-	100,000	97,121	97,257	100.00	73.52
		3,200	100,000	3,200	100,000	97,121	97,257	100.00	73.52
Held by USSP V									
Pakistan investment bonds									
12 July 2018	3 years	600,000	-	600,000	-	-	-	-	-
19 September 2019	3 years	175,000	-	175,000	-	-	-	-	-
19 September 2019	5 years	75,000	-	75,000	-	-	-	-	-
18 June 2020	3 years	1,075,000	-	1,075,000	-	-	-	-	-
		1,925,000	-	1,925,000	-	-	-	-	-
Market treasury bills									
10 October 2019	1 year	998,000	-	998,000	-	-	-	-	-
27 February 2020	1 year	250,000	-	250,000	-	-	-	-	-
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	-	-	-	-	-
18 June 2020	1 year	125,000	-	125,000	-	-	-	-	-
20 May 2021	6 months	-	35,000	-	35,000	34,664	34,660	100.00	91.64
		4,415,000	35,000	4,415,000	35,000	34,664	34,660	100.00	91.64
Held by USSP VI									
Pakistan investment bonds									
12 July 2018	3 years	89,000	-	89,000	-	-	-	-	-
19 September 2019	3 years	50,000	-	14,000	36,000	36,222	36,350	42.90	38.48
		139,000	-	103,000	36,000	36,222	36,350	42.90	38.48

Issue date	Tenor	Face value					Market value as a percentage of		
		As at 01 July 2021	Purchased during the period	Sold / matured during the period	As at 30 September 2021	Amortised Cost as at 30 September 2021	Market value as at 30 September 2021	Total investments of plan	Net assets of the Plan
(Rupees in '000)							%		
Market treasury bills									
10 October 2019	1 year	22,000	-	22,000	-	-	-	-	-
August 12, 2021	6 months	-	50,000	-	50,000	48,697	48,629	57.39	51.47
26 March 2020	1 year	19,500	-	19,500	-	-	-	-	-
		41,500	50,000	41,500	50,000	48,697	48,629	57.39	51.47

6. PRELIMINARY EXPENSES AND FLOATATION COST

	30 September 2021 (Un-Audited)						
	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
(Rupees in '000)							
Deferred formation cost at start of the period	136	-	-	-	-	-	136
Amortisation during the period	(95)	-	-	-	-	-	(95)
Unamortised formation cost at end of the period	<u>41</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41</u>
30 June 2021 (Audited)							
	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
(Rupees in '000)							
Deferred formation cost at start of the year	512	-	-	-	-	-	512
Amortisation during the year	(376)	-	-	-	-	-	(376)
Unamortised formation cost at end of the year	<u>136</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136</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 Public Offer (IPO), 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 Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Fund also obtained exemption from section 150A of the 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 and 151 of the ITO, 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

8. PAYABLE TO THE MANAGEMENT COMPANY

		30 September 2021 (Un-Audited)						
	Note	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
		(Rupees in '000)						
Management remuneration payable	8.1	230	476	41	110	32	112	1,001
Sindh sales tax payable on remuneration of the Management Company	8.2	30	62	5	14	4	15	130
Payable against formation cost		1,137	-	-	-	-	-	1,137
Sales load and other payables		10	88	25	20	22	402	567
Payable against selling and marketing expense	8.3	350	486	87	383	-	-	1,306
Payable against allocation of expenses relating to the fund	8.4	49	109	11	18	136	17	340
		1,806	1,221	169	545	194	546	4,480

30 June 2021 (Audited)								
		USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
(Rupees in '000)								
Management remuneration payable		267	573	54	164	3	106	1,167
Payable against formation cost		-	-	-	-	-	-	-
Sales load and other payables		49	157	1	53	34	140	434
Payable against selling and marketing expense		727	1,034	227	887	-	-	2,875
Payable against allocation of expenses relating to the fund		-	-	-	-	350	-	350
Others		1,138	22	107	20	20	20	1,327
		<u>2,181</u>	<u>1,786</u>	<u>389</u>	<u>1,124</u>	<u>407</u>	<u>266</u>	<u>6,153</u>

- 8.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 1% and 0.1% (30 June 2021: 0.1% and 0.4%) per annum of average daily net assets of USSP I, USSP II, USSP III, USSP IV, USSP VI and USSP V respectively.

	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI
----- % -----						
Management Fee expense till 12 August 2021	0.00	0.00	0.00	0.00	0.00	0.00
Management Fee expense From 13 August 2021 onward	0.13	0.14	0.16	0.10	0.69	0.00

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

- 8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

- 8.3 In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI
----- % -----						
Selling and marketing expense till 14 July 2020	0.40	0.00	0.00	0.00	0.00	0.00
Selling and marketing expense from 15 July and onwards	0.50	0.33	0.70	1.00	0.00	0.00

- 8.4** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

		30 September 2021 (Un-Audited)					
		USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI
		----- % -----					
Allocated expense till 12 August 2021		0.00	0.00	0.00	0.00	0.00	0.00
Allocated expense From 13 August 2021 onward		0.13	0.14	0.16	0.10	0.69	0.00
		30 June 2021 (Audited)					
		USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI
		----- % -----					
Allocation of expenses relating to the fund		0.00	0.00	0.00	0.00	0.10	0.00

9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

		30 September 2021 (Un-Audited)						
		USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
		(Rupees in '000)						
Trustee remuneration	10.1	14	30	3	7	9	5	68
Sindh Sales Tax on Trustee remuneration	10.2	2	4	0	1	1	1	9
		<u>16</u>	<u>35</u>	<u>3</u>	<u>8</u>	<u>10</u>	<u>6</u>	<u>78</u>

30 June 2021 (Audited)						
USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
(Rupees in '000)						
Trustee remuneration	15	32	3	9	8	73
Sindh Sales Tax on Trustee remuneration	2	4	1	1	1	10
	<u>17</u>	<u>36</u>	<u>4</u>	<u>10</u>	<u>9</u>	<u>83</u>

9.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.06% (June 30, 2021:0.06%) per annum of average daily net assets of the Fund during the period.

9.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

10. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% per annum (June 30, 2021: 0.02%) of average annual net assets during the current period

11. ACCRUED EXPENSES AND OTHER PAYABLES

Note

30 September 2021 (Un-Audited)						
USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
(Rupees in '000)						
Provision for Sindh Workers' Welfare Fund (SWWF)	-	-	-	-	-	-
Auditors' remuneration payable	67	67	67	68	68	405
Withholding tax payable	-	74	4	-	161	246
Zakat deducted at source	73	889	14	144	-	1,169
Other payables	122	790	98	99	522	1,679
	<u>262</u>	<u>1,820</u>	<u>183</u>	<u>311</u>	<u>751</u>	<u>3,499</u>

Provision for Sindh Workers' Welfare Fund (SWWF)
Auditors' remuneration payable
Withholding tax payable
Zakat deducted at source
Other payables

11.1

30 June 2021 (Audited)						
USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
(Rupees in '000)						
Provision for Sindh Workers' Welfare Fund (SWWF)	2,021	3,768	856	930	15510	23,787
Auditors' remuneration payable	48	48	48	49	48	290
Withholding tax payable	2,939	6,511	557	1,795	160	12,969
Zakat deducted at source	73	889	14	145	0	1,170
Other payables	114	378	103	49	679	1,399
	<u>5,195</u>	<u>11,594</u>	<u>1,578</u>	<u>2,968</u>	<u>16,397</u>	<u>39,615</u>

Provision for Sindh Workers' Welfare Fund (SWWF)
Auditors' remuneration payable
Withholding tax payable
Zakat deducted at source
Other payables

11.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 2.066 million, Rs.3.87 million, Rs.0.866 million, Rs.0.950 million, Rs. 15.517 million and Rs.0.718 million of USSP-I, USSP-II, USSP-III, USSP-IV, USSP-V, USSP-VI for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

12. CONTINGENCIES AND COMMITMENTS

Other than already disclosed in this condensed interim financial information, there are no contingencies and commitments outstanding as at 30 September 2021.

13. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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.

14. 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 (TER) in the periodic financial statements of CIS / the Fund. As per S.R.O 639 (I)/2019, the limit towards expense ratio has been revised from 2% to 2.5% for Income, aggressive income, Capital protected, Index and Commodity Schemes (cash settled). The Total Expense Ratio limit is within the maximum limit as prescribed under the the NBFC Regulation 60(5) for a collective investment scheme. The Annualised Total Expense Ratio for the nine months period ended 30 Sep 2021 are as follows:

	30 September 2021 (Un-Audited)					
	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI
	----- % -----					
Total expense ratio	2.07	1.75	2.25	2.42	0.51	1.49
Government levy, SWWF and SECP fee	0.36	0.36	0.43	0.36	0.23	0.35
	30 September 2020 (Un-Audited)					
	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%	2.36%	0.36%	0.27%	0.38%

15. EARNINGS PER UNIT

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

16. 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. 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, 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
USSP I						
(For the quarter ended 30 September 2021) (Un-audited)						
(Rupees in '000)						
Purchase of securities	-	-	-	-	-	-
Remuneration	701	-	140	-	-	-
Sindh sales tax on remuneration	91	-	19	-	-	-
Allocated expense	49	-	-	-	-	-
Selling and marketing expense	350	-	-	-	-	-
Balances held as at 30 September 2021 (Un-Audited)						
(Rupees in '000)						
Remuneration payable*	260	-	16	-	-	-
Sales load and other payables	10	26	-	-	-	-
Formation cost payable	1,137	-	-	-	-	-
Payable against allocated expenses	49	-	-	-	-	-
Payable against selling and marketing	350	-	-	-	-	-

* This balance is inclusive of Sindh Sales Tax.

USSP II						
(For the quarter ended 30 September 2021) (Un-audited)						
(Rupees in '000)						
Sale of securities	-	-	-	-	-	-
Remuneration	1,472	-	88	-	-	-
Sindh sales tax on remuneration	191	-	12	-	-	-
Allocated expense	109	-	-	-	-	-
Selling and marketing expense	486	-	-	-	-	-
Balances held as at 30 September 2021 (Un-Audited)						
(Rupees in '000)						
Remuneration payable*	538	-	34	-	-	-
Payable against selling and marketing	486	-	-	-	-	-
Payable against allocated expenses	109	-	-	-	-	-
Sales load and other payables	88	489	-	-	-	-

* This balance is inclusive of Sindh Sales Tax.

USSP III

Sale of securities
Dividend paid
Remuneration
Sindh sales tax on remuneration
Allocated expense
Selling and marketing expense

(For the quarter ended 30 September 2021) (Un-audited)					
(Rupees in '000)					
-	-	-	-	-	-
-	-	-	-	-	-
125	-	7	-	-	-
16	-	1	-	-	-
11	-	-	-	-	-
87	-	-	-	-	-
Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties

Balances held as at 30 September 2021 (Un-Audited)

Units held (units in '000)
Units held (Rupees in '000)
Remuneration payable*
Payable against allocated expenses
Payable against selling and marketing
Sales load and other payables
Dividend payable

(Rupees in '000)					
-	-	-	-	-	-
-	-	-	-	-	-
46	-	3	-	-	-
11	-	-	-	-	-
87	-	-	-	-	-
25	43	-	-	-	-
-	-	-	-	-	-

* This balance is inclusive of Sindh Sales Tax.

USSP IV

Dividend paid
Remuneration
Sindh sales tax on remuneration
Allocated expense
Selling and marketing expense

(For the quarter ended 30 September 2021) (Un-audited)					
(Rupees in '000)					
-	-	-	-	-	-
383	-	23	-	-	-
50	-	3	-	-	-
18	-	-	-	-	-
383	-	-	-	-	-

Balances held as at 30 September 2021 (Un-Audited)

Units held (units in '000)
Units held (Rupees in '000)
Remuneration payable*
Payable against allocated expenses
Payable against selling and marketing
Sales load and other payables
Dividend payable

(Rupees in '000)					
-	-	-	-	-	799
-	-	-	-	-	81,454
124	-	-	-	-	-
18	-	-	-	-	-
383	-	-	-	-	-
20	11	-	-	-	-
-	-	-	-	-	-

* This balance is inclusive of Sindh Sales Tax.

USSP V

(For the quarter ended 30 September 2021) (Un-audited)						
(Rupees in '000)						
Units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-
Sale of securities	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Remuneration	9	-	5	-	-	-
Sindh sales tax on remuneration	1	-	1	-	-	-
Selling and marketing expense	-	-	-	-	-	-
Allocated expense	136	-	-	-	-	-
	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties

Balances held as at 30 September 2021 (Un-Audited)

(Rupees in '000)						
Units held (units in '000)	-	-	-	-	-	209
Units held (Rupees in '000)	-	-	-	-	-	33,455
Remuneration payable*	3	-	10	-	-	-
Sales load and other payables	22	-	-	-	-	-
Payable against allocated expenses	136	-	-	-	-	-

* This balance is inclusive of Sindh Sales Tax.

USSP VI

(For the quarter ended 30 September 2021) (Un-audited)						
(Rupees in '000)						
Units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Remuneration	269	-	16	-	-	-
Sindh sales tax on remuneration	35	-	2	-	-	-
Allocated expense	17	-	-	-	-	-
Selling and marketing expense	-	-	-	-	-	-
Profit on savings accounts	-	-	-	-	-	-

Balances held as at 30 September 2021 (Un-Audited)

(Rupees in '000)						
Units held (units in '000)	-	-	-	-	-	142
Units held (Rupees in '000)	-	-	-	-	-	14,303
Remuneration payable*	95	-	6	-	-	-
Allocated expense	17	-	-	-	-	-
Sales load and other payables	402	58	-	-	-	-

* This balance is inclusive of Sindh Sales Tax.

Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
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USSP I

Sale of securities
Remuneration
Sindh sales tax on remuneration
Selling and marketing expense

----- (For the quarter ended 30 September 2020) (Un-audited) -----						
----- (Rupees in '000) -----						
-	-	-	-	-	-	-
814	-	49	-	-	-	-
106	-	6	-	-	-	-
394	-	-	-	-	-	-

	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
----- Balances held as at 30 June 2021 (Audited) -----						
----- (Rupees in '000) -----						
Remuneration payable*	267	-	16	-	-	-
Sales load and other payables	49	26	-	-	-	-
Formation cost payable	-	-	-	-	-	-
Payable against selling and marketing	727	-	-	-	-	-
Conversion charges and others	1,521	-	-	-	-	-

* This balance is inclusive of Sindh Sales Tax.

USSP II

----- (For the quarter ended 30 September 2020) (Un-audited) -----						
----- (Rupees in '000) -----						
Sale of securities	-	-	-	18,994	-	-
Remuneration	1,799	-	108	-	-	-
Sindh sales tax on remuneration	234	-	14	-	-	-
Selling and marketing expense	499	-	-	-	-	-

----- Balances held as at 30 June 2021 (Audited) -----						
----- (Rupees in '000) -----						
Remuneration payable*	573	-	36	-	-	-
Sales load and other payables	157	564	-	-	-	-
Payable against selling and marketing	1,034	-	-	-	-	-
Conversion charges and others	22	-	-	-	-	-

* This balance is inclusive of Sindh Sales Tax.

USSP III

----- (For the quarter ended 30 September 2020) (Un-audited) -----						
----- (Rupees in '000) -----						
Sale of securities	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Remuneration	268	-	16	-	-	-
Sindh sales tax on remuneration	35	-	2	-	-	-
Selling and marketing expense	154	-	-	-	-	-

----- Balances held as at 30 June 2021 (Audited) -----						
----- (Rupees in '000) -----						
Units held (units in '000)	-	-	-	-	-	-
Units held (Rupees in '000)	-	-	-	-	-	-
Remuneration payable*	54	-	4	-	-	-
Sales load and other payables	1	43	-	-	-	-
Payable against selling and marketing	227	-	-	-	-	-
Conversion charges and others	107	-	-	-	-	-

* This balance is inclusive of Sindh Sales Tax.

USSP IV

Purchase of securities
Dividend paid
Remuneration
Sindh sales tax on remuneration
Selling and marketing expense

(For the quarter ended 30 September 2020) (Un-audited)					
(Rupees in '000)					
-	-	-	-	-	-
-	-	-	-	-	-
503	-	30	-	-	-
65	-	4	-	-	-
426	-	-	-	-	-
Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
Balances held as at 30 June 2021 (Audited)					
(Rupees in '000)					

Units held (units in '000)
Units held (Rupees in '000)
Remuneration payable*
Sales load and other payables

-	-	-	-	-	-
-	-	-	-	-	9,418
1,875	-	112	-	-	-
244	-	15	-	-	-

* This balance is inclusive of Sindh Sales Tax.

USSP V

Units issued
Units redeemed
Dividend Paid
Sale of securities
Remuneration
Sindh sales tax on remuneration
Reimbursement of expenses

(For the quarter ended 30 September 2020) (Un-audited)					
(Rupees in '000)					
-	-	-	-	-	72,992
-	-	-	-	-	2,500,000
-	-	-	-	-	85,873
-	-	-	1,073,936	-	-
828	-	496	-	-	-
108	-	65	-	-	-
828	-	-	-	-	-
Balances held as at 30 June 2021 (Audited)					
(Rupees in '000)					

Units held (units in '000)
Units held (Rupees in '000)
Remuneration payable*
Sales load and other payables
Reimbursement of expenses
Other

-	-	-	-	-	255
-	-	-	-	-	26,263
3	-	9	-	-	-
34	15	-	-	-	-
350	-	-	-	-	-
20	-	-	-	-	-

* This balance is inclusive of Sindh Sales Tax.

USSP VI

Units issued
Purchase of securities
Remuneration
Sindh sales tax on remuneration

(For the quarter ended 30 September 2020) (Un-audited)					
(Rupees in '000)					
-	-	-	-	-	-
-	-	7,996	36,142	-	-
383	-	23	-	-	-
50	-	3	-	-	-
Balances held as at 30 June 2021 (Audited)					
(Rupees in '000)					

Units held (units in '000)
Units held (Rupees in '000)
Remuneration payable*
Sales load and other payables
Conversion charges and others

-	-	-	-	-	290
-	-	-	-	-	28,727
106	-	7	-	-	-
140	58	-	-	-	-
20	-	-	-	-	-

* This balance is inclusive of Sindh Sales Tax.

17. FAIR VALUE MEASUREMENT

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

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

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

17.1. Fair value hierarchy

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

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

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

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

As at the reporting date, the Fund held the following financial instruments measured at fair value:

30 September 2021 (Un-Audited)								
USSP I								
On-balance sheet financial instruments	Carrying amount				Fair value			
	At fair value through profit or loss	Designated as at fair value through profit or loss	At fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3
(Rupees in '000)								
Financial assets measured at fair value								
Investments	-	-	225,009	-	225,009	-	225,009	-
Financial assets not measured at fair value								
Bank balances	-	-	-	53,189	53,189			
Profits receivables	-	-	-	1,762	1,762			
Deposits and other receivables	-	-	-	5	5			
	-	-	-	54,956	54,956			
Financial liabilities not measured at fair value								
Payable to the Management Company	-	-	-	1,805	1,805			
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	16	16			
Dividend payable	-	-	-	-	-			
Accrued expenses and other payables	-	-	-	262	262			
	-	-	-	2,082	2,082			

On-balance sheet financial instruments	USSP II					Fair value			
	At fair value through profit or loss	Designated as at fair value through profit or loss	Carrying amount		Total	Level 1	Level 2	Level 3	Total
			At fair value through other comprehensive income	Amortised cost					
	(Rupees in '000)								
Financial assets measured at fair value									
Investments	-	-	510,135	-	510,135	-	510,135	-	510,135
Financial assets not measured at fair value									
Bank balances	-	-	-	61,098	61,098				
Profits receivables	-	-	-	4,585	4,585				
Deposits and other receivables	-	-	-	77	77				
	-	-	-	65,760	65,760				
Financial liabilities not measured at fair value									
Payable to the Management Company	-	-	-	1,221	1,221				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	34	34				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	1,820	1,820				
	-	-	-	3,076	3,076				
	USSP III								
On-balance sheet financial instruments	At fair value through profit or loss	Designated as at fair value through profit or loss	Carrying amount		Total	Level 1	Level 2	Level 3	Total
			At fair value through other comprehensive income	Amortised cost					
		(Rupees in '000)							
Financial assets measured at fair value									
Investments	-	-	41,057	-	41,057	-	41,057	-	41,057
Financial assets not measured at fair value									
Bank balances	-	-	-	7,462	7,462				
Profits receivables	-	-	-	604	604				
Deposits and other receivables	-	-	-	5	5				
	-	-	-	8,071	8,071				
Financial liabilities not measured at fair value									
Payable to the Management Company	-	-	-	169	169				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	3	3				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	182	182				
	-	-	-	354	354				

On-balance sheet financial instruments	USSP IV					Fair value			
	Carrying amount					Level 1	Level 2	Level 3	Total
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total				
	(Rupees in '000)								
Financial assets measured at fair value									
Investments	-	-	97,257	-	97,257	-	97,257	-	97,257
Financial assets not measured at fair value									
Bank balances	-	-	-	35,086	35,086				
Profits receivables	-	-	-	784	784				
Deposits and other receivables	-	-	-	-	-				
	-	-	-	35,869	35,869				
Financial liabilities not measured at fair value									
Payable to the Management Company	-	-	-	545	545				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	311	311				
	-	-	-	856	856				
On-balance sheet financial instruments	USSP V					Fair value			
	Carrying amount					Level 1	Level 2	Level 3	Total
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total				
	(Rupees in '000)								
Financial assets measured at fair value									
Investments	-	-	34,660	-	34,660	-	34,660	-	34,660
Financial assets not measured at fair value									
Bank balances	-	-	-	3,844	3,844				
Profits receivables	-	-	-	23	23				
Deposits and other receivables	-	-	-	-	-				
	-	-	-	3,867	3,867				
Financial liabilities not measured at fair value									
Payable to the Management Company	-	-	-	194	194				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	10	10				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	751	751				
	-	-	-	955	955				

On-balance sheet financial instruments	USSP VI					Fair value			
	Carrying amount					Level 1	Level 2	Level 3	Total
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total				
	(Rupees in '000)								
Financial assets measured at fair value									
Investments	-	-	84,738	-	84,738	-	84,738	-	84,738
Financial assets not measured at fair value									
Bank balances	-	-	-	10,004	10,004				
Profits receivables	-	-	-	449	449				
Deposits and other receivables	-	-	-	-	-				
	-	-	-	10,453	10,453				
Financial liabilities not measured at fair value									
Payable to the Management Company	-	-	-	546	546				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	6	6				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	172	172				
	-	-	-	724	724				
30 June 2021 (Audited)									
USSP I									
On-balance sheet financial instruments	Carrying amount					Fair value			
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)								
Financial assets measured at fair value									
Investments	-	-	269,079	-	269,079	-	269,079	-	269,079
Financial assets not measured at fair value									
Bank balances	-	-	-	6,733	6,733				
Profits receivables	-	-	-	8,257	8,257				
Deposits and other receivables	-	-	-	6	6				
	-	-	-	14,996	14,996				
Financial liabilities not measured at fair value									
Payable to the Management Company	-	-	-	2,181	2,181				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	17	17				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	162	162				
	-	-	-	2,360	2,360				

On-balance sheet financial instruments	USSP II					Fair value			
	Carrying amount								
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
Investments	-	-	171,024	-	171,024	-	171,024	-	171,024
Financial assets not measured at fair value									
Bank balances	-	-	-	426,193	426,193				
Profits receivables	-	-	-	7,127	7,127				
Deposits and other receivables	-	-	-	77	77				
	-	-	171,024	433,397	604,421				
Financial liabilities not measured at fair value									
Payable to the Management Company	-	-	-	1,786	1,786				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	36	36				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	426	426				
	-	-	-	2,248	2,248				
On-balance sheet financial instruments									
	USSP III					Fair value			
	Carrying amount								
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
Investments	-	-	51,525	-	51,525	-	51,525	-	51,525
Financial assets not measured at fair value									
Bank balances	-	-	-	2,664	2,664				
Profits receivables	-	-	-	1,453	1,453				
Deposits and other receivables	-	-	-	5	5				
	-	-	-	4,122	4,122				
Financial liabilities not measured at fair value									
Payable to the Management Company	-	-	-	389	389				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	4	4				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	151	151				
	-	-	-	544	544				

On-balance sheet financial instruments	USSP IV					Fair value			
	Carrying amount					Level 1	Level 2	Level 3	Total
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total				
----- (Rupees in '000) -----									
Financial assets measured at fair value									
Investments	-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value									
Bank balances	-	-	-	173,518	173,518				
Profits receivables	-	-	-	308	308				
Deposits and other receivables	-	-	-	4	4				
	-	-	-	173,830	173,830				
Financial liabilities not measured at fair value									
Payable to the Management Company	-	-	-	1,124	1,124				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	10	10				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	98	98				
	-	-	-	1,232	1,232				
----- (Rupees in '000) -----									
On-balance sheet financial instruments	USSP V					Fair value			
	Carrying amount					Level 1	Level 2	Level 3	Total
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total				
----- (Rupees in '000) -----									
Financial assets measured at fair value									
Investments	-	-	34,028	-	34,028	-	34,028	-	34,028
Financial assets not measured at fair value									
Bank balances	-	-	-	10,640	10,640				
Profits receivables	-	-	-	1,542	1,542				
Deposits and other receivables	-	-	-	4	4				
	-	-	-	12,186	12,186				
Financial liabilities not measured at fair value									
Payable to the Management Company	-	-	-	407	407				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	9	9				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	727	727				
	-	-	-	1,143	1,143				

On-balance sheet financial instruments	USSP VI								
	Carrying amount					Fair value			
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----								
Financial assets measured at fair value									
Investments	-	-	36,409	-	36,409	-	36,409	-	36,409
Financial assets not measured at fair value									
Bank balances	-	-	-	75,193	75,193				
Profits receivables	-	-	-	1,086	1,086				
Deposits and other receivables	-	-	-	-	-				
	-	-	-	76,279	76,279				
Financial liabilities not measured at fair value									
Payable to the Management Company	-	-	-	266	266				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	7	7				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	125	125				
	-	-	-	398	398				

18. IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

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 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.

19. GENERAL

Figures have been rounded off to the nearest thousand rupees.

20. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on October 27, 2021 by the Board of Directors of the Management Company.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Financial Officer

SD
Chief Executive 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	Yousuf Adil Chartered Accountants
Bankers	Soneri Bank Limited
Management Co.Rating	AM1 (VIS)

UBL Special Savings Fund II
Condensed Interim Income Statement (Un-audited)
For the Quarter ended September 30, 2021

		USSP-VIII	
		Quarter Ended	Quarter Ended
		September 30,	September 30,
		2021	2020
<i>Note</i>		-- (Rupees in '000) --	(Rupees in '000) -
Income			
	Markup on bank deposits and mark-up / return on investments calculated using the effective interest method	2,648	3,008
	Capital gain on sale of investments - net	1	-
	Total income	2,649	3,008
Expenses			
	Remuneration of UBL Fund Managers Limited - Management Company	296	320
7.3	Allocation of expenses relating to the Fund	55	38
	Remuneration of Central Depository Company of Pakistan Limited - Trustee	24	26
	Annual fee of Securities and Exchange Commission of Pakistan	7	8
	Formation costs	67	202
	Auditors' remuneration	121	118
	Listing fees	7	18
	Legal and professional charges	49	47
	Bank charges	3	1
	Total operating expenses	629	776
	Net income from operating activities	2,020	2,232
	Reversal / (Provision) for Sindh Workers' Welfare Fund	273	(44)
	Net income for the period before taxation	2,293	2,188
	Taxation	-	-
	Net income for the period after taxation	2,293	2,188
Allocation of net income for the period after taxation			
	Net income for the period after taxation	2,293	2,188
	Income already paid on units redeemed	(1)	(31)
	Accounting income available for distribution	2,292	2,157
Accounting income available for distribution			
	- Relating to capital gains	1	-
	- Excluding capital gains	2,290	2,157
		2,292	2,157

The annexed notes 1 to 19 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, 2021

	USSP-VIII	
	Quarter Ended	Quarter Ended
	September 30,	September 30,
	2021	2020
	--- (Rupees in '000) -----	(Rupees in '000) ---
Net income for the period after taxation	2,293	2,188
Other comprehensive income for the period		
Unrealised loss on re-measurement of investments - classified at fair value through other comprehensive income	(500)	(2,716)
Total comprehensive Income / (Loss) for the period	1,793	(529)

The annexed notes 1 to 19 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, 2021

USSP-VIII

	September 30, 2021				September 30, 2020			
	Capital value	Undistribut ed 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)							
Net assets at beginning of the quarter	136,992	(31)	238	137,200	152,032	(247)	2,501	154,286
Issuance of nil units (September 2020: Nil units)								
- Capital value	-	-	-	-	-	-	-	-
- Element of income	-	-	-	-	-	-	-	-
- relating to other comprehensive income for the period	-	-	-	-	-	-	-	-
- relating to net income for the period after taxation	-	-	-	-	-	-	-	-
Total amount received on issuance of units	-	-	-	-	-	-	-	-
Redemption of 1,044 units September (2020: 64,803units)								
- Capital value	(104)	-	-	(104)	(6,590)	-	-	(6,590)
- Element of income	(1)	-	-	(1)	-	-	-	-
- relating to other comprehensive income for the period	-	-	-	-	48	-	-	48
- relating to net income for the period after taxation	-	(1)	-	(1)	-	(31)	-	(31)
Total amount paid on redemption of units	(106)	(1)	-	(106)	(6,542)	(31)	-	(6,573)
Total comprehensive income for the period	-	2,293	(500)	1,793	-	2,188	(2,716)	(529)
Interim distribution during the period	-	-	-	-	-	-	-	-
Rs. 1.3964 per unit paid on September 29, 2021	-	(1,763)	-	(1,763)	-	-	-	-
Net income for the period less distribution	-	530	(500)	30	-	2,188	(2,716)	(529)
Net assets at end of the quarter	136,886	499	(262)	137,124	145,490	1,910	(215)	147,184
Undistributed income brought forward:								
- Realised income		(31)				(2,748)		
- Unrealised income		-				2,501		
		(31)				(247)		
Accounting income available for distribution								
- Relating to capital gains		1				-		
- Excluding capital gains		2,292				2,157		
		2,293				2,157		
Interim distribution during the period								
Rs. 1.3964 per unit paid on September 29, 2021		(1,763)				-		
Undistributed income carried forward		499				1,910		
Undistributed income carried forward comprise of:								
- Realised income		499				4,626		
- Unrealised income		-				(2,716)		
		499				1,910		
				(Rupees)				(Rupees)
Net assets value per unit at beginning of the period				100.2658				100.0000
Net assets value per unit at end of the quarter				100.2866				101.3295

The annexed notes 1 to 19 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, 2021

	USSP-VIII	
	Quarter Ended September 30, 2021	Quarter Ended September 30, 2020
	---- (Rupees in '000) ----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	2,293	2,188
Adjustments for non-cash and other items:		
Markup on bank deposits and mark-up / return on investments calculated	(2,648)	(3,008)
Capital gain on sale of investments - net	(1)	-
(Reversal) / provision for Sindh Workers' Welfare Fund	(273)	44
Amortisation of preliminary expenses	67	202
	(2,855)	(2,762)
Net cash used in operations before working capital changes	(562)	(574)
Working capital changes		
<i>Decrease / (Increase) in assets</i>		
Investment	19,837	(31,360)
Formation Cost	246	-
Prepayments and other receivables	-	(1)
Advance tax	(25)	-
	20,058	(31,361)
<i>Decrease / (Increase) in liabilities</i>		
Payable to UBL Fund Managers Limited - Management Company	(15)	111
Payable to Central Depository Company of Pakistan Limited - Trustee	-	(1)
Payable to Securities and Exchange Commission of Pakistan	(22)	(2)
Accrued expenses and other payables	1,629	144
	1,592	251
Profit received	4,350	4,880
Net cash flows generated from / (used in) operating activities	25,438	(26,804)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on redemption of units	(108)	(6,573)
Cash distribution to unit holders	(1,763)	-
Net cash flows (used in) / generated from financing activities	(1,871)	(6,573)
Net increase in cash and cash equivalents	23,567	(33,377)
Cash and cash equivalents at beginning of the period	2,110	43,426
Cash and cash equivalents at end of the period	25,677	10,049
CASH AND CASH EQUIVALENTS		
Bank balances	25,677	10,049
Cash and cash equivalents at end of the period	25,677	10,049

The annexed notes 1 to 19 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, 2021

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, therefore, prior year figures of income statement, statement of unit holder's fund and statement of cash flows are not comparable.

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 life of the Plan.

VIS Credit Rating Company Limited has reaffirmed management quality rating of "AM1" (stable outlook) to the Management Company as on December 31, 2020.

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.

The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme's Trust Deed to the Registrar acting under Sindh Trusts Act, 2020 for registration.

2. STATEMENT OF COMPLIANCE

2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 with the requirements of IAS 34, 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.

2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2021.

2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISK MANAGEMENT POLICIES

3.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2021.

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and 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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2021.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on or after July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		Note	September 30, 2021 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
4	BANK BALANCES			
	In saving accounts	4.1	25,677	2,110
			25,677	2,110

4.1 The rates of return on these balances range from 7.3% to 7.35 % (June 30, 2021: 7% to 8.35%) per annum.

5 INVESTMENTS

Investments by category

At fair value through other comprehensive Income

Government securities

- Pakistan Investment Bonds

- Market Treasury bills

		5.1	64,194	81,730
		5.2	48,629	51,429
			112,822	133,159

5.1 Pakistan Investment Bonds

USSP VIII										Market value as a percentage of	
Issue Date	Note	Tenor	At the beginning of the period July 01, 2021	Face Value Purchased during the period	Sold / Matured during the period	As at September 30, 2021	Carrying Value September 30, 2021	Market value as at September 30, 2021	Unrealized Appreciation	Total Investments	Net Assets
----- (Rupees in '000) -----											
September 19, 2019	5.1.1	3 Year	64,000	14,000	14,000	64,000	64,387	64,194	(193)	56.90%	46.81%
September 19, 2019		5 Year	17,000	-	17,000	-	-	-	-	-	-
As at September 30, 2021 (Un-audited)			81,000	14,000	31,000	64,000	64,387	64,194	(193)	56.90%	46.81%
As at June 30, 2021 (Audited)			100,000	31,000	50,000	81,000	81,497	81,730	233	61.38%	59.57%

5.1.1 This Pakistan Investment Bonds carry coupon interest at the rate of 9.00% per annum.

5.2 Treasury bills

		USSP VIII								
		Face Value			Carrying Value			Market value	Market value as a percentage of	
		At the beginning of the period	Purchased during the period	Sold / Matured during the period	As at September 30, 2021	as at September 30, 2021	as at September 30, 2021	Unrealized Appreciation	Total Investments	Net Assets
Issue date	Tenor	July 01, 2021								
----- (Rupees in '000) -----										
February 25, 2021	6 Months	50,000	-	50,000	-	-	-	-	0.00%	0.00%
August 12, 2021	6 Months	-	50,000	-	50,000	48,697	48,629	(68)	43.10%	35.46%
February 25, 2021	6 Months	2,000		2,000	-	-	-	-	0.00%	0.00%
As at September 30, 2021 (Un-audited)		52,000	50,000	52,000	50,000	48,697	48,629	(68)	43.10%	35.46%
As at June 30, 2021 (Audited)		4,000	157,000	109,000	52,000	51,424	51,429	5	38.62%	37.48%

6. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding of tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). During the current period and previous period, prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 150 and 151 of the ITO, 2001. Management is confident that the same shall be refunded after filing of Income Tax Return for Tax Year 2021.

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	(Rupees in '000)	
Remuneration payable to the Management Company	7.1	92	94
Sindh sales tax payable on remuneration of the Management Company	7.2	12	12
Back end load payable		96	94
Allocated expenses payable	7.3	55	70
Formation Cost		1,010	1,010
		<u>1,265</u>	<u>1,280</u>

- 7.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. The remuneration is payable to the Management Company

Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 0.75% per annum of daily net assets:

- 7.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rate of 0.4% on the basis of AUMs.

- 7.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

From Jul 1, 2021 to August 12, 2021	From Aug 13, 2021 to Sep 30, 2021
0.4% of AUMs	0.21% of AUMs

8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	(Rupees in '000)	
Remuneration payable to the Trustee	8.1	7	7
Sindh sales tax on Trustee remuneration	8.2	1	1
		<u>8</u>	<u>8</u>

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.065% (June 30, 2021: 0.065%) per annum of average daily net assets of the Fund during the period.

- 8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
		(Rupees in '000)	
Annual fee payable	9.1	7	29

- 9.1 In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% (June 30, 2021: 0.02%) per annum of average annual net assets during the current period.

10 ACCRUED EXPENSES AND OTHER PAYABLES

	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	----- (Rupees in 000) -----	
Auditors' remuneration payable	411	291
Withholding tax payable	265	-
Annual listing fee payable	60	55
Legal and professional charges payable	81	98
Provision for Sindh Workers' Welfare Fund	-	273
Dividend P/A To Unit/ Certificate Holders	1,498	-
Capital Gains Tax Payable (Ded On Red Of Units)	4	-
Other payables	74	74
	<u>2,393</u>	<u>791</u>

- 10.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 0.291 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2021.

12. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.80% (September 30, 2020: 2.18%) which includes 0.13% (September 30, 2020: 0.24%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a capital protected scheme.

13. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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,

14. EARNINGS PER UNIT

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

15. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise 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), Directors and Officers of Management Company, persons having 10% or more beneficial ownership of the units of the Fund and other collective investment schemes managed by the Management Company.

Transactions with the connected persons are carried out 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 ended September 30, 2021 are as follows:

15.1 Transactions during the period

Quarter Ended September 30, 2021				
Management Company	Associated Companies	Trustee	Funds under Common Management	
(Rupees in '000)				
Remuneration	296	-	24	-
Dividend paid	193	-	-	-
Allocation of expenses relating to the Fund	55	-	-	-
Quarter Ended September 30, 2020				
Management Company	Associated Companies	Trustee	Funds under Common Management	
(Rupees in '000)				
Purchase of securities	-	-	-	25,431
Formation Cost	202	-	-	-
Remuneration	320	23	-	-
Allocation of expenses relating to the Fund	38	-	-	-
Balances held				
Management Company	Associated Companies	Trustee	Funds under Common Management	
(Rupees in '000)				
As at September 30, 2021				
Units held (in units '000)	1,000	-	-	-
Units held (in rupees '000)	100,287	-	-	-
Remuneration payable	104	8	-	-
Payable against allocated expenses	55	-	-	-
Back end load payable	96	-	-	-
Formation Cost	1,010	-	-	-
Management Company	Associated Companies	Trustee	Funds under Common Management	
(Rupees in '000)				
As at June 30, 2021 (Audited)				
Units held (in units '000)	1,000	-	-	-
Units held (in rupees '000)	100,266	-	-	-
Remuneration payable	106	8	-	-
Allocated expenses payable	70	-	-	-
Payable against allocated expenses	26	-	-	-
Formation Cost	1,010	-	-	-
Back end load payable	94	-	-	-

16. FAIR VALUE MEASUREMENT

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

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

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

16.1 Fair value hierarchy

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

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

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

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

As at the reporting date, the Fund held the following financial instruments measured at fair value:

ASSETS	As at June 30, 2021			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Investment in securities - financial assets at fair value through other comprehensive income				
Government securities	-	112,822	-	112,822
	-	112,822	-	112,822

ASSETS	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Investment in securities - financial assets at fair value through other comprehensive income				
Government securities	-	133,159	-	133,159
	-	133,159	-	133,159

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

17 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 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.

18. GENERAL

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

19. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial statements were authorised for issue on 27-October-2021 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, 2021

		(Un-audited) September 30, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2021
Note			
ASSETS			
	4	138,516	669,343
Bank balances			
	5	7,341,001	7,725,379
Investments			
Dividend and profit receivable		103,591	40,510
Security deposits, prepayments and other receivables		101,418	80,933
Advance tax	7	3,064	3,037
Total assets		7,687,590	8,519,202
LIABILITIES			
	6	46,230	102,466
Payable to UBL Fund Managers Limited - Management Company			
Payable to Central Depository Company of Pakistan Limited - Trustee	8	852	874
Payable to Securities and Exchange Commission of Pakistan	9	407	1,542
Accrued expenses and other liabilities	10	117,200	306,856
Total liabilities		164,689	411,738
Net Assets		7,522,901	8,107,464
Unitholders' Fund (As Per Statement Attached)		7,522,901	8,107,464
CONTINGENCIES AND COMMITMENTS			
	11		
Number of Units in Issue			
		100,165,907	103,238,047
Net Asset Value Per Unit			
		75.10	78.53
Face Value per Unit			
		100	100

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.

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)
AS AT SEPTEMBER 30, 2021

		Quarter ended	
		September 30, 2021	September 30, 2020
Note		(Rupees in '000)	
INCOME			
Profit on			
- bank balances		6,848	6,853
- government securities		-	182
Gain on sale of securities - net		(23,532)	142,321
Dividend income		101,874	46,362
Unrealised gain / (loss) on re-measurement of investments classified as financial assets at fair value through profit or loss - net		(431,711)	895,073
Total (loss) / income		(346,521)	1,090,791
EXPENSES			
Remuneration of UBL Fund Managers Limited - Management Company	6.1	53,613	35,044
Sindh sales tax on remuneration of the Management Company	6.2	6,970	4,556
Allocated expenses	6.3	2,581	1,752
Selling and marketing expenses	6.4	20,369	35,220
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	2,587	2,265
Annual fee - Securities and Exchange Commission of Pakistan		407	350
Listing fee		7	7
Auditors' remuneration		167	106
Brokerage and settlement charges		4,011	4,010
Legal and professional charges		49	47
Bank and other charges		26	38
Total expenses		90,787	83,395
Net operating (loss) / income for the period		(437,308)	1,007,396
Reversal or (provision) for Sindh Workers' Welfare Fund	10.2	89,641	(19,771)
Net operating (loss) / income for the period before taxation		(347,667)	987,625
Taxation	12	-	-
Net operating (loss) / income for the period after taxation		(347,667)	987,625
Allocation of net income for the period			
- Net income 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			

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.

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)
AS AT SEPTEMBER 30, 2021

	Quarter ended	
	September 30, 2021	September 30, 2020
	----- (Rupees in '000) -----	
Net (loss) / income for the period after taxation	(347,667)	987,625
Other comprehensive income	-	-
Total comprehensive (loss) / income for the period	(347,667)	987,625

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.

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)
AS AT SEPTEMBER 30, 2021

	Quarter ended					
	September 30, 2021			September 30, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees. in '000)					
Net assets at beginning of the period	6,618,998	1,488,466	8,107,464	5,435,954	317,088	5,758,754
Amount received on issuance of 8,588,671 units (2020: 32,100,598 units)						
- Capital value	674,469	-	674,469	1,931,493	-	1,931,493
- Element of income	(1,826)	-	(1,826)	265,683	-	265,683
Total amount received on issuance of units	672,643	-	672,643	2,197,176	-	2,197,176
Amount paid on redemption of 11,660,811 units (2020: 23,602,215 units)						
- Capital value	(915,723)	-	(915,723)	(1,420,145)	-	(1,420,145)
- Element of loss	6,184	-	6,184	(72,909)	(129,013)	(201,922)
Total amount paid on redemption of units	(909,539)	-	(909,539)	(1,493,054)	(129,013)	(1,622,067)
Total comprehensive loss for the period	-	(347,667)	(347,667)	-	987,625	987,625
Net assets at end of the period	6,382,102	1,140,799	7,522,901	6,140,076	1,175,700	7,321,488
Undistributed income brought forward comprising of:						
- Realised	-	485,191	485,191	-	485,190	485,190
- Unrealised	-	(168,102)	(168,102)	-	(168,102)	(168,102)
Undistributed income brought forward - Net	-	317,089	317,089	-	317,088	317,088
Accounting income available for distribution						
- Related to capital gain	-	-	-	-	858,612	858,612
- Excluding capital gain	-	-	-	-	-	-
Net income / (loss) for the period after taxation	-	(347,667)	(347,667)	-	858,612	858,612
Undistributed income / (loss) carried forward - net	-	(30,578)	(30,578)	-	1,175,700	1,175,700
Undistributed income carried forward comprising of:						
- Realised	-	401,133	401,133	-	280,627	280,627
- Unrealised	-	(431,711)	(431,711)	-	895,073	895,073
	-	(30,578)	(30,578)	-	1,175,700	1,175,700
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the period			78.53			60.17
Net assets value per unit at the end of the period			75.10			70.26

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.

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)
AS AT SEPTEMBER 30, 2021

Quarter ended	
September 30, 2021	September 30, 2020
----- (Rupees in '000) -----	

CASH FLOWS FROM OPERATING ACTIVITIES

Net operating (loss) / income for the period before taxation (347,667) 987,625

Adjustments for non-cash charges and other items:

Profit on bank balances	(6,848)	(6,853)
Profit on government securities	-	(182)
Gain on sale of securities - net	23,532	(142,321)
Dividend income	(101,874)	(46,362)
Unrealised loss / (gain) on re-measurement of investments classified as financial assets at fair value through profit or loss - net	431,711	(895,073)
	346,521	(1,090,609)
	(1,146)	(102,984)

Increase in assets

Investments	(70,865)	(489,715)
Security deposits, prepayments and other receivables	(20,485)	(4,658)
	(91,350)	(494,373)

decrease / (Increase) in liabilities

Payable to UBL Fund Managers Limited - Management Company	(56,236)	12,061
Payable to Central Depository Company of Pakistan Limited - Trustee	(22)	178
Payable to Securities and Exchange Commission of Pakistan	(1,135)	(748)
Accrued expenses and other liabilities	(189,656)	(65,343)
	(247,049)	(53,852)

Cash used in operations

Profit received on bank balances	8,113	4,110
Dividend received	37,528	22,394
Advance income tax	(27)	(11)
	(293,931)	(624,716)

CASH FLOWS FROM FINANCING ACTIVITIES

Net receipts from issuance of units	672,643	2,197,176
Net payments on redemption of units	(909,539)	(1,622,067)
	(236,896)	575,109
Net cash (used in) / generated from financing activities		
Net increase / (decrease) in cash and cash equivalents during the period	(530,827)	(49,607)
Cash and cash equivalents at the beginning of the period	669,343	516,622
Cash and cash equivalents at the end of the period	138,516	467,015

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.

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)
AS AT SEPTEMBER 30, 2021

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) 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, Syedna Tahir Saifuddin Memorial Building (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 government securities with remaining maturity not exceeding 90 days.

USF is an open-end Equity Fund, investing primarily in equities listed on the PSX. 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.

VIS Credit Rating Company Limited has reaffirmed management quality rating of AM1 to the Management Company on December 31, 2020.

Title to the assets of the Fund is held in the name of the CDC as the Trustee of the Fund.

'The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme's Trust Deed to the Registrar acting under Sindh Trusts Act, 2020 for registration.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting 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), 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.

- 2.2 The disclosures made in these condensed interim financial statements have, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the statements 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, 2021.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2021.

3. SIGNIFICANT ACCOUNTING POLICIES ESTIMATES AND JUDGEMENTS

- 3.1 The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are same as those applied in the preparation of annual audited financial statements for the year ended June 30, 2020.

The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and 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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2021.

3.2 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on or after July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		(Unaudited) September 30, 2021	(Audited) June 30, 2021
	Note	-----Rupees in '000-----	
4 BANK BALANCES			
- Profit and loss sharing accounts	4.1	138,244	669,070
- Current accounts		272	273
		<u>138,516</u>	<u>669,343</u>

- 4.1 The rates of return on these balances ranging from 3.75% to 7.55% (June 30, 2021: 5.5% to 9%) per annum. These include an amount held by a related party, United Bank Limited, amounting to Rs. 14.47 million (June 30, 2021: Rs. 18.010 million) on which return is earned at 5.5%(June 30, 2021: 5.5%) per annum.

		(Unaudited) September 30, 2021	(Audited) June 30, 2021
	Note	-----Rupees in '000-----	
5 INVESTMENTS			
At Fair value through profit or loss			
- equity securities	5.1	7,341,001	7,725,379

UBL STOCK ADVANTAGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

5.1 Equity securities

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

Name of Investee Company		As at July 01, 2021	Purchased / bonus received during the period	Sold during the period	As at September 30, 2021	Total carrying value as at September 30, 2021	Total market value as at September 30, 2021	Appreciation / (diminution) as at September 30, 2021	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	5.1.2	34,498	-	-	34,498	7,736	6,934	(802)	0.09	0.13	0.07
Hi-Tech Lubricants Limited		-	214,500	55,500	159,000	10,920	9,860	(1,060)	0.12	0.18	1.37
Sui Northern Gas Pipelines Limited		-	600,000	600,000	-	-	-	-	-	-	-
						18,656	16,794	(1,862)	0.21	0.31	
OIL AND GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited		470,579	24,600	-	495,179	755,176	769,196	14,020	9.49	14.05	3.71
Oil & Gas Development Company Limited	5.1.1	3,347,941	416,000	251,500	3,512,441	331,683	294,343	(37,340)	3.63	5.37	0.82
Pakistan Petroleum Limited		3,666,169	196,000	140,900	3,721,269	322,422	278,760	(43,662)	3.44	5.09	1.37
Pakistan Oilfields Limited		85,376	-	85,376	-	-	-	-	-	-	-
						1,409,281	1,342,299	(66,982)	16.56	24.51	
GLASS & CERAMICS MANUFACTURING COMPANIES											
Shabbir Tiles & Ceramics Limited		2,932,118	639,000	-	3,571,118	119,188	108,848	(10,340)	1.34	1.99	21.83
Tariq Glass Industries Limited		5,500	633,800	-	639,300	66,872	64,857	(2,015)	0.80	1.18	4.64
						186,060	173,705	(12,355)	2.14	3.17	
FERTILIZER											
Fauji Fertilizer Bin Qasim Limited		4,289,000	96,000	1,864,000	2,521,000	66,204	56,723	(9,481)	0.70	1.04	1.95
Engro Corporation Limited	5.1.1	746,968	-	5,000	741,968	218,591	207,566	(11,025)	2.56	3.79	1.29
Engro Fertilizers Limited		328,141	-	-	328,141	23,058	23,062	4	0.28	0.42	0.25
Fauji Fertilizer Company Limited		3,346,677	73,000	190,170	3,229,507	342,462	329,603	(12,859)	4.07	6.02	2.54
						650,315	616,954	(33,361)	7.61	11.27	
CHEMICALS											
ICI Pakistan Limited		76,500	-	31,100	45,400	39,444	36,028	(3,416)	0.44	0.66	0.49
Sitara Chemical Industries Limited		49,570	-	10,000	39,570	13,929	11,197	(2,732)	0.14	0.20	1.85
Engro Polymer & Chemicals Limited		2,009,854	479,000	162,500	2,326,354	114,998	128,112	13,114	1.58	2.34	2.56
						168,371	175,337	6,966	2.16	3.20	
CEMENT											
Cherat Cement Company Limited		46	-	-	46	8	7	(1)	0.00	0.00	-
Maple Leaf Cement Factory Limited		830,000	-	830,000	-	-	-	-	-	-	-
Kohat Cement Company Limited		1,891,494	52,000	231,500	1,711,994	352,790	294,360	(58,430)	3.63	5.38	8.52
Pioneer Cement Limited		421,500	-	421,500	-	-	-	-	-	-	-
Lucky Cement Limited	5.1.1	468,361	73,581	42,900	499,042	428,912	360,757	(68,155)	4.45	6.59	1.54
						781,710	655,124	(126,586)	8.08	11.96	
INSURANCE											
Adamjee Insurance Company Limited		4,164,999	-	800,000	3,364,999	139,547	118,650	(20,897)	1.46	2.17	9.61
IGI Holdings Limited		197,660	15,000	-	212,660	40,932	35,074	(5,858)	0.43	0.64	1.49
						180,479	153,724	(26,755)	1.90	2.81	
COMMERICAL BANKS											
The Bank of Punjab		394,000	-	394,000	-	-	-	-	-	-	-
Habib Metropolitan Bank Limited		-	160,000	160,000	-	-	-	-	-	-	-
Allied Bank Limited		3,547,476	-	298,000	3,249,476	240,949	220,964	(19,985)	2.73	4.03	2.84
United Bank Limited		3,889,248	446,001	106,501	4,228,748	515,517	501,360	(14,157)	6.18	9.16	3.45
Faysal Bank Limited	5.1.2	43,748	2,340,000	281,500	2,102,248	42,192	55,331	13,139	0.68	1.01	1.39
Meezan Bank Limited		1,222,948	-	318,300	904,648	105,158	146,625	41,467	1.81	2.68	0.56
Habib Bank Limited		3,761,596	576,001	148,501	4,189,096	509,080	458,078	(51,002)	5.65	8.36	2.86
Bank Alfalah Limited		3,587,536	930,000	124,500	4,393,036	141,597	142,115	518	1.75	2.60	2.47
Bank Al. Habib Limited		4,448,993	-	-	4,448,993	311,963	307,648	(4,315)	3.79	5.62	4.00
						1,866,456	1,832,121	(34,335)	22.60	33.46	
TEXTILE COMPOSITE											
Kohinoor Textile Mills Limited	5.1.2	4,704,896	4,500	165,000	4,544,396	341,749	315,608	(26,141)	3.89	5.76	15.18
Nishat Mills Limited		1,146,971	50,000	644,900	552,071	51,341	50,161	(1,180)	0.62	0.92	1.57
The Crescent Textile Mills Limited		-	1,664,000	-	1,664,000	47,804	39,004	(8,800)	0.48	0.71	-
Interloop Limited		1,798,000	62,500	-	1,860,500	130,419	132,412	1,993	1.63	2.42	-
Nishat Chunian Limited		-	385,000	-	385,000	19,422	19,065	(357)	0.24	0.35	1.60
Gul Ahmed Textile Mills Limited		2,399,114	1,240,000	-	3,639,114	184,758	199,460	14,702	2.46	3.64	7.09
						775,493	755,710	(19,783)	9.32	13.80	
POWER GENERATION AND DISTRIBUTION											
Saif Power Limited		24,095	-	-	24,095	418	402	(16)	0.00	0.01	0.06
Nishat Power Limited		1,950,000	373,001	190,501	2,132,500	42,137	42,479	342	0.52	0.78	6.02
The Hub Power Company Limited	5.1.1	5,144,473	676,649	566,660	5,254,462	416,692	386,361	(30,331)	4.77	7.06	4.05
						459,247	429,242	(30,005)	5.29	7.84	
AUTOMOBILE PARTS AND ACCESSORIES											
Thal Limited (face value Rs. 5 per share)		610,963	-	-	610,963	258,303	237,267	(21,036)	2.93	4.33	7.54
						258,303	237,267	(21,036)	2.93	4.33	
AUTOMOBILE ASSEMBLER											
Honda Atlas Cars (Pakistan) Limited		122,400	9,300	131,700	-	-	-	-	-	-	-
Ghandhara Nissan Limited		500	-	-	500	55	44	(11)	0.00	0.00	0.01
Millat Tractors Limited		35,238	-	13,700	21,538	23,253	23,115	(138)	0.29	0.42	0.38
Ghandhara Industries Limited		-	149,600	149,600	-	-	-	-	-	-	-
						23,308	23,159	(149)	0.29	0.42	
ENGINEERING											
Aisha Steel Mills Limited		2,249,000	1,075,000	402,500	2,921,500	70,827	60,796	(10,031)	0.75	1.11	3.82
International Industries Limited		282,300	118,000	233,700	166,600	35,380	27,784	(7,596)	0.34	0.51	1.26
Mughal Iron & Steel Industries Limited		902	191,900	-	192,802	22,138	18,821	(3,317)	0.23	0.34	0.66
Agha Steel Industries Limited		1,300,572	390,000	-	1,690,572	55,748	46,474	(9,274)	0.57	0.85	2.93
						192,833	160,932	(31,901)	1.98	2.94	

UBL STOCK ADVANTAGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Name of Investee Company		As at July 01, 2021	Purchased / bonus received during the year	Sold during the year	As at September 30, 2021	Total carrying value as at September 30, 2021	Total market value as at September 30, 2021	Appreciation / (diminution) as at September 30, 2021	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 (%)		
FOOD AND PERSONAL CARE PRODUCTS											
AT-TAHUR LTD.		-	889,000	-	889,000	25,164	24,323	(841)	0.30	0.44	5.01
Shezan International Limited			182,200		182,200	60,717	58,176	(2,541)	-	-	20.74
Treet Corporation Limited		339,000		339,000	-	-	-	-	-	-	-
Al Shaheer Corporation Limited	5.1.2	1,662	-	-	1,662	33	24	(9)	-	-	0.01
						85,914	82,523	(3,391)	0.30	0.44	
PHARMACEUTICALS											
The Searle Company Limited	5.1.2	667,946	-	178,213	489,733	118,819	98,686	(20,133)	1.22	1.80	2.04
Hightoon Laboratories Limited		154,881	-		154,881	92,929	95,975	3,046	1.18	1.75	4.07
IBL HealthCare Limited			257,300	1,000	256,300	29,578	23,141	(6,437)	0.29	0.42	4.74
GlaxoSmithKline Consumer Healthcare		4,059	-	-	4,059	1,015	1,035	20	0.01	0.02	0.03
						242,341	218,837	(23,504)	2.70	4.00	
TECHNOLOGY & COMMUNICATION											
Systems Limited		388,424	-	92,200	296,224	165,951	215,506	49,555	2.66	3.94	2.15
						165,951	215,506	49,555	2.66	3.94	
LEATHER & TANNERIES											
Service Industries Limited		272,250	72,500	-	344,750	196,455	153,741	(42,714)	1.90	2.81	7.34
Service Global Footwear Limited		-	23,000	-	23,000	1,288	1,032	(256)	0.01	0.02	0.11
						197,743	154,773	(42,970)	1.90	2.81	
TRANSPORT											
Pakistan International Bulk Terminal Limited		4,835,490	-	3,209,000	1,626,490	18,509	14,492	(4,017)	0.18	0.26	0.91
						18,509	14,492	(4,017)	0.18	0.26	
MISCELLANEOUS											
Shifa International Hospitals Limited		311,667	-	-	311,667	68,302	59,977	(8,325)	1	1	5.03
Pakistan Aluminium Beverage Cans Limited		-	574,000	-	574,000	23,440	22,525	(915)	0.28	0.41	1.59
						91,742	82,502	(9,240)	1.02	1.51	
Total September 30, 2021						7,772,712	7,341,001	(431,711)			
Total June 30, 2021						5,644,365	5,476,262	(168,102)			

- 5.1.1** These include 0.81 million shares (June 30, 2021: 0.81 million shares) pledged with National Clearing Company of Pakistan Limited having market value of Rs. 105.04 million (June 30, 2021: Rs. 118.41 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.
- 5.1.2** The Finance Act, 2014 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. 13.744 million (June 30, 2021: Rs. 15.9384 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

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	
Remuneration payable to the Management Company	6.1	17,886	16,092
Sindh sales tax payable on remuneration of the Management Company	6.2	2,325	2,092
Sales load and conversion charges payable		3,037	2,259
Selling and marketing expenses payable	6.3	20,384	76,944
Other payable		17	17
Allocated expenses payable	6.4	2,581	5,062
		46,230	102,466

- 6.1** As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the following rates:

From Jul 1, 2021 to August 12, 2021	From August 13 to September 30, 2021
2.50%	2.75%

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

- 6.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 6.3** In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rate 1% per annum of average daily net assets.

- 6.4 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

From July 1, 2021 through to August 22, 2021	0.11% per annum of average daily net assets
From August 23, 2021 to September 30, 2021	0.15% per annum of average daily net assets

7. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding of tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). During the current period and previous period, prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 150 and 151 of the ITO, 2001. Management is confident that the same shall be refunded after filing of Income Tax Return for Tax Year 2021.

8	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE	Note	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
			----- (Rupees in 000) -----	
	Remuneration payable to the Trustee	8.1	17,886	773
	Sindh sales tax on Trustee remuneration	8.2	2,325	101
			<u>20,211</u>	<u>874</u>

- 8.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document as per the tariff specified therein, based on the daily net asset value of the Fund. The remuneration is paid to the Trustee monthly in arrears.

As per the Trust Deed and Offering Document, the tariff structure applicable to the Fund in respect of the trustee fee is as follows:

Net assets	Tariff per annum
Up to Rs.1,000 million	Rs.0.7 million or 0.2% per annum of net assets of the Fund, whichever is higher
On an amount exceeding 'Rs.1,000 million	Rs.2.00 million plus 0.10% per annum of net assets of the Fund.

- 8.2 Sales tax on the trustee remuneration has been charged at the rate of 13% (June 30, 2020: 13%).

9. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% per annum (June 30, 2021: 0.02%) of average annual net assets during the current period.

	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	----- (Rupees in 000) -----	
Note		

10. ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration payable		542	375
Capital gain tax payable		936	217
Brokerage payable		3,842	8,235
Zakat deducted at source		245	7,568
Provision for Federal Excise Duty	10.1	45,195	45,195
Provision for Sindh Workers' Welfare Fund	10.2	-	89,641
Payable against purchase of investments		57,831	145,569
Other payables		8,609	10,056
		<u>117,200</u>	<u>306,856</u>

10.1 This includes provision for Federal Excise Duty (FED) as at September 30, 2021 amounting to Rs. 34.896 million (June 30, 2021: 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 of the Fund for the year ended June 30, 2021. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 0.35 (June 30, 2021: Re. 0.44).

10.2 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

'During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 90.868 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

12. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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.

13. EARNINGS PER UNIT

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

14. TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund based on the current period results is 1.12% (September 30, 2020: 1.48%) which includes 0.10% (September 30, 2020: 0.37%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a equity scheme.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

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

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

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

As at the reporting date, the Fund held the following financial instruments measured at fair value:

(Un-audited)				
September 30, 2021				
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	7,341,001	-	-	7,341,001
(Audited)				
June 30, 2021				
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	7,725,379	-	-	7,725,379

16. 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 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.

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

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.

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 ended September 30, 2021 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, 2021 -----					
----- (Rupees in '000) -----					

Transactions during the period

Profit on bank deposits	-	205	-	-	-
Bank charges	-	11	-	-	-
Value of units issued	-	756	-	8,198	59,720
Value of units redeemed	50,000	276	-	8,207	-
Purchase of securities	-	53,268	-	-	-
Sale of securities	-	13,394	-	-	-
Dividend received	-	15,531	-	-	-
Remuneration (including sales tax)	60,583	-	2,587	-	-
Allocation of expenses	2,581	-	-	-	-
CDS expenses	-	-	300	-	-
Selling and marketing expense	20,369	-	-	-	-

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

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	73,776	-	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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As at September 30, 2021

(Units in '000)

Balances held

Units held	782,375	-	-	-	108,485	-	35,001,552
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(Rupees in '000)

Units held	58,756	-	-	-	8,147	-	2,628,617
Bank balances	-	14,466	-	-	-	-	-
Deposits	-	-	100	-	-	-	-
Investments	-	501,360	-	-	-	-	-
Profit receivable	-	44	-	-	-	-	-
Remuneration payable	20,211	-	852	-	-	-	-
Sales load & conversion charges payable	3,037	-	40	-	-	-	-
Allocated expenses payable	2,581	-	-	-	-	-	-
Selling and marketing expense payable	20,384	-	-	-	-	-	-
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, 2021

(Units in '000)

Balances held

Units held	1,409	-	-	-	105	-	14,275
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(Rupees in '000)

Units held	110,626	-	-	-	8,279	-	1,120,983
Bank balances	-	18,020	-	-	-	-	-
Deposits	-	-	100	-	-	-	-
Investments	-	-	-	-	-	-	-
Profit receivable	-	52	-	-	-	-	-
Remuneration payable	18,184	-	874	-	-	-	-
Sales load and conversion charges payable	2,259	465	-	-	-	-	-
Allocated expenses payable	5,062	-	-	-	-	-	-
Selling and marketing expense payable	76,944	-	-	-	-	-	-
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 nine months period end. However, it does not include the transactions and balances whereby the director and key executive has resigned from the Management Company during the period.

17. IMPACT OF COVID-19 ON THE CONDENSED INTERIM FINANCIAL STATEMENTS

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 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.

18. GENERAL

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

19. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial statements was authorised for issue on October 27, 2021 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	A.F. Ferguson & Co., Chartered Accountants
Bankers	United Bank Limited Bank Alfalah Limited MCB Bank Limited Faysal Bank Limited Samba Bank Limited Allied Bank Limited Sindh Bank Limited Habib 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 MONEY MARKET FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

		(Un-Audited) September 30, 2021 (Rupees in '000)	(Audited) June 30, 2021
	<i>Note</i>		
Assets			
Bank balances	4	2,602,050	2,633,635
Term Deposit Receipts	5	450,000	600,000
Investments	6	-	489
Profit receivable		19,821	14,605
Deposit, prepayments and other receivables		30,586	199
Advance tax	7	1,713	1,713
Total assets		3,104,170	3,250,641
Liabilities			
Payable to UBL Fund Managers Limited - Management Company	8	8,492	9,856
Payable to Central Depository Company of Pakistan Limited - Trustee	9	175	181
Payable to Securities and Exchange Commission of Pakistan	10	144	624
Accrued expenses and other liabilities	11	18,531	40,428
Total liabilities		27,342	51,089
Net assets		3,076,828	3,199,552
Unit holders' fund (as per the statement attached)		3,076,828	3,199,552
Contingencies And Commitments	12.		
		(Number of Units)	
Number of units in issue (face value of units is Rs. 100 each)		29,868,918	31,779,115
		(Rupees)	
Net asset value per unit		103.0111	100.6810

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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 (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

		Quarter Ended	
		September 30 2021	September 30 2020
	Note	(Rupees in '000)	
Income			
Financial income		54,417	67,835
Capital (loss) / gain on sale of investments - net		(157)	(2,456)
Total income		54,260	65,379
Expenses			
Remuneration of UBL Fund Managers Limited - Management Company		2,713	3,375
Sindh Sales Tax on the Management Company's remuneration		353	439
Allocation of expenses relating to the Fund	8.4	2,160	987
Marketing & Selling Expense	8.3	2,589	2,962
Remuneration of Central Depository Company of Pakistan Limited - Trustee		529	725
Annual fee of Securities and Exchange Commission of Pakistan		145	197
Bank charges		1	-
Auditors' remuneration		215	198
Annual rating fee		54	54
Annual listing fee		6	7
Legal and professional charges		49	47
Brokerage and Settlement expenses		106	202
Total operating expenses		8,920	9,193
Net income from operating activities		45,340	56,186
Reversal / (provision) for Sindh Workers' Welfare Fund	11.2	19,634	(1,103)
Net income for the period before taxation		64,974	55,083
Taxation	14	-	-
Net income for the period after taxation		64,974	55,083
Allocation of net income for the Period after taxation			
Net income for the period after taxation		64,974	55,083
Income already paid on units redeemed		(8,168)	(15,841)
Accounting income available for distribution		56,806	39,242
Accounting income available for distribution			
- Relating to capital gains		-	2,903
- Excluding capital gains		56,806	36,339
		56,806	39,242
Earnings per unit	15		

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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 (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended	
	September 30	September 30
	2021	2020
	(Rupees in '000)	
Net income for the period after taxation	64,974	55,083
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>64,974</u>	<u>55,083</u>

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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' FUNDS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended					
	September 30			September 30		
	2021			2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the Period	3,187,646	11,906	3,199,552	5,037,666	12,115	5,049,780
Issuance of 10,680,901 units (2020: 13,619,606 units)						
- Capital value	1,075,364	-	1,075,364	1,371,177	-	1,371,177
- Element of income	14,530	-	14,530	9,218	-	9,218
Total amount received on issuance of units	1,089,894	-	1,089,894	1,380,395	-	1,380,395
- Capital value	(1,267,684)	-	(1,267,684)	(3,449,234)	-	(3,449,234)
- Element of loss	(1,739)	(8,168)	(9,907)	(22,747)	-	(22,747)
Total amount paid on redemption of units	(1,269,424)	(8,168)	(1,277,592)	(3,471,981)	-	(3,471,981)
Total comprehensive income for the period	-	64,974	64,974	-	55,083	55,083
Net assets at end of the period	3,008,116	68,712	3,076,828	2,946,080	67,198	3,013,277
Undistributed income brought forward:						
- Realised income		11,906			12,115	
- Unrealised income		-			-	
		11,906			12,115	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		56,806			39,242	
		56,806			39,242	
Undistributed income carried forward		68,712			51,357	
Undistributed income carried forward comprise of:						
- Realised income		68,712			51,357	
- Unrealised income		-			-	
		68,712			51,357	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the Period	100.6810			100.6767		
Net assets value per unit at end of the Period	103.0111			102.1491		

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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 CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended	
	September 30	September 30
	2021	2020
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	64,974	55,083
Adjustments for non-cash and other items:		
Financial income	(54,417)	(67,835)
Capital loss on sale of investments	157	2,456
Reversal / (provision) for Sindh Workers' Welfare Fund	(19,634)	1,103
	(73,894)	(64,276)
Net cash generated from operations before working capital changes	(8,920)	(9,193)
Working capital changes		
Investments	332	(2,456)
Deposit, prepayments and other receivables	(30,387)	(2,556)
Advance tax	(0)	54
	(30,055)	(4,958)
<i>(Decrease) / increase in liabilities</i>		
Payable to UBL Fund Managers Limited - Management Company	(1,364)	(2,215)
Payable to Central Depository Company of Pakistan Limited - Trustee	(6)	(121)
Payable to Securities and Exchange Commission of Pakistan	(480)	(700)
Accrued expenses and other payables	(2,263)	(1,574)
	(4,113)	(4,610)
Profit received	49,201	52,073
Net cash flows generated from operating activities	6,113	33,312
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	1,089,894	1,380,395
Payments on redemption of units	(1,277,592)	(3,471,981)
Cash distribution to unit holders	-	-
Net cash flows generated / (used in) from financing activities	(187,698)	(2,091,586)
Net decrease in cash and cash equivalents	(181,585)	(2,058,274)
Cash and cash equivalents at beginning of the period	3,233,635	5,111,249
Cash and cash equivalents at end of the period	3,052,050	3,052,975
CASH AND CASH EQUIVALENTS		
Bank balances	2,602,050	3,052,975
Term deposit receipt	450,000	-
Cash and cash equivalents at end of the period	3,052,050	3,052,975

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL MONEY MARKET FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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 (wholly owned subsidiary company of United Bank Limited) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on August 10, 2010 and was approved by the Securities and Exchange Commission of Pakistan (the SECP) 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 October 14, 2010.
- 1.2 The Management Company of the Fund has been licensed to act as an asset management company by the SECP 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 has been categorised as an open ended 'Money Market Fund' by the Board of Directors pursuant to the provisions contained in Circular 7 of 2009 dated March 6, 2009 issued by the SECP and is listed on the Pakistan Stock Exchange Limited. The units of the Fund 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 Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme's Trust Deed to the Registrar acting under Sindh Trusts Act, 2020 for registration.
- 1.5 The Management Company Limited has been assigned a quality rating of AM1 by VIS Credit Rating Company dated December 31, 2020.
- 1.6 The 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.
- 1.7 VIS Credit Rating Company assigns stability rating of "AA+(f)" to the Fund as at January 07, 2021.

2 STATEMENT OF COMPLIANCE

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 with the requirements of IAS 34, 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.

- 2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2021.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISK MANAGEMENT

3.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2021.

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and 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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2021.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on or after July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

4	BANK BALANCES	Note	(Un-audited) 30 September 2021 (Rupees in '000)	(Audited) 30 June 2021
	In current accounts		200,054	2,633,580
	In saving accounts	4.1	2,401,996	55
			<u>2,602,050</u>	<u>2,633,636</u>

4.1 The rates of return on these balances range from 3.75% to 8.25% (June 30, 2021: 4.5% to 7.85%) per annum. These include an amount held by a related party (United Bank Limited) amounting to Rs.16.286 million (June 30, 2021: Rs. 53.186 million) on which return is earned at 5.5% per annum (June 30, 2021: 5.5% per annum).

5	PLACEMENTS AND TERM DEPOSIT RECEIPTS	(Un-audited) 30 September 2021 (Rupees in '000)	(Audited) 30 June 2021
	Term Deposit Receipt*	450,000	600,000
	Letter of placement	-	-
		<u>450,000</u>	<u>600,000</u>

* It carries the profit rate of upto 8.75% till maturity of October 22, 2021.

6	INVESTMENTS	(Un-audited) 30 September 2021 (Rupees in '000)	(Audited) 30 June 2021
	Designated at fair value through profit or loss - Government Securities		
	- Market Treasury Bills	6.1	489
		<u>-</u>	<u>489</u>

6.1 **Market Treasury Bills -**

	As at 01 July 2021	Purchased During the Period	Sold / matured during the Period	As at 30 September 2021	Total carrying value as at September 30, 2021	Market Value value as at September 30, 2021	Appreciation / (diminution) as at September 30, 2021	Percentage of total investment	Percentage of net assets
	----- (Number of holdings) -----				----- (Rupees in '000) -----				
Treasury Bills - 3 months	-	3,950	3,950	-	-	-	-	-	-
Treasury Bills - 6 months	500	1,900	1,901	500	-	-	-	-	-
				-					
				-					
Total as of September 30, 2021	-	5,850	5,851	500	-	-	-	-	-
Total as of June 30, 2021					489	489			

7 ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding of tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). During the current period and previous period, prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 150 and 151 of the ITO, 2001. Management is confident that the same shall be refunded after filing of Income Tax Return for Tax Year 2021.

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	
8 PAYABLE TO UBL FUND MANAGERS LIMITED - THE MANAGEMENT COMPANY			
Remuneration payable to the Management Company	8.1	888	910
Sindh sales tax payable on remuneration of the Management Company	8.2	115	118
Sales load and conversion charges payable		2,729	1,917
Selling and marketing expenses payable	8.3	2,585	4,272
Allocated expenses payable	8.4	2,158	2,639
Others payable Management Company		17	-
		<u>8,492</u>	<u>9,856</u>

- 8.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit.

During the current period, the Management Company charged its remuneration at the rate of 5% of gross earnings, subject to floor and capping of 0.15% and 1% per annum of the average daily net assets.

- 8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

- 8.3 In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

From Jul 1, 2021 to Sep 2, 2021	From Sep 3, 2021 to Sep 30, 2021
0.30%	0.50%

- 8.4 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

	Rate applicable
From July 1, 2021 to Aug 12, 2021	0.15%
On Aug 13, 2021	1.23%
From Aug 14, 2021 to Aug 22, 2021	1.15%
From Aug 23, 2021 to Sep 2, 2021	0.40%
From Sep 3, 2021 onwards	0.20%

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	
9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE			
Remuneration payable to the Trustee	9.1	155	160
Sindh sales tax on Trustee remuneration	9.2	20	21
		<u>175</u>	<u>180</u>

- 9.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.065% (June 30, 2021: 0.065%) per annum of average daily net assets of the Fund during the period.
- 9.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
			----- (Rupees in 000) -----	
	Annual fee payable	10.1	<u>144</u>	<u>624</u>

- 10.1 In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% per annum (June 30, 2021: 0.02%) of average annual net assets during the current period.

11.	ACCRUED EXPENSES AND	Note	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
			----- (Rupees in 000) -----	
	Auditors' remuneration payable		684	469
	Withholding tax payable		341	335
	Capital gain tax payable		1,735	2,980
	Legal and professional charges payable		133	95
	Sales load payable		3,847	4,706
	Brokerage payable		516	411
	Zakat deducted at source		1,099	1,099
	Provision for Federal Excise Duty	11.1	9,499	9,499
	Provision for Sindh Workers' Welfare Fund	11.2	-	19,634
	Other payables		<u>677</u>	<u>1,200</u>
			<u>18,531</u>	<u>40,429</u>

- 11.1 This includes provision for Federal Excise Duty (FED) as at September 30, 2021 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 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2021. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 0.31 (June 30, 2021: Re. 0.29).

- 11.2 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

'During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 20.08 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

12. CONTINGENCIES AND COMMITMENTS

During the last period, UBL Money Market Fund (UMMF) has received a notice of tax demand for the tax year 2018 from the Additional Commissioner (Inland) Revenue (ACIR), whereby the ACIR has raised objection on claiming of “income already paid on units redeemed” as part of distribution and has thereby challenged the distribution of 90 percent of income and the Fund’s eligibility for exemption from tax. The ACIR is of the view that the amount of “Cash Dividend” paid can only be treated as part of distribution and according to his view the amount of “income already paid on units redeemed” is not a “Cash Dividend”. The ACIR has raised a tax demand of Rs 16.410 million on the Fund in respect of the tax year 2018. The Management Company has filed an appeal with the Commissioner (Inland) Revenue Appeals against the demand raised by ACIR and has also obtained a stay order against the demand from the Honorable High Court of Sindh till the time the decision on appeal is issued. The Management Company has submitted its response against the show cause notice. . The Management Company has submitted its response against the show cause notice. ACIR issued notice require plausible explanation needed to be submitted with documentary evidences for Tax year 2016 and 2017.

The Management Company contends that the practice being followed by it is as per the applicable regulations and in line with the industry practice. Based on the advice of the tax advisor and merits of the case, the Management Company believes that the assessment will be decided in the favour of the Fund and accordingly, no provision has been recognised in these condensed interim financial statements.

13. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.24% (September 30, 2020: 1.04%) which includes 0.08% (September 30, 2020: 0.19%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

14. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2022 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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.

15. EARNINGS PER UNIT

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

16. 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 ended September 30, 2021 are as follows:

16.1 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
----- (Transactions during the Period ended 30 September 2021) -----						
----- (Rupees in '000) -----						
Units issued	-	-	-	-	2,395	-
Units redeemed	-	-	-	37,651	7,722	-
Profit on saving accounts	-	365	-	-	-	-
Bank charges	-	-	-	-	-	-
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	-	-	99,179	-	-
Remuneration	2,713	-	468	-	-	-
Sindh Sales tax on remuneration	353	-	61	-	-	-
Selling & Marketing Expense	2,589	-	-	-	-	-
Allocation of expenses relating to the Fund	2,160	-	-	-	-	-
----- (Balances held as at 30 September 2021) -----						
----- (Rupees in '000) -----						
Units held (in units '000)	-	-	-	204	33	-
Units held (in rupees '000)	-	-	-	21,060	3,394	-
Bank balances	-	16,287	-	-	-	-
Remuneration payable	1,003	-	175	-	-	-
Sales load and other payable	2,644	3,682	-	-	-	-
Payable against allocated expenses	2,158	-	-	-	-	-
Selling and Marketing expense payable	2,585	-	-	-	-	-
Conversion Charges Payable	85	-	-	-	-	-
Other Payable	17	-	-	-	-	-
Profit receivable	-	326	-	-	-	-
Deposit	-	-	100	-	-	-
----- (Transactions during the Period ended 30 September 2020) -----						
----- (Rupees in '000) -----						
Units issued	1,301,530	2,100	-	305,253	102,698	-
Units redeemed	1,310,401	2,113	-	423,994	91,361	-
Profit on saving accounts	-	1,034	-	-	-	-
Bank charges	-	78	-	-	-	-
Purchase of securities	-	362,825	-	2,184,304	-	-
Sale of securities	-	2,370,923	-	1,989,864	-	-
Listing Fee	-	21	-	-	-	-
Remuneration Payable	24,525	-	723	-	-	-
Sindh Sales tax on remuneration	3,188	-	94	-	-	-
Selling & Marketing Expense	7,357	-	-	-	-	-
Allocation of expenses relating to the Fund	3,244	-	-	-	-	-
----- (Balances held as at 30 June 2021) -----						
----- (Rupees in '000) -----						
Units held (in units '000)	-	96	-	4,021	494	-
Units held (in rupees '000)	-	9,694	-	404,948	49,776	-
Bank balances	-	26,265	-	-	-	-
Listing Fee Payable	-	-	-	-	-	-
Remuneration payable	2,063	-	324	-	-	-
Sales load and other payable	1,996	-	-	-	-	-
Payable against allocated expenses	856	-	-	-	-	-
Selling and Marketing expense payable	3,722	-	-	-	-	-
Conversion Charges Payable	-	-	-	-	-	-
Other Payable	-	-	-	-	-	-
Profit receivable	-	215	-	-	-	-
Deposit	-	-	100	-	-	-

17. FAIR VALUE MEASUREMENT

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

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

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

17.1 Fair value hierarchy

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

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

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

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

The Fund does not hold any financial assets or liabilities carried at fair value as at September 30, 2021.

18. 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 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.

19. GENERAL

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

20. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on October 27, 2021 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

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	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)

UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2021

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	24,420,113	25,412,206
Placements, Commercial Papers and Term Deposit Receipts	5	5,800,000	5,200,000
Investments - net	6	-	-
Mark-up / interest receivable		157,072	62,815
Security deposits, prepayments and other receivables		6,590	5,689
Advance income tax	7	4,459	4,414
Total assets		30,388,234	30,685,124
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	8	17,912	15,153
Payable to Central Depository Company of Pakistan Limited - Trustee	9	1,602	1,522
Payable to Securities and Exchange Commission of Pakistan	10	1,417	4,096
Dividend payable		25,332	1,989
Accrued expenses and other liabilities	11	79,749	168,615
Total liabilities		126,012	191,375
Net Assets		30,262,222	30,493,749
Unit Holders' Fund (as per statement attached)		30,262,222	30,493,749
CONTINGENCIES AND COMMITMENTS			
	12	----- (Number of units) -----	
Number of Units in Issue		298,769,990	301,790,755
		----- (Rupees) -----	
Net Asset Value Per Unit		101.2894	101.0427
Face Value per Unit		100.0000	100.0000

The annexed notes 1 to 20 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, 2021

	Quarter ended	
	September 30, 2021	September 30, 2020
Note	(Rupees in '000)	

INCOME

Financial income	548,516	295,604
Gain / (loss) on sale of investments - net	1,999	(3,964)
Unrealized gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net	-	-
Total income	550,515	291,640

EXPENSES

Remuneration of UBL Fund Managers Limited - Management Company	8	11,551	7,821
Sindh sales tax on remuneration of Management Company		1,502	1,020
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9	5,204	3,077
Annual fee of Securities and Exchange Commission of Pakistan	10	1,417	838
Bank charges		111	35
Auditors' remuneration		241	186
Brokerage and settlement expenses		662	883
Allocated expenses	8.3	10,704	4,140
Allocated selling and marketing expenses	8.4	2,059	-
Legal and professional charges		49	68
Other expenses		76	131
Total expenses		33,576	18,199
Net operating income for the period		516,939	273,441
Reversal / (provision) for Sindh Workers' Welfare Fund (SWWF)	11.2	82,911	(5,366)
Net income for the period before taxation		599,850	268,075
Taxation	13	-	-
Net income for the period after taxation		599,850	268,075
Allocation of net income for the period			
- Net income for the period after taxation		599,850	268,075
- Income already paid on units redeemed		(51,262)	(23,737)
Net income for the period available for distribution		548,588	244,338
Net income for the period available for distribution			
- Relating to capital gains		1,819	-
- Excluding capital gains		546,769	244,338
		548,588	244,338

Earnings per unit

The annexed notes 1 to 20 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, 2021

	Quarter ended	
	September 30,	September 30,
	2021	2020
	----- (Rupees in '000) -----	
Net income for the period after taxation	599,850	268,075
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	599,850	268,075

The annexed notes 1 to 20 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, 2021

	Quarter ended					
	September 30, 2021			September 30, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees. in '000)					
Net assets at the beginning of the period	30,339,580	154,169	30,493,749	19,328,240	137,041	19,465,281
Amount received on issuance of 374,954,173 units (2020: 197,237,348 units)						
- Capital value	37,886,382	-	37,886,382	19,916,692	-	19,916,692
- Element of income	53,419	-	53,419	27,012	-	27,012
Total amount received on issuance of units	37,939,801	-	37,939,801	19,943,704	-	19,943,704
Amount paid on redemption of 377,974,938 units (2020: 211,549,057 units)						
- Capital value	(38,191,608)	-	(38,191,608)	(21,361,864)	-	(21,361,864)
- Element of income	(3,808)	(51,262)	(55,070)	(1,088)	(23,737)	(24,825)
Total amount paid on redemption of units	(38,195,416)	(51,262)	(38,246,678)	(21,362,952)	(23,737)	(21,386,689)
Total comprehensive income for the period	-	599,850	599,850	-	268,075	268,075
July 2021 to September 2021						
Re. 0.2302 per unit declared on July 12, 2021 as cash dividend	(6,582)	(62,370)	(68,952)			
Re. 0.2833 per unit declared on July 26, 2021 as cash dividend	(7,348)	(77,884)	(85,232)			
Re. 0.2729 per unit declared on August 09, 2021 as cash dividend	(6,363)	(71,579)	(77,942)			
Re. 0.5522 per unit declared on August 23, 2021 as cash dividend	(14,934)	(146,125)	(161,059)			
Re. 0.2655 per unit declared on September 06, 2021 as cash dividend	(7,868)	(52,532)	(60,400)			
Re. 0.1735 per unit declared on September 15, 2021 as cash dividend	(4,730)	(33,323)	(38,053)			
Re. 0.1095 per unit declared on September 20, 2021 as cash dividend	(1,784)	(31,078)	(32,862)			
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)	(45,357)	(50,728)
Re. 0.1692 per unit declared on August 02, 2020 as cash dividend				(1,196)	(24,702)	(25,898)
Re. 0.2448 per unit declared on August 16, 2020 as cash dividend				(2,706)	(35,041)	(37,747)
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)
Net income for the period less distribution	(49,609)	124,959	75,350	(25,363)	33,814	8,451
Net assets at the end of the period	30,034,356	227,866	30,262,222	17,883,629	147,118	18,030,747
Undistributed income brought forward comprising of:						
- Realised		154,169			135,806	
- Unrealised		-			1,235	
Total undistributed income brought forward		154,169			137,041	
Accounting income available for distribution						
- Related to capital gain		1,819			-	
- Excluding capital gain		546,769			244,338	
		548,588			244,338	
Distribution during the period:						
Interim distributions during the period						
cash dividend		(474,891)			(234,261)	
Undistributed income carried forward - net		227,866			147,118	
Undistributed income carried forward comprising of:						
- Realised		227,866			147,118	
- Unrealised		-			-	
		227,866			147,118	
	(Rupees)					
Net assets value per unit at the beginning of the period	101.0427			100.9783		
Net assets value per unit at the end of the period	101.2894			101.0380		

The annexed notes 1 to 20 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, 2021

Quarter ended	
September 30, 2021	September 30, 2020
------(Rupees in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES	
Net income for the period before taxation	599,850 268,075
Adjustments for:	
Financial income	(548,516) (295,604)
(Gain) / loss on sale of investments - net	(1,999) 3,964
Unrealized gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net	- -
(Reversal) / provision for Sindh Workers' Welfare Fund (SWWF)	(82,911) 5,366
	(633,426) (286,274)
Cash used in operations before working capital changes	(33,576) (18,199)
(Increase) / decrease in assets	
Investments - net	1,999 3,116,218
Security deposits, prepayments and other receivables	(901) (9,487)
Advance income tax	(45) -
	1,053 3,106,731
Increase / (decrease) in liabilities	
Payable to UBL Fund Managers Limited - Management Company	2,759 (1,884)
Payable to Central Depository Company of Pakistan Limited - Trustee	80 267
Payable to Securities and Exchange Commission of Pakistan	(2,679) (1,116)
Dividend payable	23,343 -
Accrued expenses and other liabilities	(5,955) (32,246)
	17,548 (34,979)
Cash generated from / (used in) operations	(14,975) 3,053,553
Mark-up received on bank balances and investments	454,259 296,797
Net cash generated from operating activities	439,284 3,350,350
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts from issuance of units	37,939,801 19,943,704
Payments against redemption of units	(38,246,678) (21,386,689)
Dividend paid	(524,500) (259,624)
Net cash used in financing activities	(831,377) (1,702,609)
Net increase / (decrease) in cash and cash equivalents during the period	(392,093) 1,647,741
Cash and cash equivalents at the beginning of the period	30,612,206 16,475,752
Cash and cash equivalents at the end of the period	30,220,113 18,123,493
CASH AND CASH EQUIVALENTS	
Bank balances	24,420,113 18,123,493
Placements, Commercial Papers and Term Deposit Receipts	5,800,000 -
	30,220,113 18,123,493

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL LIQUIDITY PLUS FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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 on December 31, 2020 and assigned a stability rating of "AA+(f)" to the Fund as on January 07, 2021.
- 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.
- 1.7** The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme's Trust Deed to the Registrar acting under Sindh Trusts Act, 2020 for registration.

2. BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1** These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 with the requirements of IAS 34, 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 these condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2021.

2.1.3 The comparative statement of asset and liabilities presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2021, 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 have been extracted from the unaudited condensed interim financial statements for the period ended September 30, 2021.

2.1.4 In compliance with Schedule V of the NBFC Regulations the directors of the Management Company declare that these condensed interim financial statements gives a true and fair view of the state of affairs of the Fund as at September 30, 2021.

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 and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2021.

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and 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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2021.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on or after July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

	Note	(Un-audited) September 30, 2021	(Audited) June 30, 2021
		-----Rupees in '000-----	
4. BANK BALANCES			
In local currency:			
- Current account		2,800,213	13
- Profit and loss sharing accounts	4.1	21,619,900	25,412,193
		<u>24,420,113</u>	<u>25,412,206</u>

4.1 The rates of return on these balances range from 5.5% to 8.75% per annum (June 30, 2021: 5.5% to 9.00% per annum). These include an amount held by a related party, United Bank Limited, amounting to Rs. 27.033 million (June 30, 2021: Rs. 35.297 million) on which return is earned at 5.5% (June 30, 2021: 5.5%) per annum.

5. PLACEMENTS, COMMERCIAL PAPERS AND TERM DEPOSIT RECEIPTS

Particulars	Note	As at July 1, 2021	Purchased during the period	Matured during the period	As at September 30, 2021	Market value as a percentage of net assets of the Fund
-----Rupees in '000-----						%
Term Deposits Receipts	5.1	5,200,000	5,800,000	5,200,000	5,800,000	19.17
Letter of Placements	5.2	-	12,065,000	12,065,000	-	0.00
Total as at September 30, 2021 (Un-audited)		5,200,000	17,865,000	17,265,000	5,800,000	19.17
Total as at June 30, 2021 (Audited)		650,000	63,169,000	58,619,000	5,200,000	17.05

5.1. Term Deposit Receipt (TDR) carrying interest rates ranging from 7.8% to 8.75% per annum.

5.2. Letter of Placements (LOPs) carrying interest rates ranging from 7.10% to 7.25% were acquired and matured during the period.

6. INVESTMENTS - NET

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

Name of security	Note	As at July 1, 2021	Purchased during the period	Sold / matured during the period	As at September 30, 2021	Total carrying value as at September 30, 2021	Total market value as at September 30, 2021	Appreciation / (diminution) as at September 30, 2021	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	-	384,860	384,860	-	-	-	-	0.00%	0.00%
Market Treasury Bills - 6 months	6.1	-	378,585	378,585	-	-	-	-	0.00%	0.00%
Total as at September 30, 2021 (Un-audited)						-	-	-	0.00%	0.00%
Total as at June 30, 2021 (Audited)		3,174,300	276,288,194	279,462,494	-	-	-	-	0%	0.00%

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

7. ADVANCE INCOME TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding of tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). During the current period and previous period, prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 151 of the ITO, 2001. Management is confident that the same shall be refunded after filing of Income Tax Return for Tax Year 2021.

8. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

	Note	September 30, 2021 (Un-audited) ----- (Rupees in 000) -----	June 30, 2021 (Audited)
Remuneration payable to the Management Company	8.1	4,401	2,900
Sindh sales tax payable on remuneration of the Management Company	8.2	572	377
Conversion charges		149	147
Allocated expenses payable	8.3	10,714	11,712
Selling and marketing expenses payable	8.4	2,059	-
Other payable		17	17
		<u>17,912</u>	<u>15,153</u>

- 8.1** As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit.

The remuneration is payable to the Management Company on monthly basis in arrears. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the following rates during the period ended September 30, 2021.

	Management Company remuneration as a % of gross earnings	Min remuneration (as a % per annum of the average daily net assets	Max remuneration (as a % per annum of the avg daily net assets)
Charged up to July 04, 2021	0.25%	0.15%	5.00%
Charged from July 05 to August 12, 2021	1.86%	0.15%	5.00%
Charged on August 13, 2021	5.00%	0.15%	5.00%
Charged from August 14 to August 22, 2021	1.86%	0.15%	5.00%
Charged on August 23, 2021	5.00%	0.15%	5.00%
Charged from August 24 and onward	2.50%	0.15%	5.00%

- 8.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

- 8.3** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

Allocated expense as a % per annum of the daily net assets	
Charged on July 01, 2021	0.11%
Charged from July 02 to July 05, 2021	0.14%
Charged from July 06 to August 02, 2021	0.11%
Charged from August 03 to August 12, 2021	0.21%
Charged on August 13, 2021	1.54%
Charged from August 14 to August 22, 2021	0.36%
Charged from August 23 to August 30, 2021	0.10%
Charged from August 31 to September 02, 2021	0.20%
Charged from September 03 to September 12, 2021	0.10%
Charged from September 17 to September 30, 2021	0.05%

- 8.4** In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses at the rate of 0.1% from September 03, 2021, while keeping in view the overall return and the total expense ratio limit of the Fund.

9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	----- (Rupees in 000) -----	----- (Rupees in 000) -----
Remuneration payable to the Trustee	<u>1,602</u>	<u>1,522</u>

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.065% (June 30, 2021: 0.065%) per annum of average daily net assets of the Fund during the period. The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

10. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	----- (Rupees in 000) -----	----- (Rupees in 000) -----
Annual fee payable	<u>1,417</u>	<u>4,096</u>

In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% per annum (June 30, 2021: 0.02%) of average annual net assets during the current period.

11 ACCRUED EXPENSES AND OTHER LIABILITIES

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
		----- (Rupees in 000) -----	
Auditors' remuneration payable		809	568
Brokerage expense payable		1,056	1,007
Payable against legal charges		127	89
Capital gains tax payable		10,474	8,138
Zakat deducted at source payable		1,580	1,389
Withholding tax payable		10,075	17,799
Provision for indirect duties and taxes	11.1	55,390	55,390
CDS fee Payable to CDC		100	100
Provision for Sindh Workers' Welfare Fund	11.2	-	83,752
Other payable		138	383
		79,749	168,615

11.1 This includes provision for Federal Excise Duty (FED) as at September 30, 2021 amounting to Rs. 55.39 million (June 30, 2021: Rs. 55.39 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 of the Fund for the year ended June 30, 2021. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 0.19 (June 30, 2021: Re. 0.1835).

11.2 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 82.911 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

13. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2022 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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.

14. EARNINGS PER UNIT

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

15. TOTAL EXPENSE

The annualised total expense ratio (TER) of the Fund based on the current period results is 0.47% (September 30, 2020: 0.56%) which includes 0.05% (September 30, 2020: 0.18%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The Fund does not hold any financial assets or liabilities carried at fair value as at September 30, 2021.

The table below provides information on financial assets or liabilities carried at fair values, by valuation methods as at September 30, 2021.

17. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

- 17.1** 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.
- 17.2** Transactions with the connected persons are carried out in the normal course of business, at agreed terms.
- 17.3** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations.
- 17.4** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.
- 17.5** 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, 2021						
(Units in '000)						
Units issued	20,256	8	56	-	165	73,861
Units redeemed	29,637	-	-	-	143	70,264
(Rupees in '000)						
Value of units issued	2,048,924	834	5,639	-	16,723	7,464,134
Value of units redeemed	2,996,602	-	-	-	14,435	7,099,795
Mark-up on PLS accounts	-	332	-	-	-	-
Bank and other charges	-	20	-	-	-	-
Purchase of securities	-	4,986,380	-	196,528	-	-
Remuneration (inclusive of SST)	13,053	-	5,204	-	-	-
Allocated selling and marketing expenses	2,059	-	-	-	-	-
Allocated expense	10,704	-	-	-	-	-
Dividend paid	2,905	-	995	-	36	43,994
As at September 30, 2021						
(Units in '000)						
Units held	-	8	3,548	-	55	73,076
(Rupees in '000)						
Value of units held	-	810	359,375	-	5,571	7,401,824
Bank Balances	-	27,033	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration (inclusive of SST)	4,973	-	1,602	-	-	-
Allocated expenses payable	10,714	-	-	-	-	-
Allocated selling and marketing expenses payable	2,059	-	-	-	-	-
Other payable and conversion charges	166	-	-	-	-	-
Mark-up receivable	-	60	-	-	-	-

	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	43,339
(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 June 30, 2021						
(Units in '000)						
Units held	9,380	-	3,492	-	32	69,480
(Rupees in '000)						
Value of units held	947,781	-	352,841	-	3,233	7,020,447
Bank Balances	-	35,297	-	-	-	-
Receivable against issuance of units	4,343	-	-	-	-	-
Deposits	-	-	197	-	-	-
Remuneration (inclusive of SST)	3,277	-	1,522	-	-	-
Allocated expenses payable	11,712	-	-	-	-	-
Conversion payable	147	-	-	-	-	-
Other payable	17	-	-	-	-	-
Mark-up receivable	841	102	-	-	-	-

* 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.

18 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 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.

19. GENERAL

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

20. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 27, 2021 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	EY Ford Rhodes, Chartered Accountants
Bankers	United Bank Limited Bank Alfalah Limited Faysal Bank Limited Telenor 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 Soneri Bank Limited National bank of Pakistan Limited
Management Co.Rating	AM1 - VIS
Fund Rating	AA- (f) - VIS

UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2021

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	1,060,795	1,145,130
Investments	5	1,451,813	1,772,391
Dividend and mark-up receivable		22,049	11,525
Advance tax	6	627	608
Deposits, prepayments and other receivables		50,507	44,018
TOTAL ASSETS		2,585,791	2,973,672
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	7	4,672	5,195
Payable to Central Depository Company of Pakistan - Trustee	8	198	140
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	9	154	297
Accrued expenses and other payables		22,103	42,408
Payable against spread transaction		-	265,737
Payable against purchase of investments		-	455,546
TOTAL LIABILITIES		27,127	769,323
NET ASSETS		2,558,664	2,204,349
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,558,664	2,204,349
CONTINGENCIES AND COMMITMENTS	11		
----- (Number of units) -----			
NUMBER OF UNITS IN ISSUE		22,762,544	19,993,428
----- (Rupees) -----			
NET ASSETS VALUE PER UNIT		112.4068	110.2537

The annexed notes from 1 to 19 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 INCOME OPPORTUNITY FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended	
	September 30, 2021	September 30, 2020
Note	----- (Rupees in '000) -----	
INCOME		
Financial income :		
- Bank balances	8,808	5,150
- Term deposit receipts	4,816	-
- Government securities	29,242	7,820
- Term finance certificates	4,754	1,233
- Marginal trading system	-	-
Gain on redemption / sale of investments classified as 'at fair value through profit or loss' - net	13,235	6,310
Dividend income	140	621
Unrealised gain / (loss) on revaluation of investments classified as 'at fair value through profit or loss' - net	1,220	(960)
Other income	68	-
Total income	62,283	20,174
EXPENSES		
Remuneration of the Management Company	4,828	2,075
Sales tax on management fee	628	270
Allocation of expenses related to the Fund	1,180	259
Selling and marketing expenses	25	259
Remuneration of the Trustee	579	194
Sales tax on remuneration of the Trustee	75	25
Annual fee to Securities and Exchange Commission of Pakistan	154	52
Auditors' remuneration	114	69
Brokerage and settlement expenses	1,577	1,387
Listing fee expense	7	7
Legal and professional charges	55	39
Bank charges and other expenses	55	37
Total expenses	9,277	4,673
Net operating income for the period	53,006	15,501
Reversal / (provision) for Sindh Workers' Welfare Fund (SWWF)	10.2 6,724	(305)
Net income for the period before taxation	59,730	15,196
Taxation	13 -	-
Net income for the period after taxation	59,730	15,196
<i>Allocation of net income for the period</i>		
Income already paid on units redeemed	(17,763)	(2,014)
Net income for the period available for distribution	41,967	13,182
<i>Net income available for distribution:</i>		
- Relating to capital gains	12,188	5,004
- Excluding capital gains	29,779	8,178
	41,967	13,182

Earning per unit

14

The annexed notes from 1 to 19 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 INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended	
	September 30, 2021	September 30, 2020
	----- (Rupees in '000) -----	
Net income for the period after taxation	59,730	15,196
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>59,730</u>	<u>15,196</u>

The annexed notes from 1 to 19 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 INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended					
	September 30, 2021			September 30, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the period	2,191,822	12,527	2,204,349	596,598	10,744	607,342
Amount received on issuance of 24,265,735 units (2020 : Amount received on issuance of 269,632)						
Capital value	2,675,387	-	2,675,387	1,572,331	-	1,572,331
Element of income	23,168	-	23,168	12,104	-	12,104
	2,698,555	-	2,698,555	1,584,435	-	1,584,435
Amount paid on Redemption of 21,496,619 (2020 : Amount paid on Redemption of 5,664,418)						
Capital value	(2,370,082)	-	(2,370,082)	(572,718)	-	(572,718)
Element of income	(16,125)	(17,763)	(33,888)	(2,386)	(2,014)	(4,400)
	(2,386,207)	(17,763)	(2,403,970)	(575,104)	(2,014)	(577,118)
Total comprehensive income for the period	-	59,730	59,730	-	15,196	15,196
Net assets at end of the period	2,504,170	54,494	2,558,664	1,605,929	23,926	1,629,855
Undistributed income brought forward comprising of:						
- Realised		11,697			9,614	
- Unrealised		830			1,130	
		12,527			10,744	
Accounting income available for distribution:						
- Relating to capital gains		12,188			5,004	
- Excluding capital gains		29,779			8,178	
		41,967			13,182	
Undistributed income carried forward		54,494			23,926	
Undistributed income carried forward comprising of:						
- Realised		53,274			24,886	
- Unrealised gain		1,220			(960)	
		54,494			23,926	
	(Rupees)					
Net assets value per unit at beginning of the period	110.2537			110.0966		
Net assets value per unit at end of the period	112.4068			111.6655		

The annexed notes from 1 to 19 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 INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended	
	September 30, 2021	September 30, 2020
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	59,730	15,196
Adjustments for:		
Financial income	(47,620)	(14,203)
Gain on redemption / sale of investments classified as 'at fair value through profit or loss' - net	(13,235)	(6,310)
Dividend income	(140)	(621)
Unrealised (gain) / loss on revaluation of investments 'at fair value through profit or loss' - net	(1,220)	960
(Reversal) / provision for Sindh Workers' Welfare Fund (SWWF)	(6,724)	305
	(68,939)	(19,869)
Cash used in operations before working capital changes	(9,209)	(4,673)
Working capital changes		
(Increase) / decrease in assets		
Investments - net	335,033	(261,343)
Receivable against sale of investment	-	(44,986)
Advance tax	(19)	-
Deposits, prepayments and other receivables	(6,489)	(179,553)
	328,525	(485,882)
Increase / (decrease) in liabilities		
Payable to UBL Fund Managers Limited - Management Company	(523)	(291)
Payable to Central Depository Company of Pakistan - Trustee	58	53
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	(143)	(67)
Accrued expenses and other payables	(13,581)	11,321
Payable against spread transaction	(265,737)	-
Payable against purchase of investments	(455,546)	-
Cash generated from / (used in) operations	(735,472)	11,016
Dividend and mark-up received	37,236	3,822
Net cash flows used in operating activities	(378,920)	(475,717)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipt from issuance of units	2,698,555	1,584,436
Net payment against redemption of units	(2,403,970)	(577,118)
Net cash generated from financing activities	294,585	1,007,318
Net increase / (decrease) in cash and cash equivalents during the period	(84,335)	531,601
Cash and cash equivalents at beginning of the period	1,145,130	254,875
Cash and cash equivalents at end of the period	1,060,795	786,476

The annexed notes from 1 to 19 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 INCOME OPPORTUNITY FUND
NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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 / sukuks 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 Limited has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company on December 31, 2020 and a stability rating of "AA-(f)" to the Fund as on January 07, 2021.
- 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.
- 1.7 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme's Trust Deed to the Registrar acting under Sindh Trusts Act, 2020 for registration.

2 STATEMENT OF COMPLIANCE

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 with the requirements of IAS 34, 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.

- 2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2021.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISK MANAGEMENT POLICIES

3.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2021.

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and 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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2021.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on or after July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
4. BANK BALANCES			
Saving account	4.1	460,747	1,145,130
Current account		600,048	-
		<u>1,060,795</u>	<u>1,145,130</u>

4.1 The rates of return on these balances range from 5.5% to 8.75% (June 30, 2021: 5.5% to 9%) per annum. These include an amount held by a related party, United Bank Limited, amounting to Rs. 3.57 million (June 30, 2021: Rs. 12.77 million) on which return is earned at 5.5% (June 30, 2021: 5.5%) per annum.

5. INVESTMENTS

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
Investments by Category	Note	----- (Rupees in '000) -----	
'At fair value through profit or loss'			
Government Securities - Market Treasury Bills	5.1	97,863	98,354
Government Securities - Pakistan Investment Bonds	5.2	455,774	455,546
Term Finance Certificates	5.3	358,176	220,227
Quoted equity securities - Spread transactions		-	798,264
		<u>911,813</u>	<u>1,572,391</u>
'At amortised cost'			
Term deposit receipt		540,000	200,000
		<u>1,451,813</u>	<u>1,772,391</u>

5.1 Government Securities - Treasury Bills - 'At Fair Value Through Profit or Loss'
(certificates having a nominal value of Rs.100,000 each)

(Certificates having a nominal value of Rs.100,000 each)						September 30, 2021				
Purchase yield range	Maturity upto	As at July 01, 2021	Purchased during the period	Sold / matured during the period	As at September 30, 2021	Carrying value	Market value	Unrealised (loss)	Market value as a % of net assets	Market value as a % of total investments
----- (Number of holding) -----						----- (Rupees in '000) -----			----- % -----	
Market Treasury Bills -										
T-Bills 3 Months		-	40,300	40,300	-	-	-	-	0.00%	0.00%
T-Bills - 06 Months	7.40% 13-Jan-22	1,000	51,500	51,500	1,000	98,018	97,863	(155)	3.82%	6.74%
T-Bills 12 Months		-	2,000	2,000	-	-	-	-	0.00%	0.00%
Total as at September 30, 2021 (un-audited)						98,018	97,863	(155)	3.82%	6.74%
Total as at June 30, 2021 (Audited)						98,257	98,354	97	4.46%	5.55%

5.2 Government Securities - Pakistan Investment Bonds - 'At Fair Value Through Profit or Loss'
(certificates having a nominal value of Rs.100 each)

	Purchase yield range	Maturity upto	As at July 01, 2021	Purchased during the period	Sold during the period	As at September 30, 2021	Carrying value	Market value	Unrealised Gain / (loss)	Market value as a % of net assets	Market value as a % of total investments
			----- (Number of holding) -----				----- (Rupees in '000) -----			----- % -----	
Pakistan Investment Bonds											
3 Years	4.00%	19-Jun-23	4,550,000	2,500,000	2,500,000	4,550,000	455,746	455,774	28	17.81%	31.39%
Total as at September 30, 2021 (un-audited)							455,746	455,774	28	17.81%	31.39%
Total as at June 30, 2021 (Audited)							455,546	455,546	-	20.67%	25.70%

5.2.1 These comprise of floating rate Pakistan Investment Bonds (PIBs) carrying interest at the rate of 8.0219% per anum. These will mature latest by June 19, 2023.

5.3 Debt Securities - Term Finance Certificates- 'At Fair Value Through Profit or Loss'

Particulars	Note	Number of certificates				September 30, 2021			Market value as a % of net assets	Market value as a % of total investments
		As at July 01, 2021	Purchased during the period	Sold during the period	As at September 30, 2021	Carrying value	Market value	Unrealised Gain / (loss)		
						----- (Rupees in '000) -----			----- % -----	
Bank Al Habib Limited (Issue date - December 6, 2018)	5.3.1 & 5.3.2	-	10,000	-	10,000	50,522	50,567	45	1.98%	3.48%
Bank Alfalah Limited - TFC Series A (Issue date - January 15, 2021)	5.3.1 & 5.3.2	7,000	-	-	7,000	34,716	34,589	(127)	1.35%	2.38%
Samba Bank Limited (Issue date - March 01, 2021)	5.3.1 & 5.3.2	469	-	-	469	46,891	47,821	930	1.87%	3.29%
Soneri Bank Limited (Issue date - July 08, 2015)	5.3.1 & 5.3.2	25,000	-	-	25,000	124,700	125,199	499	4.89%	8.62%
Bank Al Habib Limited (Issue date - September 30, 2021)	5.3.1 & 5.3.2	-	20,000	-	20,000	100,000	100,000	-	3.91%	6.89%
Total as at September 30, 2021 (un-audited)						356,829	358,176	1,347	5.20%	9.16%
Total as at June 30, 2021 (Audited)						219,732	220,227	426	11.65%	12.43%

5.3.1 These carry profit rate from 8.70% to 9.03% (June 2021: from 8.7240% to 9.018%)

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

Name of security	Number of certificates	Redemption Value (Rupees)		Interest rate (Per annum)	Maturity
		Per certificate	Total		
Bank Al Habib Limited (06-12-2018)	10,000	4,995	49,950,000	6M KIBOR + 1.00%	December 06, 2028
Bank Alfalah Limited - TFC Series A (15-01-2021)	7,000	5,000	35,000,000	3 year PKRV + 0.75%	January 15, 2024
Samba Bank Limited (01-03-2021)	469	99,980	46,890,620	6M KIBOR + 1.35%	March 1, 2031
Soneri Bank Limited - (08-07-2015)	25,000	4,988	124,700,000	6M KIBOR + 1.35%	July 10, 2023
Bank Al Habib Limited - Tier II (06-12-2018)	20,000	5,000	100,000,000	6M KIBOR + 0.75%	September 30, 2031

6. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding of tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). During the current period and previous period, prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 150 and 151 of the ITO, 2001. Management is confident that the same shall be refunded after filing of Income Tax Return for Tax Year 2021.

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
Note		(Rupees in 000)	
Remuneration payable to the Management Company	7.1	1,347	1,512
Sindh sales tax payable on remuneration of the Management Company	7.2	175	197
Sales load and conversion charges payable		1,946	1,780
Selling and marketing expenses payable	7.3	25	853
Allocated expenses payable	7.4	1,179	853
		4,672	5,195

- 7.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the following rate of the gross earnings of the Scheme, calculated on a daily basis not exceeding the maximum rate 1.50% of remuneration based on net assets. The Fee is subject to a minimum of 0.25% of the daily net assets of the Scheme. The remuneration is paid to the Management Company on monthly basis in arrears.

From Jul 1, 2021 to Jul 4, 2021	From Jul 5, 2021 to Sep 30, 2021
10%	7.5%

- 7.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 7.3 In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses at the rate of 0.1% of daily average net assets, while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations.
- 7.4 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

From Jul 1, 2021 to Jul 4, 2021	From Jul 5, 2021 to Aug 12, 2021	On Aug 13, 2021	From Aug 14, 2021 to Sep 30, 2021
0.1%	0.05%	1.43%	0.20%

8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
Note		(Rupees in 000)	
Remuneration payable to the Trustee	8.1	175	124
Sindh sales tax on Trustee remuneration	8.2	23	16
		198	140

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.075% (June 30, 2021: 0.075) per annum of average daily net assets of the Fund during the period.
- 8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

9. ANNUAL FEE PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% per annum (June 30, 2021: 0.02%) of average annual net assets during the current period.

10. ACCRUED EXPENSES AND OTHER LIABILITIES

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	(Rupees in 000)	
Auditors' remuneration payable		456	342
Withholding tax payable		354	6,687
Capital gain tax payable		2,011	1,517
Legal and professional charges payable		139	96
Brokerage payable		2,964	5,053
Zakat deducted at source		135	135
Provision for Federal Excise Duty	10.1	1,597	1,597
Provision for Sindh Workers' Welfare Fund	10.2	-	6,724
Sales load payable		36	730
Other payables		14,411	19,527
		22,103	42,408

10.1 This includes provision for Federal Excise Duty (FED) as at September 30, 2021 amounting to Rs. 1.597 million (June 30, 2021: 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 of the Fund for the year ended June 30, 2021. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 0.07 (June 30, 2021: Re. 0.80).

10.2 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 7.266 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

12. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.20% (September 30, 2020: 1.92%) which includes 0.22% (September 30, 2020: 0.31%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a income scheme.

13. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2022 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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.

14. EARNINGS PER UNIT

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

15. 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 (the Management Company), 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.

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

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

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
September 30, 2021 (Un-audited)						
(Units in '000)						
Transactions during the period						
Units issued	11,048	-	-	-	3	-
Units redeemed	11,048	-	-	-	98	-
(Rupees in '000)						
Mark-up on saving accounts	-	294	-	-	-	-
Bank charges	-	7	-	-	-	-
Value of units issued	1,227,000	-	-	-	300	-
Value of units redeemed	1,234,848	-	-	-	11,001	-
Sale of investment	-	676,886	-	97,349	-	-
Remuneration *	4,828	-	579	-	-	-
Allocated expenses by the Management Company	1,180	-	-	-	-	-
Selling and marketing expenses	25	-	-	-	-	-
September 30, 2020 (Un-audited)						
(Units in '000)						
Transactions during the period						
Units issued	3,030	79	-	-	190	-
Units redeemed	-	50	-	-	1	-
(Rupees in '000)						
Mark-up on saving 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	-	-	-	-	-
Allocated expenses by the Management Company	259	-	-	-	-	-
Selling and marketing expenses	259	-	-	-	-	-
As at September 30, 2021 (Un-audited)						
Balances held						
Units held (units in '000)	-	-	-	-	293	3,352
Units held (Rupees in '000)	-	-	-	-	32,885	376,812
Bank balances	-	3,568	-	-	-	-
Remuneration payable*	1,522	-	198	-	-	-
Security deposit	-	-	100	-	-	-
Sales load and other payable	1,946	-	-	-	-	-
Mark-up receivable	-	90	-	-	-	-
Payable against allocated expenses	1,179	-	-	-	-	-
Selling and marketing expense payable	25	-	-	-	-	-
As at June 30, 2021 (Audited)						
Balances held						
Units held (units in '000)	-	-	-	-	388	3,352
Units held (Rupees in '000)	-	-	-	-	42,761	369,594
Bank balances	-	12,774	-	-	-	-
Deposits	-	14,000	-	-	-	-
Remuneration payable*	1,709	-	140	-	-	-
Security deposit	-	-	100	-	-	-
Sales load and other payables	1,780	-	-	-	-	-
Mark-up receivable	-	39	-	-	-	-
Payable against allocated expenses	853	-	-	-	-	-
Selling and marketing expense payable	853	-	-	-	-	-

* Remuneration for the period is inclusive of sales tax.

16. FAIR VALUE MEASUREMENT

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

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

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

16.1 Fair value hierarchy

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

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

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

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

As at the reporting date, the Fund held the following financial instruments measured at fair value:

	Fair value		
	Level 1	Level 2	Level 3
	----- (Rupees in '000) -----		
<u>September 30, 2021 (Un-audited)</u>			
Financial assets measured at fair value			
Government Securities - Market Treasury Bills	-	97,863	-
Government Securities - Pakistan Investment bonds	-	455,774	-
Term Finance Certificates	310,355	47,821	-
	<u>310,355</u>	<u>601,458</u>	<u>-</u>
	Fair value		
	Level 1	Level 2	Level 3
	----- (Rupees in '000) -----		
<u>June 30, 2021 (Audited)</u>			
Financial assets measured at fair value			
Government Securities - Market Treasury Bills	-	98,354	-
Government Securities - Pakistan Investment bonds	-	455,546	-
Investment in Spread Transactions	798,264	-	-
Term Finance Certificates	173,327	46,900	-
	<u>971,591</u>	<u>600,800</u>	<u>-</u>

17. 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 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.

18. GENERAL

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

19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on October 27, 2021 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)
Auditors	EY Ford Rhodes, Chartered Accountants
Bankers	United Bank Limited Bank Alfalah Limited MCB Bank Limited Faysal Bank Limited Allied Bank Limited Habib Bank Limited - Islamic Banking 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 Taraqiyati Bank Limited Soneri Bank Limited
Management Co. Rating	AM1 (VIS)
Fund Rating	AA(f) (VIS)

UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT SEPTEMBER 30, 2021

		September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	605,438	1,642,718
Term deposit receipts		200,000	150,000
Investments	5	1,514,233	1,876,992
Mark up / interest receivable		32,657	12,649
Prepayments and other receivables		45,524	715
Advance tax	6	5,178	5,180
TOTAL ASSETS		2,403,030	3,688,254
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	7	4,786	4,558
Payable to Central Depository Company of Pakistan Limited - Trustee	8	155	158
Payable to Securities and Exchange Commission of Pakistan	9	114	860
Accrued expenses and other liabilities	10	65,525	1,647,430
TOTAL LIABILITIES		70,580	1,653,006
NET ASSETS		2,332,450	2,035,248
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,332,450	2,035,248
CONTINGENCIES AND COMMITMENTS	11	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		22,032,451	19,240,687
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		105.8643	105.7783

The annexed notes from 1 to 20 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, 2021

		Quarter ended September 30,	
		2021	2020
		----- (Rupees in '000) -----	
Note			
INCOME			
	Financial income	46,522	106,809
	Capital loss on sale of investments - net revaluation of investments	(1,024)	(3,662)
	financial asset 'at fair value through profit or loss' - net	(1,603)	(27,119)
	TOTAL INCOME	43,895	76,028
EXPENSES			
	Remuneration of UBL Fund	5,843	13,204
7.2	Sindh Sales tax on Management Company's remuneration	760	1,716
7.3	Allocated expenses	1,583	1,281
	Remuneration of Central Depository Company of Pakistan Limited - Trustee	418	941
	Annual fee of Securities and Exchange Commission of Pakistan	114	256
	Bank and other charges	-	3
	Auditors' remuneration	103	89
	Brokerage and settlement expenses	223	700
	Legal and professional charges	49	47
	Fee and subscription charges	70	77
	Total operating expenses	9,163	18,314
	Operating income for the period	34,732	57,714
	Reversal / (Provision) for Sindh Workers' Welfare Fund	31,057	(1,136)
	Net income for the period before taxation	65,789	56,578
	Taxation	-	-
	Net income for the period after taxation	65,789	56,578
Allocation of net income for the period			
	Net income for the period after taxation	65,789	56,578
	Income already paid on units redeemed	(27,414)	(17,553)
	Net income for the period available for distribution	38,375	39,025
	Relating to capital gains	-	-
	Excluding capital gains	38,375	39,025
	Earnings per unit	38,375	39,025
		0	

The annexed notes from 1 to 20 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, 2021

	<u>Quarter ended</u>	
	<u>September 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>----- (Rupees in '000) -----</u>	
Net income for the period after taxation	65,789	56,578
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	<u>65,789</u>	<u>56,578</u>

The annexed notes from 1 to 20 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, 2021

	Quarter ended	
	September 30, 2021	September 30, 2020
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter before taxation	65,789	56,578
Adjustments for:		
Financial income	(46,522)	(106,809)
Unrealised loss on revaluation of investments at fair value through profit or loss - net	1,603	27,119
Capital loss on sale of investments - net	1,024	3,662
Provision for Sindh Workers' Welfare Fund	(31,057)	1,136
	(74,952)	(74,892)
Cash used in operations before working capital changes	(9,163)	(18,314)
Working capital changes		
Decrease / (increase) in assets		
Investments - net	360,132	(4,237,991)
Term deposit receipts	-	-
Prepayments and other receivables	(44,810)	955,600
Advance tax	2	(1)
	315,324	(3,282,391)
(Decrease) / increase in liabilities		
Payable to UBL Fund Managers Limited - Management Company	228	2,909
Payable to Central Depository Company of Pakistan Limited - Trustee	(3)	170
Annual fee payable to Securities and Exchange Commission of Pakistan	(746)	(248)
Accrued expenses and other liabilities	(1,550,848)	197,979
	(1,551,369)	200,810
Cash used in operations	(1,245,208)	(3,099,895)
Profit received on bank balances and investments	26,514	67,969
Net cash used in operating activities	(1,218,694)	(3,031,926)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	3,788,205	11,875,536
Payments against redemption of units	(3,491,422)	(8,942,633)
Dividend paid	(65,369)	(61,367)
Net cash generated from financing activities	231,414	2,871,536
Net decrease in cash and cash equivalents	(987,280)	(160,390)
Cash and cash equivalents at the beginning of the period	1,792,718	549,489
Cash and cash equivalents at the end of the period	805,438	389,099
CASH AND CASH EQUIVALENTS		
Bank balances	605,438	389,099
Term deposit receipts	200,000	-
	805,438	389,099

The annexed notes from 1 to 20 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, 2021

Note	Quarter ended September 30, 2021			Quarter ended September 30, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----					
Net assets at the beginning of the period	1,831,551	203,697	2,035,248	2,952,966	203,797	3,156,763
Issuance of 35,523,161 units (2020 : 111,967,675 units)						
Capital value of units	3,757,581	-	3,757,581	11,834,233	-	11,834,233
Element of income						
Due to net income earned	30,624	-	30,624	41,303	-	41,303
Total proceeds on issuance of units	3,788,205	-	3,788,205	11,875,536	-	11,875,536
Redemption of 32,731,397 units (2020: 84,283,631 units)						
Capital value of units	(3,462,273)	-	(3,462,273)	(8,908,215)	-	(8,908,215)
Element of income						
Due to net income earned	(1,735)	(27,414)	(29,149)	(16,865)	(17,553)	(34,418)
Total payments on redemption of units	(3,491,422)	(27,414)	(3,491,422)	(8,925,080)	(17,553)	(8,942,633)
Total comprehensive income for the period	-	65,789	65,789	-	56,578	56,578
Distribution during the period 32						
Rs. 0.6094 per unit declared on July 30, 2021 as cash dividend	(6,409)	(5,623)	(12,032)			
Rs. 2.0456 per unit declared on Aug 27, 2021 as cash dividend	(26,000)	(19,866)	(45,866)			
Rs. 0.3328 per unit declared on Sep 24, 2021 as cash dividend	(4,058)	(3,413)	(7,471)			
Distribution during the period ended Sep 30, 2020:						
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 period less distribution	(36,467)	36,887	420	(27,142)	22,353	(4,789)
Net assets at the end of the period	2,091,867	213,170	2,332,450	5,876,280	208,597	6,084,877
Undistributed income brought forward comprises of:						
Realised gain		204,658			204,026	
Unrealised (loss)		(961)			(229)	
Total undistributed income brought forward		203,697			203,797	
Income available for distribution:						
Relating to capital gains		-			-	
Excluding capital gains		38,375			39,025	
Distribution during the period:						
Rs. 0.6094 per unit declared on July 30, 2021 as cash dividend		(5,623)				
Rs. 2.0456 per unit declared on Aug 27, 2021 as cash dividend		(19,866)				
Rs. 0.3328 per unit declared on Sep 24, 2021 as cash dividend		(3,413)				
Undistributed income carried forward		213,170			242,822	
Undistributed income carried forward comprises of:						
Realised gain		214,773			235,716	
Unrealised gain / (loss)		(1,603)			(27,119)	
Total undistributed income carried forward		213,170			242,822	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the period			105.7783			105.6231
Net assets value per unit at the end of the period			105.8643			105.6933

The annexed notes from 1 to 20 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, 2021

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 on December 31, 2020 and a stability rating of "AA(f)" to the Fund as at January 07, 2021.

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;
 - 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.

- 2.2 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, 2021.
- 2.3 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, 2021

3

SUMMARY OF 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, 2021.

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 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2020. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

	Note	September 30, 2021 (Unaudited) ----- (Rupees in '000) -----	June 30, 2021 (Audited)
4 BANK BALANCES			
Cash at bank			
In current accounts		7	8
In savings accounts	4.1	605,431	1,642,710
		<u>605,438</u>	<u>1,642,718</u>

4.1 Profit rates on these savings accounts range from 5.50% to 9.00% per annum (June 30, 2021: 5.50% to 7.85% per annum). This includes an amount held by a related parties amounting to Rs. 80 million (June 30, 2021: Rs. 80.459 million) on which return is earned at 5.50% (June 30, 2021: 5.50%) 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	1,514,233	1,325,798
Market Treasury Bills		-	117,064
Term Deposit Receipts		200,000	150,000
		<u>1,714,233</u>	<u>1,592,862</u>

5.2 Details of Government Securities are as follows:

Name of security	Note	At the beginning of the quarter	Acquired during the quarter	Sold/ matured during quarter	At the end of the quarter	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealized gain/ loss as at September 30, 2021	Market value as at June 30, 2021	Percentage of investment
		----- No. of holdings -----				----- (Rupees in '000) -----				
Pakistan Investment Bonds										
PIB- 10 Years	5.3	2,690	-	-	2,690	270,388	270,675	287	269,794	17.88%
PIB- 05 Years	5.3	3,510	505	4,010	5	461	462	1	348,090	0.03%
PIB- 03 Years	5.3	12,576	9,050	9,050	12,576	1,241,778	1,243,094	1,316	1,259,109	82.09%
		<u>18,776</u>	<u>9,555</u>	<u>13,060</u>	<u>15,271</u>	<u>1,512,628</u>	<u>1,514,231</u>	<u>1,603</u>	<u>1,876,992</u>	<u>100.00%</u>

5.3 These comprise of fixed and floating rate Pakistan Investment Bonds (PIBs) having face value amounting to Rs. 250.000 million and Rs. 1,276.600 million respectively (June 30, 2021: fixed and floating rate (PIBs) Rs. 50.000 million and Rs. 1,827.000 million respectively) and fixed and floating rate (PIBs) carrying mark-up (coupon) rate ranging from 8.2265% to 7.000% at quarter end (June 30, 2021: fixed and floating rate (PIBs) 7.50% to 8.215%). Mark-up is reset and received semi-annually.

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

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	
Remuneration payable to the Management Company	7.1	2,044	2,117
Sindh sales tax payable on remuneration of the Management Company	7.2	266	275
Sales load and conversion charges payable		874	515
Allocated expenses payable	7.3	1,585	1,634
Other payable		17	17
		<u>4,786</u>	<u>4,558</u>

- 7.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit.

Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 10% of gross earnings with floor of 1% and cap of 1.25% of net assets. The remuneration is payable to the Management Company monthly in arrears.

- 7.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 7.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

From Jul 1, 2021 to Aug 12, 2021	August 13, 2021	From Aug 14, 2021 to Sep 30, 2021
Nil	1.06%	0.4% of AUMs

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED- TRUSTEE

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	
Remuneration payable to the Trustee	8.1	137	158
Sindh sales tax on Trustee remuneration	8.2	18	-
		<u>155</u>	<u>158</u>

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.055% (June 30, 2021: 0.065%) per annum of average daily net assets of the Fund during the period.
- 8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 0.00715% (June 30, 2020: 0.00845%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

		September 30 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	-----
Annual fee payable	9.1	<u>114</u>	<u>860</u>

- 9.1 In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% per annum (June 30, 2020: 0.02%) of average annual net assets during the current period.

10 ACCRUED EXPENSES AND OTHER LIABILITIES

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	-----
Auditors' remuneration payable		265	252
Printing charges payable		-	-
Withholding tax payable		6,999	603
Capital gain tax payable		2,167	824
Annual listing fee payable		-	-
Legal and professional charges payable		82	99
Sales load payable		2,430	1,570
Brokerage payable		601	380
Zakat deducted at source		265	210
Provision for Federal Excise Duty	10.1	52,558	52,558
Provision for Sindh Workers' Welfare Fund	10.2	-	31,057
Other payables		158	68
Dividend Payable As Capital Repayment - Non Taxable		-	-
		<u>65,525</u>	<u>87,621</u>

- 10.1 This includes provision for Federal Excise Duty (FED) as at September 30, 2021 amounting to Rs. 52.558 million (June 30, 2021: 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 of the Fund for the year ended June 30, 2021. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 2.19 (June 30, 2021: Re. 2.511).

- 10.2 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 31.415 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

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 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.61% (September 30, 2021: 1.52%) which includes 0.17% (September 30, 2020: 0.26%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

15 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, 2021						
Profit on bank accounts	-	241	-	-	-	-
Bank charges	-	-	-	-	-	-
Units issued (in Units '000)	2,428	-	-	-	0	-
Units redeemed (in Units '000)	849	-	-	-	-	-
Units issued (in Rupees '000)	257,047	-	-	-	1	-
Units redeemed (in Rupees '000)	90,000	-	-	-	-	-
Dividend paid	999	-	-	-	0	5,266
Sales load paid	211	-	-	-	-	-
Purchase of securities	-	95,343	-	-	-	-
Sale of securities	-	303,148	-	-	-	-
Remuneration (including Sindh sales tax)	6,603	-	418	-	-	-
Allocated expenses	1,583	-	-	-	-	-
Transactions during the Quarter ended September 30, 2020						
Profit on bank accounts	-	384	-	-	-	-
Bank charges	-	1	-	-	-	-
Units issued	477	-	-	-	946	-
Units redeemed	-	-	-	-	627	-
Sales load paid	50,429	-	-	-	100,314	-
Purchase of securities	-	-	-	-	66,554	-
Sale of securities	500	-	-	-	354	-
Remuneration (including Sindh sales tax)	764	215	-	-	-	-
Allocated expenses	-	10,334	-	499,339	-	-
Dividend paid	-	-	-	-	-	-

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
(Rupees in '000)						
Balances held as at September 30, 2021						
Units held (in Units '000)	1,579	-	-	-	0	-
Units held (in Rupees '000)	167,160	-	-	-	13	-
Bank balances	-	398	-	-	-	-
Remuneration payable	2,310	-	155	-	-	-
Sales load payable	699	2,362	-	-	-	-
Conversion charges payable	175	-	-	-	-	-
Allocated expenses payable	1,585	-	-	-	-	-
Other payables	17	-	-	-	-	-
Profit receivable	-	63	-	-	-	-
Balances held as at June 30, 2021						
Units held (in Units '000)	-	-	-	-	105	-
Units held (in Rupees '000)	-	-	-	-	11	-
Bank balances	-	5,644	-	-	-	-
Remuneration payable	2,392	-	158	-	-	-
Sales load payable	340	1,570	-	-	-	-
Conversion charges payable	175	-	-	-	-	-
Allocated expenses payable	1,634	-	-	-	-	-
Other payables	17	-	-	-	-	-
Profit receivable	-	12	-	-	-	-

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

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

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

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

	Carrying Amount		Fair value		
	As at September 30, 2021		As at September 30, 2021		
	Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3
Rupees in '000					
Financial assets measured at fair value					
Pakistan Investment Bonds	1,514,233	-	-	1,514,233	-
Market Treasury Bills	-	-	-	-	-
Government of Pakistan Ijara Sukuk	-	-	-	-	-
	1,514,233	-	-	1,514,233	-

	As at June 30, 2021			As at June 30, 2021		
	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						
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	-

17 INTERIM DISTRIBUTIONS MADE DURING THE PERIOD

Rate per unit	Declaration time	Cash Distribution		Total
		Capital Value	Undistributed Income	

-----Rupees in '000-----

-----For the period ended September 30, 2021-----

July 2021 to September 2021

Interim Distribution declared as cash dividend	0.6094	July 30, 2021	(6,409)	(5,623)	(12,032)
Interim Distribution declared as cash dividend	2.0456	August 27, 2021	(26,000)	(19,866)	(45,866)
Interim Distribution declared as cash dividend	0.3328	September 24, 2021	(4,058)	(3,413)	(7,471)
			<u>(36,467)</u>	<u>(28,902)</u>	<u>(65,369)</u>

-----For the period ended September 30, 2020-----

July 2020 to September 2020

Interim Distribution declared as cash dividend	0.6689	September 4, 2020	(17,700)	(21,661)	(39,361)
Interim Distribution declared as cash dividend	0.3844	September 25, 2020	(9,442)	(12,564)	(22,006)
			<u>(27,142)</u>	<u>(34,225)</u>	<u>(61,367)</u>

18 IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

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 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.

19. GENERAL

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

20 DATE OF AUTHORIZATION FOR ISSUE

20.1 This condensed interim financial information was authorised for issue on October 27, 2021 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 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 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 Taraqati 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, 2021

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
Assets			
Bank balances	4	396,277	592,261
Investments	5	1,178,698	1,457,506
Mark-up and Dividend receivable		25,258	17,243
Advance tax	6.	3,466	3,463
Deposits, prepayments and other receivables		35,216	27,395
TOTAL ASSETS		1,638,915	2,097,868
Liabilities			
Payable to the Management Company	7.	5,441	8,134
Remuneration payable to the Trustee	8	136	125
Annual fee payable to Securities and Exchange Commission of Pakistan (SECP)	9	95	279
Accrued and other liabilities	10	50,994	294,641
TOTAL LIABILITIES		56,665	303,179
NET ASSETS		1,582,250	1,794,689
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		1,582,250	1,794,689
CONTINGENCIES AND COMMITMENTS	11		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		18,043,311	21,106,895
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		87.6917	85.0286

The annexed notes from 1 to 19 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, 2021 (UN-AUDITED)

		Quarter Ended	
		September 30, 2021	September 30, 2020
Note		----- (Rupees in '000) -----	
Income			
		31,470	17,621
		(343)	6,104
		1,744	910
		13,542	1,139
		<u>46,414</u>	<u>25,774</u>
Expenses			
		3,010	2,033
		133	264
	7.4	2,846	243
		404	206
		95	49
	7.3	605	971
		83	74
		49	47
		1,176	1,078
		69	367
		<u>8,471</u>	<u>5,332</u>
		<u>37,943</u>	<u>20,442</u>
	10.2	19,112	(402)
		<u>57,055</u>	<u>20,040</u>
	13	-	-
		<u>57,055</u>	<u>20,040</u>
		(20,340)	(5,614)
		<u>36,715</u>	<u>14,426</u>
		553	6,364
		36,162	8,062
		<u>36,715</u>	<u>14,426</u>

Earnings per unit

14

The annexed notes from 1 to 19 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, 2021 (UN-AUDITED)

	<u>Quarter Ended</u>	
	<u>September 30,</u>	<u>September 30,</u>
	<u>2021</u>	<u>2020</u>
Note -----	(Rupees in '000) -----	
Net income for the period after taxation	57,055	20,040
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>57,055</u>	<u>20,040</u>

The annexed notes from 1 to 19 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, 2021 (UN-AUDITED)

	<u>Quarter Ended</u>	
	September 30, 2021	September 30, 2020
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	57,055	20,040
Adjustments for:		
Financial income	(31,470)	(17,621)
Capital loss / (gain) on sale of investments - net	343	(6,104)
Unrealised gain on revaluation of investments - net	(1,744)	(910)
(Reversal) / provision for Sindh Workers' Welfare Fund	(19,112)	402
	(51,983)	(24,233)
Decrease / (increase) in assets		
Investments	460,209	809,459
Advance tax	(3)	(370)
Advances, deposits, prepayments and other receivables	(7,821)	(113,057)
	452,386	696,032
(Decrease) / increase in liabilities		
Payable to the Management Company	(2,693)	(5,873)
Remuneration payable to the Trustee	11	(51)
Annual fee - Securities and Exchange		
Commission of Pakistan	(184)	(230)
Accrued and other liabilities	(224,535)	(241,469)
	(227,401)	(247,623)
Finance income received	23,454	25,424
Net cash generated from operating activities	253,511	469,640
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	1,405,472	746,218
Payments against redemption of units	(1,674,967)	(469,975)
Cash distribution to unit holders	-	-
Net cash (used) / generated from financing activities	(269,495)	276,243
Net (decrease) / increase in cash and cash equivalents	(15,984)	745,883
Cash and cash equivalents at the beginning of the quarter	592,261	592,261
Cash and cash equivalents at the end of the quarter	576,277	1,338,144
Cash and cash equivalents		
Bank balances	396,277	592,261
Term deposit receipts	180,000	-
	576,277	592,261

The annexed notes from 1 to 19 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, 2021 (UN-AUDITED)

	September 30, 2021			September 30, 2020		
	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total
	(Rupees in '000)					
Net assets at beginning of the period	2,276,177	(481,488)	1,794,689	1,360,121	(482,530)	877,591
Amount received on issuance of 16,178,582 (30 September 2020: 8,669,078) units						
Capital value	1,418,727	-	1,418,727	737,120	-	737,120
Element of income during the period;	(13,255)	-	(13,255)	9,098	-	9,098
	1,405,472	-	1,405,472	746,218	-	746,218
Amount paid on redemption of 19,242,166 (30 September 2020: 5,460,818) units						
Capital value	(1,687,378)	-	(1,687,378)	(464,326)	-	(464,326)
Element of income during the period;	32,752	(20,340)	12,412	(35)	(5,614)	(5,649)
	(1,654,626)	(20,340)	(1,674,966)	(464,361)	(5,614)	(469,975)
Total comprehensive income for the period	-	57,055	57,055	-	20,040	20,040
Distribution during the period NIL (2020: NIL)	-	-	-	-	-	-
Net income for the period less distribution	-	57,055	57,055	-	20,040	20,040
Net assets at end of the period	2,027,023	(444,773)	1,582,250	1,641,978	(468,104)	1,173,874
Undistributed loss brought forward:						
- Realised	-	(482,540)	(482,540)	-	(481,083)	(481,083)
- Unrealised	-	1,052	1,052	-	(1,447)	(1,447)
	-	(481,488)	(481,488)	-	(482,530)	(482,530)
Accounting income available for distribution:						
- Relating to capital gains	-	553	553	-	6,364	6,364
- Excluding capital gains	-	36,162	36,162	-	8,062	8,062
	-	36,715	36,715	-	14,426	14,426
Other comprehensive income for the quarter	-	-	-	-	-	-
Distribution during the quarter	-	-	-	-	-	-
Undistributed loss carried forward	-	(444,773)	(444,773)	-	(468,104)	(468,104)
Undistributed loss carried forward						
- Realised	-	(446,517)	(446,517)	-	(469,014)	(469,014)
- Unrealised	-	1,744	1,744	-	910	910
	-	(444,773)	(444,773)	-	(468,104)	(468,104)
	(Rupees)					
Net assets value per unit at beginning of the quarter	85.0286			85.0286		
Net assets value per unit at end of the quarter	87.6917			86.7157		

The annexed notes from 1 to 19 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, 2021 (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. The registered office of the Management Company is situated at 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 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 The investment objective of the Fund is to investing in medium to long- term fixed income instruments as well as short- tenor money market instruments and seeks to generate competitive, long- term, risk- adjusted returns.
- 1.5 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.
- 1.6 VIS Credit Rating Company Limited has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company on December 31, 2020 and A+(f) to the Fund on January 07, 2021.
- 1.7 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.
- 1.8 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme's Trust Deed to the Registrar acting under Sindh Trusts Act, 2020 for registration.

2. STATEMENT OF COMPLIANCE

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 with the requirements of IAS 34, 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.

- 2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2021.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISK MANAGEMENT POLICIES

3.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2021.

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and 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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2021.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2020. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on or after July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

	Note	(Un-audited) September 30, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2021
4. BANK BALANCES			
Current accounts		30,391	50
Saving accounts	4.1	<u>365,886</u>	<u>592,211</u>
		<u>396,277</u>	<u>592,261</u>

4.1 These carry mark-up at rates ranging between 5.5% to 8.75% per annum (June 2021: 4.50% to 7.85%) per annum. These include balances of Rs. 200.121 million (June 2021: Rs. 98.286 million) and Rs.0.02 million (June 2021: 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	97,623	96,314
Debt securities - quoted	5.1	180,403	102,532
Government securities	5.4	543,510	344,208
Commercial paper	5.5	23,245	-
Term deposit receipts	5.6	180,000	-
Quoted equity securities - Spread transactions	5.7	<u>153,917</u>	<u>-</u>
		<u>1,178,698</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, 2021	Purchased during the quarter	Sold / matured during the quarter	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised (loss) / gain	Market value as a percentage of total investments	Market value as a percentage of net assets
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----- (Number of certificates) ----- (Rupees in '000) -----

Quoted

Commercial banks

Soneri Bank Limited - TFC (July 08, 2015)	10,000	-	-	10,000	49,881	50,080	199	4.25%	3.17%
Samba Bank Limited - TFC (March 01, 2021)	850	-	-	850	84,983	86,669	1,686	7.35%	5.48%
Bank Alfalah Limited - TFC (January 15, 2021)	5,400	-	-	5,400	26,781	26,683	(98)	2.26%	1.69%
					161,645	163,432	1,787	13.87%	10.33%

Power Generation and Distribution

K-Electic Sukuk (03-Aug-20)	4,000	-	(665)	3,335	16,985	16,971	(14)	1.44%	1.07%
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September 30, 2021

178,630	180,403	1,773	15.31%	11.40%
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June 30, 2021

181,641	181,981	340		
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Unquoted

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%	

Particulars	Note	As at July 01, 2021	Purchased during the quarter	Sold / matured during the quarter	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	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) -----					
Commercial banks										
Bank Al Habib Limited - PPTFC (September 30, 2021)		-	15,000	-	15,000	75,000	75,000	-	6.36%	4.74%
Investment Banks										
Jahangir Siddiqui & Company Limited (July 18, 2021)		10,000	-	-	10,000	22,591	22,623	31	1.92%	1.43%
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, 2021						97,591	97,623	31	8.28%	6.17%
June 30, 2021						23,220	23,841	625		

5.1.2

Name of security	Number of certificates	Interest rate per annum	Maturity
K-Electric Limited (August 03, 2020)	3,335	3M KIBOR + 1.70%	August 3, 2027
Bank Alfalah Limited (January 15, 2021)	5,400	6M KIBOR + 0.75%	January 15, 2024
Soneri Bank Limited (July 08, 2015)	10,000	6M KIBOR + 1.35%	July 8, 2023
Samba Bank Limited (March 01, 2021)	850	6M KIBOR + 1.35%	March 1, 2031
Jahangir Siddiqui & Co. Ltd. (July 18, 2017)	10,000	6M KIBOR + 1.40%	July 18, 2022
Bank Al-Habib Limited (September 30, 2021)	15,000	6M KIBOR + 0.75%	September 30, 2031

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		As at July 01, 2021	Purchased during the quarter	Sold / matured during the quarter	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised gain / (loss)	Market value as a percentage of total investment	Market value as a percentage of net assets
Quoted	Note	----- (Number of certificates) -----			----- (Rupees in '000) -----					
Trust Investment Bank Limited - TFC (July 04, 2008)	5.2.1	23,877	-	-	23,877	44,499 (44,499)				
Less: Provision for impairment						-	-	-	0.00%	0.00%
September 30, 2021						-	-	-	0.00%	0.00%
June 30, 2021						-	-	-		
Unquoted										
Household goods										
New Allied Electronics Industries (Pvt) Limited (May 15, 2007)	5.2.1	13,000	-	-	13,000	13,068 (13,068)				
Less: Provision for impairment						-	-	-	0.00%	0.00%
Chemicals										
Agritech Limited - PP TFC (January 14, 2008)	5.2.1	147,000	-	-	147,000	558,988 (558,988)				
Less: Provision for impairment						-	-	-	0.00%	0.00%
Agritech Limited - PP TFC (November 30, 2007)	5.2.1	58,000	-	-	58,000	254,223 (254,223)				
Less: Provision for impairment						-	-	-	0.00%	0.00%
Agritech Limited - Sukuk (August 06, 2008)	5.2.1	3,800	-	-	3,800	14,453 (14,453)				
Less: Provision for impairment						-	-	-	0.00%	0.00%
Financial services										
Security Leasing Corporation Limited - Sukuk (September 19, 2007) - II	5.2.1	15,000	-	-	15,000	16,454 (16,454)				
Less: Provision for impairment						-	-	-	0.00%	0.00%
September 30, 2021						-	-	-	0.00%	0.00%
June 30, 2021						-	-	-		

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 2021

Name of security	Note	As at July 01, 2021	Purchased during the quarter	Sold during the quarter	As at September 30, 2021	Carrying value as at September 30, 2021	Percentage of total investment	Percentage 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.0.850 million against the outstanding amount.

5.3.2 REVERSAL OF PROVISION AGAINST DEBT SECURITIES - NET

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
	----- (Rupees in '000) -----	
Pre-IPO placement	27,778	36,111
Reversal of provision	(5,556)	(8,333)
	22,222	27,778
Less: Provision for impairment	(22,222)	(27,778)
	-	-

This represents Pre-IPO disbursement to Dewan 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.

During the year, the Company has paid Rs.5.556 million. Accordingly, the Management Company has reversed the provision for impairment with the amount received.

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

	Note	As at July 01, 2021	Purchased during the Quarter	Sold during the Quarter	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised gain / (loss)	Percentage of net assets
		----- Number of Securities -----				----- Amount in '000 -----			
T-Bill 3 Months		-	5,700,000	5,700,000	-	-	-	0	0.00%
T-Bill 6 Months	5.4.1	1,000,000	25,250,000	25,250,000	1,000,000	97,963	97,863	(101)	6.19%
T-Bill 12 Months		-	1,500,000	1,500,000	-	-	-	0	0.00%
September 30, 2021		1,000,000	32,450,000	32,450,000	1,000,000	97,963	97,863	(101)	6.19%
June 30, 2021						97,203	97,224	22	5.42%

5.4.1 These treasury bills carry effective yield of 7.40% per annum and will mature by January 13, 2022.

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

	Note	As at July 01, 2021	Purchased during the Quarter	Sold during the Quarter	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised gain / (loss)	Percentage of net assets
		----- Number of Securities -----				----- Amount in '000 -----			
PIB 3 Years	5.4.1 & 5.4.2	1,500,000	1,500,000	500,000	2,500,000	243,539	243,768	229	15.41%
PIB 5 Years		250	-	250	-	-	-	0	0.00%
PIB 10 Years	5.4.3	2,000,000	-	-	2,000,000	201,690	201,880	190	12.76%
September 30, 2021		3,500,250	1,500,000	500,250	4,500,000	445,229	445,648	419	28.17%
June 30, 2021						375,258	374,719	22	20.88%

5.4.1 These comprise of floating rate Pakistan Investment Bonds (PIBs) having face value amounting to Rs.150 million and carry interest rates 8.0219% and will mature by June 19, 2023.

5.4.2 These comprise of fixed rate Pakistan Investment Bonds (PIBs) having face value amounting to Rs. 100 million and carry interest rates 7% and will mature by August 05, 2024.

5.4.3 These comprise of floating rate Pakistan Investment Bonds (PIBs) having face value amounting to Rs.200 million and carry interest rates 8.265% and will mature by August 29, 2029.

5.5 Commercial paper

	Note	As at July 01, 2021	Purchased during the Quarter	Sold during the Quarter	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Percentage of net assets
		----- Number of Securities -----				Amount in '000		
Commercial paper		-	250	-	250	23,245	23,245	1.47%

5.6 This represent Term Deposit Receipt with Habib Bank Limited having maturity on Oct 25, 2021 carries interest at the rate of 8.75% per annum.

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, 2021	Purchased during the period	Sold during the period	As at September 30, 2021	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 and Gas Development Company Limited	1,310,000	-	1,310,000	-	-	-	-	-	-	-
Pakistan Petroleum Limited	324,000	69,500	324,000	69,500	5,002	5,075	73	0.00	0.00	0.03
					5,002	5,075	73	0.00	0.00	0.03
Oil and gas marketing companies										
Pakistan State Oil Company Limited	63,000	7,500	63,000	7,500	1,481	1,500	19	0.00	0.00	0.02
Sui Northern Gas Pipelines Limited	1,955,500	-	1,955,500	-	-	-	-	-	-	-
					1,481	1,500	19	0.00	0.00	0.02
Pharmaceuticals										
The Searle Company Limited	15,500	-	15,500	-	-	-	-	-	-	-
					-	-	-	-	-	-
Engineering										
Amreli Steels Limited	39,500	-	39,500	-	-	-	-	-	-	-
Aisha Steel Mills Limited	626,500	-	626,500	-	-	-	-	-	-	-
International Steels Limited	210,000	244,000	454,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Commercial banks										
Habib Bank Limited	92,500	-	92,500	-	-	-	-	-	-	-
National Bank of Pakistan	1,000	-	1,000	-	-	-	-	-	-	-
The Bank of Punjab	303,000	-	303,000	-	-	-	-	-	-	-
United Bank Limited	-	135,000	-	135,000	16,740	16,793	53	0.01	0.01	0.11
					16,740	16,793	53	-	-	-
Textile composite										
Nishat Chunian Limited	51,500	-	51,500	-	-	-	-	-	-	-
Nishat Mills Limited	128,500	-	128,500	-	-	-	-	-	-	-
					-	-	-	-	-	-
Power generation and distribution										
Kot Addu Power Company Limited	616,500	-	597,000	19,500	684	673	(11)	0.00	0.00	0.02
The Hub Power Company Limited	349,000	66,500	415,500	-	-	-	-	-	-	-
					684	673	(11)	0.00	0.00	0.02
Technology and communication										
Avanceon Limited	-	834,500	-	834,500	102,157	102,450	293	0.09	0.06	3.25
Fertilizer										
Fauji Fertilizer Bin Qasim Limited	1,165,000	-	1,165,000	-	-	-	-	-	-	-
Cement										
D.G. Khan Cement Company Limited	887,500	-	887,500	-	-	-	-	-	-	-
Fauji Cement Company Limited	425,000	-	425,000	-	-	-	-	-	-	-
Lucky Cement Limited	-	21,000	-	21,000	15,541	15,583	42	0.01	0.01	0.06
Maple Leaf Cement Factory Limited	1,283,000	340,000	1,283,000	340,000	11,764	11,842	78	0.01	0.01	0.31

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, 2021	Purchased during the period	Sold during the period	As at September 30, 2021	Carrying value as at September 30, 2020	Market value as at September 30, 2020	Unrealised gain			
					----- (Rupees in '000) -----			----- % -----		
Pioneer Cement Limited	207,500	-	207,500	-	-	-	-	-	-	-
					27,305	27,426	121	0.02	0.02	0.37
Total as at September 30, 2021 (Un-audited)					153,369	153,917	548			
Total as at June 30, 2021 (Audited)					629,120	629,741	621			

6. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding of tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). During the current period and previous period, prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 150 and 151 of the ITO, 2001. Management is confident that the same shall be refunded after filing of Income Tax Return for Tax Year 2021.

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
Note	----- (Rupees in 000) -----	
PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY		
Remuneration payable to the Management Company	833	1,114
Sindh sales tax payable on remuneration of the Management Company	108	145
Sales load and conversion charges payable	1,034	182
Selling and marketing expenses payable	604	3,049
Allocated expenses payable	2,845	3,552
Other payables	17	92
	<u>5,441</u>	<u>8,134</u>

- 7.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit.

Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the following rates:

From Jul 1, 2021 to Jul 4, 2021	From Aug 8, 2021 to Sep 30, 2021
8%	6.20%

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

- 7.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 7.3 In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

From Jul 1, 2020 to Sep 12, 2021	From Sep 13, 2021 to Sep 30, 2021
Nil	0.57%

- 7.4 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

From Jul 1, 2020 to Jul 04, 2021	From Jul 5, 2020 to Aug 12, 2021	From Aug 13, 2020 to Sep 12, 2021	From Aug 14, 2020 to Sep 12, 2021
0.85%	0.15%	0.56%	0.58%

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
8	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE	Note	----- (Rupees in 000) -----
	Remuneration payable to the Trustee	8.1	120
	Sindh sales tax on Trustee remuneration	8.2	16
			<u>136</u>
			111
			14
			125

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.65% (June 30, 2021: 0.65%) per annum of average daily net assets of the Fund during the period.
- 8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% (June 30, 2021: 0.02%) per annum of average annual net assets during the current period.

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	(Rupees in 000)	
10. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		264	181
Withholding tax payable		8,442	8,833
Capital gain tax payable		2,669	1,772
Legal and professional charges payable		137	98
Sales load payable		1,606	1,658
Brokerage payable		5,804	4,780
Zakat deducted at source		390	66
Provision for Federal Excise Duty	10.1	24,359	24,359
Provision for Sindh Workers' Welfare Fund	10.2	-	19,112
Other payables		7,322	233,782
		<u>50,994</u>	<u>294,641</u>

10.1 This includes provision for Federal Excise Duty (FED) as at September 30, 2021 amounting to Rs. 24359 million (June 30, 2021: Rs. 24.359 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 of the Fund for the year ended June 30, 2021. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 1.350 (June 30, 2021: Re. 1.15).

10.2 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 19.112 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

12. TOTAL EXPENSE RATIO

Total Annualised Expense Ratio of the Fund is 1.78% as on September 30, 2021 (June 2021: 2.39%) and this includes 0.08% (June 2021: 0.37%) representing Government Levy, Sindh Worker's Welfare Fund and SECP Fee. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulation 60 (5) for a collective investment scheme categorised as an income scheme.

13. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2022 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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.

14. EARNINGS PER UNIT

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

15. 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 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, 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, 2021) (Un-audited) -----					
Transactions during the quarter						
Profit/Markup Income	-	1,629	-	-	-	-
Units issued	750,000	200	-	-	4,151	-
Units redeemed	687,000	14,281	-	-	2,194	-
Sale of securities	-	193,261	-	-	-	-
Remuneration	3,010	-	358	-	-	-
Sales tax on management fee	133	-	46	-	-	-
Expenses allocated by the Management Company	2,846	-	-	-	-	-
Selling and Marketing	605	-	-	-	-	-
Central Depository Service charges	-	-	89	-	-	-
Transactions during the quarter						
	----- (For the quarter ended September 30, 2020) (Un-audited) -----					
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	-	-	-	-	-

	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, 2021) (Un-audited)					
Balances held						
Units held (units in '000)	1,913	-	-	-	275	4,266
Units held (Rupees in '000)	167,716	-	-	-	24,081	374,134
Bank balances *	-	200,194	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable	-	1,599	-	-	-	-
Remuneration payable	941	-	136	-	-	-
Expenses allocated by the Management Company	2,845	-	-	-	-	-
Sales load and other payable	1,051	1,479	-	-	-	-
selling and marketing	604	-	-	-	-	-
CDC fee payable	-	-	45	-	-	-

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

	(Rupees in '000)					
	(As at June 30, 2021) (Audited)					
Balances held						
Units held (number of units in '000)	1,179	162	-	-	251	2,354
Units held (Rupees in '000)	100,284	13,751	-	-	21,365	200,149
Bank balances *	-	98,337	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable - bank balances	-	577	-	-	-	-
Remuneration payable	1,259	-	125	-	-	-
Selling and marketing	3,049	-	-	-	-	-
Expenses allocated by the Management Company	3,552	-	-	-	-	-
Sales load and other payable	182	280	-	-	-	-
CDC fee payable	-	-	45	-	-	-
Other payable	92	-	-	-	-	-

* These carry profit ranging between 5.5% to 7% per annum.

16 FAIR VALUE MEASUREMENT

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

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

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

16.1 Fair value hierarchy

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

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

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

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

	Fair value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
September 30, 2021 (Un-audited)				
Financial assets measured at fair value				
Government securities	-	543,510	-	543,510
Debt securities	180,403	97,623	-	278,026
Quoted Equity securities	153,917	-	-	153,917
	<u>180,403</u>	<u>641,133</u>	<u>-</u>	<u>975,453</u>
	Fair value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
June 30, 2020 (Audited)				
Financial assets measured at fair value				
Government securities	-	471,943	-	471,943
Quoted Equity securities	629,741	-	-	629,741
Debt securities	181,981	23,841	-	205,822
	<u>-</u>	<u>23,841</u>	<u>-</u>	<u>205,822</u>

17 IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

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 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.

18. GENERAL

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

19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on October 27, 2021 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

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, 2021

		September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	80,545	93,113
Investments	5	955,652	814,585
Mark-up Receivable		594	579
Dividend Receivable		19,494	-
Deposits, prepayments and other receivables		9,372	5,282
Preliminary expenses and floatation costs		362	423
Advance tax	6	40	40
TOTAL ASSETS		1,066,060	914,022
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	7	8,689	15,335
Payable to Central Depository Company of Pakistan Limited - Trustee	8	175	156
Payable to Securities and Exchange Commission of Pakistan	9	46	214
Accrued expenses and other liabilities	10	33,520	22,819
TOTAL LIABILITIES		42,429	38,524
NET ASSETS		1,023,631	875,498
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,023,631	875,498
CONTINGENCIES AND COMMITMENTS	11.		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		13,234,451	11,672,058
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		77.3460	75.0080

The annexed notes from 1 to 19 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, 2021

		Quarter ended September 30, 2021	Quarter ended September 30, 2020
	Note	----- (Rupees in '000) -----	
INCOME			
Financial income		767	677
Dividend income		19,494	9
Capital gain on sale of investments - net		5,500	10,262
Unrealised gain on revaluation of investments classified as financial asset 'at fair value through profit or loss' - net	5.1	8,425	89,939
Total income		34,188	100,887
EXPENSES			
Remuneration of UBL Fund Managers Limited - Management Company		4,552	3,716
Sindh Sales Tax on Management Company's remuneration	7.2	592	483
Allocated expenses	7.4	228	186
Remuneration of Central Depository Company of Pakistan Limited - Trustee		514	420
Annual fee of Securities and Exchange Commission of Pakistan		46	37
Auditors' remuneration		124	1
Brokerage and settlement expenses		530	678
Listing fee		7	7
Legal and professional charges		49	46
Amortization of preliminary expenses and floatation costs		60	60
Bank charges		3	
Selling and marketing expenses	7.3	4,393	3,586
Total operating expenses		11,097	9,220
Operating income for the quarter		23,091	91,667
Reversal / (provision) for Sindh Workers' Welfare Fund	10.1	2,161	(1,799)
Net income for the period before taxation		25,252	89,868
Taxation	12	-	-
Net income for the period after taxation		25,252	89,868
Allocation of net income for the period			
Income already paid on units redeemed		(879)	(12,932)
Net income for the period		24,373	76,936
Income available for distribution:			
Relating to capital gains		13,104	86,422
Excluding capital gains		11,269	(9,486)
		24,373	76,936
Earnings per unit	13		

The annexed notes from 1 to 19 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, 2021

	Quarter ended September 30, 2021 ----- (Rupees in '000) -----	Quarter ended September 30, 2020 ----- (Rupees in '000) -----
Net income for the period	25,252	89,868
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	25,252	89,868

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

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, 2021

	Quarter ended September 30, 2021 ----- (Rupees in '000) -----	Quarter ended September 30, 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	25,252	89,868
Adjustments for:		
Financial income	(767)	(677)
Dividend income	(19,494)	(9)
Capital (gain) on sale of investments - net	(5,500)	(10,262)
Unrealised (gain) on revaluation of investments classified as 'at fair value through profit or loss' - net	(8,425)	(89,939)
Amortization of preliminary expenses and floatation costs	60	60
	<u>(34,127)</u>	<u>(100,827)</u>
Cash used in operations before working capital changes	(8,875)	(10,959)
Working capital changes		
(Increase) / Decrease in assets		
Investments - net	(127,142)	(62,378)
Deposits, prepayments and other receivables	(4,090)	36,335
	<u>(131,232)</u>	<u>(26,043)</u>
Decrease in liabilities		
Payable to UBL Fund Managers Limited - Management Company	(6,646)	894
Payable to Central Depository Company of Pakistan Limited - Trustee	19	34
Annual fee payable to Securities and Exchange Commission of Pakistan	(168)	(120)
Accrued expenses and other liabilities	10,702	(8,782)
	<u>3,906</u>	<u>(7,974)</u>
Profit received on bank balances	752	-
Dividend received	-	9
Net cash (used in) from operating activities	(135,449)	(44,967)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	210,781	372,433
Payment against redemption of units	(87,900)	(310,891)
Net cash generated from financing activities	122,881	61,542
Net (decrease) / increase in cash and cash equivalents	(12,568)	16,575
Cash and cash equivalents at the beginning of the quarter	93,113	7,224
Cash and cash equivalents at the end of the quarter	<u>80,545</u>	<u>23,799</u>

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Executive Officer

SD
Director

**UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	-----Quarter Ended September 30, 2021-----			-----Quarter Ended September 30, 2020-----		
	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Net assets at the beginning of the quarter	1,098,032	(222,535)	875,497	859,554	(233,259)	626,295
Issuance of 2,692,185 units (2020: 4,875,428)						
Capital value of units	201,935	-	201,935	331,105	-	331,105
Element of loss	-	-	-	-	-	-
Due to net loss incurred	8,847	-	8,847	41,328	-	41,328
Total proceeds on issuance of units	210,782	-	210,782	372,433	-	372,433
Redemption of 1,129,793 units (2020: 4,157,342)						
Capital value of units	(84,744)	-	(84,744)	(282,338)	-	(282,338)
Element of loss	-	-	-	-	-	-
Due to net loss incurred	(2,278)	(879)	(3,156)	(15,621)	(12,932)	(28,553)
Total payments on redemption of units	(87,021)	(879)	(87,900)	(297,959)	(12,932)	(310,891)
Total comprehensive loss for the quarter	-	25,252	25,252	-	89,868	89,868
Amount transfer to retained earnings						
Net assets at the end of the period	1,221,793	(197,283)	1,023,631	934,028	(143,391)	777,705
Undistributed loss brought forward comprises of:						
Realised loss		(234,055)	(234,055)		(76,930)	(76,930)
Unrealised loss		11,520	11,520		(156,329)	(156,329)
Total undistributed loss brought forward		(222,535)	(222,535)		(233,259)	(233,259)
Income available for distribution:						
Relating to capital gains		13,104	13,104		86,422	172,844
Excluding capital gains		11,269	11,269		(9,486)	(9,486)
		24,373	24,373		76,936	163,358
Total Comprehensive loss for the quarter		24,373	24,373		76,936	76,936
Transferred to retain earning						
Distribution during the quarter						
Undistributed loss carried forward		(198,162)	(198,162)		(156,323)	(156,323)
Undistributed loss carried forward comprises of:						
Realised loss		(206,587)	(206,587)		(246,262)	(246,262)
Unrealised loss		8,425	8,425		89,939	89,939
Total undistributed loss carried forward		(198,162)	(198,162)		(156,323)	(156,323)
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the quarter			75.0080			67.9130
Net assets value per unit at the end of the quarter			77.3460			78.2392

The annexed notes from 1 to 19 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 STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Financial Sector Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-end mutual fund. It was constituted under the Trust Deed, dated February 21, 2018 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 Fund has been registered as a notified entity on March 12, 2018 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 4th floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 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 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 principal activity 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 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 on December 31, 2020.

2. STATEMENT OF COMPLIANCE

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 with the requirements of IAS 34, 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.
- 2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2021.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISK MANAGEMENT POLICIES

- 3.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2021.
- 3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and 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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2021.
- 3.3 **Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period**
- There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2020. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.
- 3.4 **Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective**

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on or after July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		September 30,	June 30, 2021	
		Note	(Unaudited) ----- (Rupees in '000) -----	(Audited) -----
4	BANK BALANCES			
	Cash at bank			
	In savings accounts	4.1	<u>80,545</u>	<u>93,113</u>
4.1	Profit rates on these savings accounts range between 5.5% to 7.35% per annum (June 30, 2021: 5.50% to 6.50%). This includes an amount held by a related party (United Bank Limited) amounting to Rs. 80.017 million (June 30, 2021: Rs 92.585 million).			
5	INVESTMENTS IN EQUITY SHARES			
	Financial assets classified as at fair value through profit or loss	5.1	<u>955,652</u>	<u>814,585</u>
			<u>955,652</u>	<u>814,585</u>
5.1	Financial asset classified as fair value through profit or loss			

6 ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding of tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHTT)/ 2008-Vol-II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). During the current period and previous period, prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 150 and 151 of the ITO, 2001. Management is confident that the same shall be refunded after filing of Income Tax Return for Tax Year 2021.

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	
7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY			
Remuneration payable to the Management Company	7.1	1,547	1,379
Sindh sales tax payable on remuneration of the Management Company	7.2	201	179
Sales load and conversion charges payable		138	899
Selling and marketing expenses payable	7.3	6,574	12,234
Allocated expenses payable	7.4	228	634
		<u>8,689</u>	<u>15,325</u>
7.1	As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. During the year, the Management Company has charged fees at the rate of 2% of average annual net assets of the Fund. The remuneration is payable to the Management Company monthly in arrears.		
	The remuneration is payable to the Management Company monthly in arrears.		
7.2	The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.		

- 7.3 In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund. During the year, the Management Company has charged the aforementioned expenses, at the rate of 1.93% per annum of the average daily net assets during the year. This amount include Rs. 2.182 million reimbursement from the Management Company
- 7.4 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund. During the year, the Management Company has charged the aforementioned expenses, at the rate of 0.10% per annum of the average daily net assets during the year.

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	
8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE			
Remuneration payable to the Trustee		155	138
Sindh sales tax on Trustee remuneration		20	18
		<u>175</u>	<u>156</u>

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.065% (June 30, 2021: 0.065%) per annum of average daily net assets of the Fund during the period.
- 8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% (June 30, 2021: 0.02%) per annum of average annual net assets during the current period.

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	
10. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		357	323
Printing charges payable		-	
Withholding tax payable		-	1,706
Capital gain tax payable		318	317
Annual listing fee payable		-	
Legal and professional charges payable		137	111
Sales load payable		327	256
Brokerage payable		991	707
Zakat deducted at source		4	4
Provision for Federal Excise Duty		-	
Provision for Sindh Workers' Welfare Fund	10.1	-	2,161
Payable against purchase of investments		31,386	17,234
		<u>33,520</u>	<u>22,819</u>

- 10.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 2.753 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

12 TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2022 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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.

13 EARNINGS PER UNIT

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

14 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.23% (September 30, 2020: 1.49%) which includes 0.08% (September 30, 2020: 0.33%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Equity Fund.

15 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, 2021						
Profit on savings accounts	-	766	-	-	-	-
Bank charges	-	3	-	-	-	-
Units issued	25,000	1,124	-	-	5,559	-
Units redeemed	-	-	-	-	182	-
Purchase of equity securities	-	-	-	-	-	-
Sale of equity securities	-	-	-	-	-	-
Sales load paid	814	-	-	-	-	-
Dividend	-	-	-	-	-	-
Remuneration (including sales tax)	5,144	-	514	-	-	-
CDS Expense	-	-	2	-	-	-
Allocated expenses	228	-	-	-	-	-
Selling and marketing expenses	4,393	-	-	-	-	-
Listing fee	-	-	-	-	-	-
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	-	-	-	-
Balances held as at September 30, 2021						
Units held (in Units '000)	328	80,504	-	-	91	6,318
Units held (in Rupees '000)	25,345	6,226,700	-	-	7,047	252,710
Bank balances	-	80,017	-	-	-	-
Profit receivable	-	592	-	-	-	-
Investments	-	155,286	-	-	-	-
Remuneration payable	1,749	-	175	-	-	-
Allocated expenses payable	228	-	-	-	-	-
Selling and marketing expense payable	6,574	-	-	-	-	-
Sales load payable	266	188	-	-	-	-
Dividend Receivable	-	-	-	-	-	-
Conversion charges payable	11	-	-	-	-	-
Listing fee	-	-	-	-	-	-
Balances held as at June 30, 2021						
Units held (in Units)	-	14,354	-	-	21	-
Units held (in Rupees '000)	-	1,076,663	-	-	1,554	-
Bank balances	-	92,585	-	-	-	-
Profit receivable	-	577	-	-	-	-
Investments	-	137,355	-	-	-	-
Remuneration payable (including Sindh Sales)	1,558	-	156	-	-	-
Allocated expenses payable	634	-	-	-	-	-
Selling and marketing expense payable	12,234	-	-	-	-	-
Sales load payable	899	257	-	-	-	-
Conversion charges payable	10	-	-	-	-	-

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

16.1 Fair value hierarchy

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

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

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

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

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, 2021			As at September 30, 2021		
	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	955,652	-	-	955,652	-	-
	Carrying Amount			Fair value		
	As at June 30, 2021			As at June 30, 2021		
	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	814,585	-	-	814,585	-	-
	814,585	-	-	814,585	-	-

17 IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

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 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.

18. GENERAL

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

19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on October 27, 2021 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	Yousuf Adil, Chartered Accountants
Bankers	United Bank Limited Samba Bank Limited Allied Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited
Management Co.Rating	AM1 (VIS)
Fund Rating	AA+(f) (PACRA)

UBL CASH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2021

(Un-audited) (Audited)
September 30, June 30,
2021 2021
Note -----(Rupees in '000)-----

ASSETS

Bank balances	4	6,749,709	5,283,932
Investments	5	-	-
Placements and Term Deposit Receipts	6	550,000	500,000
Mark-up receivable		31,998	6,267
Advance Income tax		1,478	1,478
Prepayments and Other receivables		1,163	1,300
Total assets		7,334,348	5,792,977

LIABILITIES

Payable to UBL Fund Managers Limited - Management Company	7	3,413	4,343
Payable to Central Depository Company of Pakistan Limited - Trustee	8	302	285
Payable to the Securities and Exchange Commission of Pakistan	9	245	534
Accrued expenses and other liabilities	11	3,174	25,356
Total liabilities		7,134	30,518
Net Assets		7,327,214	5,762,459
Unit Holders' Fund (as per statement attached)		7,327,214	5,762,459

CONTINGENCIES AND COMMITMENTS

	12		
			(Number of units)
Number of Units in Issue		71,753,785	57,562,986
			----- (Rupees) -----
Net Asset Value Per Unit		102.1161	100.1070
Face Value per Unit		100.0000	100.0000

The annexed notes 1 to 20 form an integral part of this condensed 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 QUARTER ENDED SEPTEMBER 30, 2021

		Quarter ended	
		September 30, 2021	September 30, 2020
Note		------(Rupees in '000)-----	
INCOME			
Financial income		94,925	22,883
Gain / (loss) on sale of investments - net		582	(769)
Total income		95,507	22,114
EXPENSES			
Remuneration of Central Depository Company of Pakistan Limited - Trustee		900	229
Allocated expenses		3,040	633
Annual fee of Securities and Exchange Commission of Pakistan		245	63
Auditors remuneration		61	-
Brokerage, settlement and other expenses		196	83
Listing fee		7	9
Total expenses		4,449	1,017
Net operating income for the period		91,058	21,097
Reversal / (provision) for Sindh Workers' Welfare Fund (SWWF)	11.1	5,780	(415)
Net income for the period before taxation		96,838	20,682
Taxation	14	-	-
Net income for the period after taxation		96,838	20,682
Allocation of net income for the period			
- Net income for the period after taxation		96,838	20,682
- Income already paid on units redeemed		(13,706)	(2,935)
Net income for the period available for distribution		83,132	17,747
Net income for the period available for distribution			
- Relating to capital gains		463	-
- Excluding capital gains		82,669	17,747
		83,132	17,747
Earnings per unit			

The annexed notes 1 to 20 form an integral part of this condensed 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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended	
	September 30,	September 30,
	2021	2020
	----- (Rupees in '000) -----	
Net income for the period after taxation	96,838	20,682
Other comprehensive income for the period	-	-
Total comprehensive income for the period	96,838	20,682

The annexed notes 1 to 20 form an integral part of this condensed 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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended					
	September 30, 2021			September 30, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees. in '000)					
Net assets at beginning of the period	5,758,711	3,748	5,762,459	1,819,271	33	1,819,304
Amount received on issuance of 71,648,302 units (2020 : 6,683,721 units)						
- Capital value	7,172,497	-	7,172,497	670,146	-	670,146
- Element of Income	96,687	-	96,687	4,170	-	4,170
Total amount received on issuance of units	7,269,184	-	7,269,184	674,316	-	674,316
Amount paid on Redemption of 57,457,503 units (2020 : 11,986,886 units)						
- Capital value	(5,751,898)	-	(5,751,898)	(1,199,180)	-	(1,199,180)
- Element of income	(35,663)	(13,706)	(49,369)	(774)	(2,935)	(3,709)
Total amount paid on redemption of units	(5,787,561)	(13,706)	(5,801,267)	(1,199,954)	(2,935)	(1,202,889)
Total comprehensive income for the period	-	96,838	96,838	-	20,682	20,682
Net assets at end of the period	7,240,334	86,880	7,327,214	1,293,633	17,780	1,311,413
Undistributed income brought forward comprising of:						
- Realised		3,748			33	
- Unrealised		-			-	
		3,748			33	
Accounting income available for distribution						
- Related to capital gain		463			-	
- Excluding capital gain		82,669			17,747	
		83,132			17,747	
Undistributed income carried forward - net		86,880			17,780	
Undistributed income carried forward comprising of:						
- Realised		86,880			17,780	
- Unrealised		-			-	
		86,880			17,780	
	(Rupees)					
Net assets value per unit at the beginning of the period		100.1070			100.0410	
Net assets value per unit at the end of the period		102.1161			101.6803	

The annexed notes 1 to 20 form an integral part of this condensed 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 QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended	
	September 30, 2021	September 30, 2020
	------(Rupees in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	96,838	20,682
Adjustments for:		
Financial income	(94,925)	(22,884)
(Gain) / loss on sale of investments - net	(582)	769
(Reversal) / provision for Sindh Workers' Welfare Fund (SWWF)	(5,780)	414
	<u>(101,287)</u>	<u>(21,701)</u>
Cash used in operations before working capital changes	(4,449)	(1,019)
Decrease / (Increase) in assets		
Placements and Term Deposit Receipts	582	(769)
Prepayments and Other receivables	137	(159)
	<u>719</u>	<u>(928)</u>
(Decrease) / Increase in liabilities		
Payable to UBL Fund Managers Limited - Management Company	(930)	(2,571)
Payable to Central Depository Company of Pakistan Limited - Trustee	17	(80)
Payable to the Securities and Exchange Commission of Pakistan	(289)	(125)
Accrued expenses and other liabilities	<u>(16,402)</u>	<u>(5,072)</u>
	<u>(17,604)</u>	<u>(7,848)</u>
Cash used in operations	(21,334)	(9,795)
Mark-up received on bank balances	69,194	25,948
Net cash generated from operating activities	47,860	16,153
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	7,269,184	674,316
Net payments against redemption of units	(5,801,267)	(1,202,889)
Net cash generated from / (used in) financing activities	1,467,917	(528,573)
Net increase / (decrease) in cash and cash equivalents during the period	1,515,777	(512,420)
Cash and cash equivalents at the beginning of the period	5,783,932	1,829,874
Cash and cash equivalents at the end of the period	7,299,709	1,317,454
Cash and cash equivalents		
Bank balances	6,749,709	1,317,454
Placement and Term Deposit Receipts	550,000	-
	<u>7,299,709</u>	<u>1,317,454</u>

The annexed notes 1 to 20 form an integral part of this condensed 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 STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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, the comparative figures of income statement, statement of unit holder's fund and statement of cash flows are not comparable.
- 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 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 Limited has reaffirmed management quality rating of "AM1" (stable outlook) to the Management Company as on December 31, 2020. Pakistan Credit Rating Agency Limited has assigned a stability rating of "AA+(f)" to the Fund as on October 02, 2021.
- 1.7 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme's Trust Deed to the Registrar acting under Sindh Trusts Act, 2020 for registration.

2 Statement of compliance

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 with the requirements of IAS 34, 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.

- 2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2021.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISK MANAGEMENT POLICIES

- 3.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2021.
- 3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and 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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2021.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on or after July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
4. BANK BALANCES	Note	----- (Rupees in '000) -----	
In local currency:			
- Saving accounts	4.1	<u>6,749,709</u>	<u>5,283,932</u>

- 4.1 The rates of return on these balances range from 5.5% to 8.75% (June 30, 2021: 5.5% to 9%) per annum. These include an amount held by a related party, United Bank Limited, amounting to Rs. 10.85 million (June 30, 2021: Rs. 7.96 million) on which return is earned at 5.5% (June 30, 2021: 5.5%) per annum.

5. INVESTMENTS - NET

Government securities designated at fair value through profit or loss

Name of security	As at 1st July 2021	Purchased during the period	Sold / Matured during the period	As at September 30, 2021	Total carrying value as at September 30, 2021	Total market value as at September 30, 2021	Unrealized Gain
		----- No. of holdings -----				----- (Rupees in '000) -----	
Market Treasury Bills - 3 months	5.1	-	85,930	85,930	-	-	-
Market Treasury Bills - 6 months	5.1	-	39,150	39,150	-	-	-
Total as at September 30, 2021 (unaudited)			<u>125,080</u>	<u>125,080</u>	-	-	-

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

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
6. Placements and Term Deposit Receipts		----- (Rupees in 000) -----	
Financial assets at amortised cost			
- Term Deposit Receipts (TDR)	6.1	<u>550,000</u>	<u>500,000</u>

- 6.1 This represent TDR placed with Habib Bank Limited, carries interest at the rate of 9% per annum, maturity on October 22, 2021.

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
		----- (Rupees in 000) -----	
Allocated expenses payable	7.2	<u>3,049</u>	<u>3,479</u>
Back End Load Payable to Management Company		<u>334</u>	<u>834</u>
Other payable		<u>30</u>	<u>30</u>
		<u>3,413</u>	<u>4,343</u>

- 7.1 As per the offering document of the Fund, the Management Company had extended the temporarily waiver of its Management Fee on the Fund fully for another 12 months until September 17, 2021. During the current period, the Management Company has extended the temporarily waiver of its Management Fee on the Fund from September 18, 2020 till further notice vide the sixth supplemental to the offering document of the Fund dated September 18, 2020.

- 7.2 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based

on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

	Applicable rates
From July 1 to July 04, 2021	0.10%
From July 05 to Aug 12, 2021	0.26%
On August 13, 2021	1.50%
From August 14 to August 15, 2021	0.26%
From August 16 to September 21, 2021	0.13%
On September 22, 2021	0.17%
From September 23 to September 29, 2021	0.24%
From September 30, 2021 onwards	0.22%

8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
		----- (Rupees in 000) -----	
Remuneration payable to the Trustee	8.1	267	252
Sindh sales tax on Trustee remuneration	8.2	35	33
		<u>302</u>	<u>285</u>

- 8.1. The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.065% (June 30, 2021: 0.065) per annum of average daily net assets of the Fund during the period.

- 8.2. The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% per annum (June 30, 2021: 0.02%) of average annual net assets during the current period.

10. ADVANCE INCOME TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding of tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). During the current period and previous period, prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 151 of the ITO, 2001. Management is confident that the same shall be refunded after filing of Income Tax Return for Tax Year 2021

	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	----- (Rupees in 000) -----	
11. ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration payable	61	-
Withholding tax payable	655	12,071
Capital gain tax payable	2,008	6,933
Annual listing fee payable	57	30
Brokerage payable	273	231
Provision for Sindh Workers' Welfare Fund	11.1 -	5,972
Other payables	120	119
	3,174	25,356

- 11.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 5.78 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

13. TOTAL EXPENSE RATIO

The annualised total expense ratio of the Fund based on the current period results is 0.36% (September 30, 2020: 0.45) which includes 0.03% (September 30, 2020: 0.16%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

14. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2022 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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.

15. EARNINGS PER UNIT

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

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

16.1 FAIR VALUE HIERARCHY

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

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

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

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

As at the reporting date, the Fund held the following financial instruments measured at fair value:

As at reporting date, the Fund does not hold any financial instruments which are measured at fair value. The estimated fair value of all financial assets and liabilities at amortised cost is considered not significantly different from the carrying value as the items are short-term in nature.

17. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 17.1** Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (the Management Company), 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.
- 17.2** Transactions with the connected persons are carried out in the normal course of business, at agreed terms.
- 17.3** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations.
- 17.4** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.
- 17.5** 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
Transactions during the period					
----- September 30, 2021 -----					
----- (Units in '000) -----					
Units issued	51,169	-	-	-	11,269
Units redeemed	41,274	-	-	-	6,975
----- (Rupees in '000) -----					
Value of units issued	5,190,320	-	-	-	1,150,040
Value of units redeemed	4,169,627	-	-	-	700,000
Mark-up on PLS accounts	-	189	-	-	-
Sale of securities	-	-	-	65,884	-
Remuneration (inclusive of SST)	-	-	900	-	-
Allocated Expenses	3,040	-	-	-	-

----- As at September 30, 2021 -----
----- (Units in '000) -----

Balances held

Units held	17,892	-	-	-	32,161
----- (Rupees in '000) -----					

Value of units held	1,827,042	-	-	-	3,284,107
Bank balances	-	10,848	-	-	-
Remuneration (inclusive of SST)	-	-	302	-	-
Allocated expenses payable	3,049	-	-	-	-
Back End Load payable	334	-	-	-	-
Other payable	30	-	-	-	-
Reimbursement of expense	913	-	-	-	-
Mark-up receivable	-	110	-	-	-

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 June 30, 2021 -----					
----- (Units in '000) -----					

Balances held

Units held	7,996	-	-	-	27,867
----- (Rupees in '000) -----					

Value of units held	800,456	-	-	-	2,789,682
Bank balances	-	7,957	-	-	-
Other receivable	1,300	-	-	-	-
Remuneration (inclusive of SST)	-	-	285	-	-
Allocated expenses payable	3,479	-	-	-	-
Back End Load payable	834	-	-	-	-
Other payable	30	-	-	-	-
Mark-up receivable	-	40	-	-	-

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

** These include transactions and balance in relation to those directors and key executives that existed as at year end. However, it does

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

18. IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

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 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.

19. GENERAL

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

20. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 27, 2021 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	EY Ford Rhodes, Chartered Accountants.
Bankers	Sonari Bank Limited
Management Co. Rating	AM1 (VIS)

**UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 SEPTEMBER 2021**

		30 September 2021 (Un-Audited) (Rupees in '000)	30 June 2021 (Audited) (Rupees in '000)
Assets	Note		
Bank balances	4	1,730	1,294
Investments	5	47,869	43,360
Profit and dividend receivables		631	595
Prepayments and other receivables		81	-
Preliminary expenses and floatation costs		106	114
Receivable from Management Company		540	502
Receivable against Sale of Shares		-	1,747
Advance tax		92	92
Total assets		51,049	47,704
Liabilities			
Payable to the Management Company	7	186	186
Payable to Central Depository Company of Pakistan Limited - Trustee	8	9	9
Payable to Securities and Exchange Commission of Pakistan	9	2	9
Accrued expense and other payables	10	529	2,800
Total liabilities		726	3,004
Net assets		50,323	44,700
Unit holders' fund (as per the statement attached)		50,323	44,700
Contingencies and Commitments	11		
		(Number of units)	
Number of units in issue		3,910,000	3,270,000
		(Rupees)	
Net assets value per unit		12.8704	13.6695

The annexed notes from 1 to 19 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 PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
For the quarter ended September 30, 2021

		For the quarter ended September 30, 2021	For the quarter ended September 30, 2020
	Note	----- (Rupees in '000) -----	
Income			
Profit on bank deposits		5	9
Dividend Income		921	440
Total income		926	914
Expenses			
Remuneration of the Management Company	7.1	76	66
Sindh Sales tax on the Management Company's remuneration		10	9
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8	12	11
Sindh Sales tax on the Trustee's remuneration		1	1
Annual fee of Securities and Exchange Commission of Pakistan	9	2	2
Auditors' remuneration		65	246
Listing Fee		7	25
Bank and other charges		-	2
Legal and professional charges		36	107
Brokerage expenses / Settlement expenses		38	81
Formation Cost		8	50
Expense Reimbursement by the Management Company		(37)	-
Total operating expenses		218	600
Net income from operating activities		708	314
Provision for Sindh Workers' Welfare Fund	10.1	51	(6)
Element of loss and capital losses included in prices of units issued less those in units redeemed		(276)	(1)
Net income for the period before taxation		483	307
Taxation	13	-	-
Net income for the period after taxation		483	307
Allocation of net income for the period:			
Net income for the period after taxation		483	307
Income already paid on units redeemed		-	-
		483	307
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		483	307
		483	307

The annexed notes from 1 to 19 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 PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
Condensed Interim Statement of Comprehensive Income (Un-Audited)
For the quarter ended September 30, 2021

	For the quarter ended September 30, 2021	For the quarter ended September 30, 2020
	----- (Rupees in '000) -----	
Net income for the period after taxation	483	307
Other comprehensive income for the period		
<i>Items that may not be reclassified subsequently to income statement</i>		
Unrealised loss / gain on re-measurement of investments classified as 'at fair value through other comprehensive income - net	(3,648)	4,246
Gain on sale of investments classified at 'fair value through other comprehensive income' (FVOCI)	41	166
Total comprehensive income/(loss) for the period	<u>(3,124)</u>	<u>4,719</u>

The annexed notes from 1 to 19 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 PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
Condensed Interim Cash Flow Statement (Un-Audited)
For the quarter ended September 30, 2021

	For the quarter ended September 30, 2021	For the quarter ended September 30, 2020
	(Rupees in '000)	(Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	483	307
Adjustments:		
Profit on bank deposits and dividend income	(926)	(449)
(Reversal) / Provision for Sindh Workers' Welfare Fund	(51)	6
Amortization of preliminary expenses and floatation costs	8	50
Element of loss and capital losses included in prices of units issued less those in units redeemed	276	1
	(693)	(392)
	(210)	(85)
Decrease / (Increase) in assets		
Investments	(8,116)	(216)
Receivable from Management Company	(38)	-
Receivable against Sale of Shares	1,747	-
Prepayments and other receivables	(81)	-
Formation cost	8	(1,245)
	(6,480)	(1,461)
Increase / (Decrease) in liabilities		
Payable to the Management Company	-	855
Payable to Securities and Exchange Commission of Pakistan	(7)	-
Accrued expenses and other payables	(2,228)	167
	(2,235)	1,022
Advance tax paid	-	(45)
Mark-up received on bank balances and investments	890	301
Net cash flows used in operating activities	(8,035)	(268)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	9,024	1,172
Payments on redemption of units	(553)	(1,010)
Net cash generated from financing activities	8,471	161
Cash and cash equivalents at end of the period	436	(107)
Cash and cash equivalents at the beginning of the period	1,294	549
Cash and cash equivalents at the end of the period	1,730	442

The annexed notes from 1 to 19 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 PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
Condensed Interim Statement of Movement in Unit Holders Funds (Un-Audited)
For the quarter ended September 30, 2021

	For the quarter ended September 30, 2021				For the quarter ended September 30, 2020			
	Capital value	Undistributed income	Realised and unrealised appreciation on investments classified at fair value through other comprehensive income	Total	Capital value	Undistributed income	Realised and unrealised appreciation on investments classified at fair value through other comprehensive income	Total
	(Rupees in '000)				(Rupees in '000)			
Net assets at beginning of the period	34,937	16	9,747	44,700	32,581	(8)	3,753	36,326
Amount received on issuance of 680,000 (September 2020: 90,000) units								
Capital value	9,295	-	-	9,295	1,038	-	-	1,038
Element of income during the period:								
- Relating to net income for the period after taxation	(271)	-	-	(271)	134	-	-	134
	9,025	-	-	9,024	1,172	-	-	1,172
Amount paid on redemption of 40,000 (September 2020: 80,000) units								
- Capital Value	(547)	-	-	(547)	9,225	-	-	9,225
- Element of Income during the period	(6)	-	-	(6)	(10,235)	-	-	(10,235)
- Relating to net income for the period after taxation	(553)	-	-	(553)	(1,010)	-	-	(1,010)
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	276	-	-	276	1	-	-	1
Total comprehensive income/(loss) for the period	-	483	(3,607)	(3,124)	-	307	4,412	4,719
Distribution during the period	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	483	(3,607)	(3,124)	-	307	4,412	4,719
Net assets at end of the period	43,685	499	6,140	50,323	32,744	299	8,165	41,208
Undistributed loss brought forward:								
- Realised		16	-			(8)	-	
- Unrealised		-	-			-	(8)	
		16	-			(8)	-	
Accounting income available for distribution:								
- Relating to capital gains		-	-			307	-	
- Excluding capital gains		483	-			-	-	
		483	-			307	-	
Distribution during the period		-	-			-	-	
Undistributed income carried forward		499				299		
Undistributed income carried forward								
- Realised		499	-			299	-	
- Unrealised		-	-			-	-	
		499	-			299	-	
				-- (Rupees) --				-- (Rupees) --
Net assets value per unit at beginning of the period				13.6695				11.5321
Net assets value per unit at end of the period				12.8704				13.0405

The annexed notes from 1 to 19 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 PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
For the quarter ended September 30, 2021

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.
- 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 March 20, 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 'The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme's Trust Deed to the Registrar acting under Sindh Trusts Act, 2020 for registration.
- 1.6 VIS Credit Rating Company Limited has reaffirmed management quality rating of AM1 on December 31, 2020.
- 1.7 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 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 with the requirements of IAS 34, 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.

- 2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2021.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2021.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISK MANAGEMENT POLICIES

- 3.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2021.
- 3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and 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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2021.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on or after July 1, 2020. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

September 30,
2021
(Unaudited)
----- (Rupees in '000) -----

June 30, 2021
(Audited)

Note

4 BANK BALANCES

Cash at bank			
In savings accounts	4.1	<u>1,730</u>	<u>1,294</u>

4.1 The rates of return on these balances is 7.35% (June 30, 2021: 5.50%) per annum.

5 INVESTMENTS IN EQUITY SHARES

Financial assets classified as at fair value through other comprehensive income - listed equity securities	5.1	<u>47,869</u>	<u>43,360</u>
--	-----	---------------	---------------

5.1 Equity securities classified as 'Fair value through other comprehensive income'

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

Name of Investee Company	Note					Balance as at September 30, 2021			Market value as a % of net assets	Weightage in benchmark index (UPP9)	Market value as a % of total investments	Par value as percentage of total paid up capital of the investee company
		As at July 01, 2021	Purchased during the period	Sold during the period	As at September 30, 2021	Carrying value	Market value	(Diminution) / appreciation				
--												
Cement												
Lucky Cement Limited		7,848	1,632	96	9,384	6,174	6,784	610	13%	14%	14%	0.003%
						6,174	6,784	610	13%	14%	14%	0.003%
Fertilizer												
Engro Corporation Limited		21,582	4,488	264	25,806	7,400	7,219	(181)	14%	15%	15%	0.004%
Engro Fertilizers Limited	5.1.1	41,202	8,568	504	49,266	3,117	3,462	345	7%	7%	7%	0.004%
						10,517	10,681	164	21%	23%	22%	0.008%
Commercial banks												
Habib Bank Limited	5.1.1	50,685	10,540	620	60,605	7,271	6,627	(644)	13%	14%	14%	0.004%
MCB Bank Limited		28,776	5,984	352	34,408	5,614	5,185	(429)	10%	11%	11%	0.003%
United Bank Limited		33,681	7,004	412	40,273	4,712	4,775	63	9%	10%	10%	0.003%
						17,597	16,587	(1,010)	33%	35%	35%	0.010%
Power generation and distribution												
The Hub Power Company Limited	5.1.1	67,689	14,076	828	80,937	6,135	5,951	(184)	12%	12%	12%	0.006%
Technology & Communication												
TRG Pakistan Limited		31,719	6,596	388	37,927	6,175	6,132	(43)	12%	13%	13%	0.007%
Pharmaceuticals												
The Searle Company Limited		7,194	1,496	88	8,602	1,987	1,734	(253)	3%	4%	4%	0.004%
Total as at September 30, 2021 (un-audited)						48,585	47,869	(716)				
Total as at June 30, 2021 (Audited)						40,428	43,360	2,932				

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

	(Un-audited) September 30, 2021		(Audited) June 30, 2021	
	(No of shares)	Rupees in '000	(No of shares)	Rupees in '000
Engro Fertilizers Limited	10,000	703	10,000	703
Habib Bank Limited	15,000	1,640	15,000	1,836
The Hub Power Company Limited	15,000	1,103	15,000	1,195
	<u>40,000</u>	<u>3,446</u>	<u>40,000</u>	<u>3,733</u>

6 ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding of tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). During the current period and previous period, prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 150 and 151 of the ITO, 2001. Management is confident that the same shall be refunded after filing of Income Tax Return for Tax Year 2021.

		September 30, 2021 (Unaudited) ----- (Rupees in '000) -----	June 30, 2021 (Audited)
	Note		
7	PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY		
	Remuneration payable to the Management Company	7.1	25
	Sindh sales tax payable on remuneration of the Management Company	7.2	3
	Other payable	158	158
		186	186

7.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit.

The Management Company has charged its remuneration at the rate of 0.65% per annum of the average daily net assets during the year (June 30, 2020: 0.65% per annum of the average daily net assets). The remuneration is payable to the Management Company monthly in arrears.

7.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

		September 30, 2021 (Unaudited) ----- (Rupees in '000) -----	June 30, 2021 (Audited)
	Note		
8	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE		
	Remuneration payable to the Trustee	8.1	8
	Sindh sales tax on Trustee remuneration	8.2	1
		9	9

8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.1% (June 30, 2021: 0.1%) per annum of average daily net assets of the Fund during the period.

8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

		September 30, 2021 (Unaudited) ----- (Rupees in '000) -----	June 30, 2021 (Audited)
	Note		
9	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		
	Annual fee payable	9.1	2
		2	9

9.1 In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% per annum (June 30, 2021: 0.02%) of average annual net assets during the current period.

	Note	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
		----- (Rupees in '000) -----	
10 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		227	162
Annual listing fee payable		55	28
Legal and professional charges payable		160	132
Brokerage payable		60	60
Dividend payable		-	1,993
Withholding tax payable		-	347
Zakat payable		5	5
Provision for Sindh Workers' Welfare Fund	10.1	-	51
Other payable		22	22
		<u>529</u>	<u>2,800</u>

- 10.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 0.051 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

12 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund based on the current period results is 1.86% (September 30, 2021: 1.39%) which includes 0.12% (September 30, 2020: 0.18%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 1.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a exchange traded fund.

13 TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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.

14 EARNINGS PER UNIT

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

15 FAIR VALUE MEASUREMENT

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

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

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

15.1 Fair value hierarchy

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

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

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

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

As at the reporting date, the Fund held the following financial instruments measured at fair value:

	Carrying Amount			Fair value		
	----- As at September 30, 2021 -----			----- As at September 30, 2021 -----		
	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	-	47,869	-	47,869	-	-

	Carrying Amount			Fair value		
	----- As at June 30, 2021 -----			----- As at June 30, 2021 -----		
	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	-	43,360	-	43,360	-	-
	-	43,360	-	43,360	-	-

16 IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

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 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.

17 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 terms.

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 ended September 30, 2021 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, 2021						
Units issued (in Units '000)	200	-	-	-	-	-
Purchase of equity securities	-	853	-	-	-	-
Sale of equity securities	-	52	-	-	-	-
Dividend income	-	143	-	-	-	-
Remuneration (including sales tax)	86	-	13	-	-	-
Transactions during the quarter ended September 30, 2020						
Units redeemed	1,009	-	-	-	-	-
Securities transferred to the fund	-	108	-	-	-	1,047
Securities transferred by the fund	-	96	-	-	-	899
Remuneration (including sales tax)	75	-	-	-	-	-
Balances held as at September 30, 2021						
Units held (in Units '000)	1,963	-	-	-	-	-
Units held (in Rupees '000)	25,265	-	-	-	-	-
Investments	-	4,775	-	-	-	-
Receivable from Management company	540	-	-	-	-	-
Remuneration payable	28	-	9	-	-	-
Other payable to management company	158	-	-	-	-	-
Balances held as at June 30, 2021						
Units held (in Units '000)	1,763	-	-	-	-	-
Units held (in Rupees '000)	24,099	-	-	-	-	-
Investments	-	4,116	-	-	-	-
Remuneration payable	28	-	9	-	-	-
Receivable from Management Company - net	502	-	-	-	-	-
Others Payable to Management Company	158	-	-	-	-	-

18 GENERAL

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

19 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements was authorised for issue on October 27, 2021 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, Chartered Accountants
Bankers	United Bank Limited
Management Co.Rating	AM1 (VIS)

UBL FINANCIAL PLANNING FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2021

		September 30, 2021 (Un-Audited)			Total	June 30, 2021 (Audited)			Total		
		UBL Active Principal Preservation Plan I	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			
Note		(Rupees in '000)									
ASSETS											
Bank balances	4	797	6,461	5,600	12,858	797	6,461	5,751	13,009		
Investments	5	-	-	21,060	21,060	-	-	57,793	57,793		
Mark-up and other receivables		174	463	1,776	2,413	174	463	1,649	2,286		
Advance tax	6	1	-	2	3	1	-	-	1		
Total assets		972	6,924	28,438	36,334	972	6,924	65,193	73,089		
LIABILITIES											
Payable to the Management Company	7	720	2,050	18	2,788	720	2,050	60	2,830		
Payable to the Trustee	8	3	1	2	6	3	1	4	8		
Annual fee payable to Securities and Exchange Commission of Pakistan (SECP)	9	-	1	2	3	-	1	26	27		
Accrued and other liabilities	10	249	4,872	1,161	6,282	249	4,872	1,239	6,360		
Total liabilities		972	6,924	1,183	9,079	972	6,924	1,329	9,225		
NET ASSETS		-	-	27,255	27,255	-	-	63,864	63,864		
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		-	-	27,255	27,255	-	-	63,864	63,864		
CONTINGENCIES AND COMMITMENTS											
	11										
NUMBER OF UNITS IN ISSUE		-	-	248,822		-	-	596,466			
NET ASSETS VALUE PER UNIT		-	-	109.5359		-	-	107.0720			

The annexed notes from 1 to 19 form an integral part of these condensed interim 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, 2021

	For The Quarter Ended September 30, 2021 (Un-Audited)				For The Quarter From July 01, 2020 to August 24, 2020 (Un- Audited)	For The Quarter Ended September 30, 2020 (Un-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
Note	(Rupees in '000)							
INCOME								
Mark-up on bank accounts	-	-	83	83	11	134	3	148
Unrealised gain on re-measurement of investments classified as 'at fair value through profit or loss' - net	-	-	476	476	-	2,625	2,186	4,811
Gain on sale of investments classified as classified as 'at fair value through profit or loss' - net	-	-	441	441	388	29	7	424
Total income	-	-	1,000	1,000	399	2,788	2,196	5,383
EXPENSES								
Allocated expenses by the Management Company	-	-	12	12	7	49	39	95
Remuneration of the Trustee	-	-	9	9	5	35	27	67
Sales tax on remuneration of the Trustee	-	-	1	1	1	4	4	9
Annual fee payable to Securities and Exchange Commission of Pakistan	-	-	2	2	1	10	8	19
Auditors' remuneration	-	-	129	129	19	43	43	105
Legal and professional charges	-	-	49	49	16	16	16	48
Bank charges and other expenses	-	-	9	9	1	1	2	4
Total expenses	-	-	211	211	50	158	139	347
Net income for the period from operating activities	-	-	789	789	349	2,630	2,057	5,036
Reversal / (Provision) for Sindh Workers' Welfare Fund	-	-	(251)	(251)	7	52	40	99
Net income for the period before taxation	-	-	1,040	1,040	342	2,578	2,017	4,937
Taxation	-	-	-	-	-	-	-	-
Net income for the period after taxation	-	-	1,040	1,040	342	2,578	2,017	4,937
<i>Allocation of net income for the period:</i>								
Net income for the period after taxation	-	-	1,040	1,040	342	2,578	2,017	4,937
Income already paid on units redeemed	-	-	(428)	(428)	(342)	(22)	1	(363)
	-	-	612	612	-	2,556	2,018	4,574
<i>Accounting income available for distribution</i>								
- Relating to capital gains	-	-	526	526	-	2,632	2,192	4,824
- Excluding capital gains	-	-	86	86	-	(76)	(174)	(250)
	-	-	612	612	-	2,556	2,018	4,574

Earning per unit

13

The annexed notes from 1 to 19 form an integral part of these condensed interim 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, 2021

	For The Quarter Ended September 30, 2021 (Un-Audited)				For The Quarter From July 01, 2020 to August 24, 2020 (Un- Audited)	For The Quarter Ended September 30, 2020 (Un-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) -----							
Net income for the period after taxation	-	-	1,040	1,040	342	2,578	2,017	4,937
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	1,040	1,040	342	2,578	2,017	4,937

The annexed notes from 1 to 19 form an integral part of these condensed interim 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, 2021

For The Quarter Ended September 30, 2021 (Un-Audited)					For The Quarter From July 01, 2020 to August 24, 2020 (Un-Audited)	For The Quarter Ended September 30, 2020 (Un-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)								
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income for the period before taxation	-	-	1,040	1,040	342	2,578	2,017	4,937
Adjustments for:								
Mark-up on bank accounts	-	-	(83)	(83)	(11)	(134)	(3)	(148)
Unrealised gain on re-measurement of investments classified as 'at fair value through profit or loss' - net	-	-	(476)	(476)	-	(2,625)	(2,186)	(4,811)
Net gain on sale of investments classified as classified as 'at fair value through profit or loss' - net	-	-	(441)	(441)	(388)	(29)	(7)	(424)
(Reversal) / Provision for Sindh Workers' Welfare Fund	-	-	(251)	(251)	7	52	40	99
	-	-	(1,251)	(1,251)	(392)	(2,736)	(2,156)	(5,284)
Decrease / (Increase) in assets								
Investments	-	-	37,650	37,650	51,838	15,200	749	67,787
Mark-up and other receivables	-	-	(73)	(73)	(24)	(22)	(23)	(69)
Advance tax	-	-	(2)	(2)	1	-	-	1
	-	-	37,575	37,648	51,815	15,178	726	67,717
(Decrease) / Increase in liabilities								
Payable to the Management Company	-	-	(42)	(42)	273	(31)	-	242
Payable to the Trustee	-	-	(2)	(2)	(3)	(1)	-	(4)
Annual fee payable to SECP	-	-	(24)	(24)	(18)	(37)	(27)	(82)
Accrued and other liabilities	-	-	175	175	51	76	68	195
	-	-	107	107	303	7	41	351
Mark-up received	-	-	29	29	1	(1)	-	-
Net cash generated financing activities	-	-	37,500	37,573	52,069	15,026	628	67,721
CASH FLOWS FROM FINANCING ACTIVITIES								
Net payment against redemption of units	-	-	(37,651)	(37,651)	(52,000)	(2,993)	(49)	(55,042)
Net cash used in financing activities	-	-	(37,651)	(37,651)	(52,000)	(2,993)	(49)	(55,042)
Net (decrease) / increase in cash and cash equivalent	-	-	(151)	(151)	69	12,033	579	12,681
Cash and cash equivalents at beginning of the period	-	-	5,751	5,751	919	46	32	997
Cash and cash equivalents at end of the period	-	-	5,600	5,600	988	12,079	611	13,678
Cash and cash equivalents								
Bank balances	-	-	5,600	5,600	988	12,079	611	13,678

The annexed notes from 1 to 19 form an integral part of these condensed interim 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, 2021

	For The Quarter Ended September 30, 2021									Total	For The Quarter From July 01, 2020 to August 24, 2020 (Un-Audited)			For The Quarter Ended September 30, 2020 (Un-Audited)									Total
	UBL Active Principal Preservation Plan I			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						
	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)										(Rupees in '000)												
Net assets at beginning of the period	-	-	-	-	-	-	58,272	5,592	63,864	63,864	46,371	5,287	51,658	189,746	4,613	194,359	152,963	2,135	155,098	401,115			
Issuance of units:																							
UBL Active Principal Preservation Plan I (Nil Units) (2020: Nil Units)																							
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
- Element relating to the income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
UBL Active Principal Preservation Plan II (Nil Units) (2020: Nil Units)																							
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
- Element relating to the income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
UBL Active Principal Preservation Plan III (Nil Units) (2020: Nil Units)																							
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
- Element relating to the income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Redemption of units																							
UBL Active Principal Preservation Plan I (Nil Units) (2020: Nil Units)																							
- Capital value	-	-	-	-	-	-	-	-	-	-	(54,208)	-	(54,208)	-	-	-	-	-	-	(54,208)			
- Element relating to the income for the period after taxation	-	-	-	-	-	-	-	-	-	-	2,550	(342)	2,208	-	-	-	-	-	-	2,208			
UBL Active Principal Preservation Plan II (Nil Units) (2020: Nil Units)																							
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,062)	-	(3,062)	-	-	-	(3,062)			
- Element relating to the income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	91	(22)	69	-	-	-	69			
UBL Active Principal Preservation Plan III (347,643 Units) (2020: 486 Units)																							
- Capital value	-	-	-	-	-	-	(37,223)	(428)	(37,651)	(37,651)	-	-	-	-	-	-	(49)	-	(49)	(49)			
- Element relating to the income for the period after taxation	-	-	-	-	-	-	2	-	2	2	-	-	-	-	-	-	1	(1)	-	-			
	-	-	-	-	-	-	(37,653)	(428)	(37,649)	(37,649)	(51,658)	(342)	(52,000)	(2,971)	(22)	(2,993)	(48)	(1)	(49)	(55,042)			
Total comprehensive income for the period	-	-	-	-	-	-	-	1,040	1,040	1,040	-	-	342	342	-	2,578	2,578	-	2,017	2,017			
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Net income for the period less distribution	-	-	-	-	-	-	-	1,040	1,040	1,040	-	-	342	342	-	2,578	2,578	-	2,017	2,017			
Net assets at end of the period	-	-	-	-	-	-	20,619	6,204	27,255	27,255	(5,287)	5,287	-	186,775	7,169	193,944	152,915	4,151	157,066	351,010			
Undistributed income brought forward:																							
- Realised	-	-	-	-	-	-	-	3,954	3,954	3,954	-	3,968	3,968	-	3,959	3,959	-	(2,884)	(2,884)	5,043			
- Unrealised	-	-	-	-	-	-	-	1,638	1,638	1,638	-	1,319	1,319	-	654	654	-	5,019	5,019	6,992			
	-	-	-	-	-	-	-	5,592	5,592	5,592	-	5,287	5,287	-	4,613	4,613	-	2,135	2,135	12,035			
Accounting income available for distribution:																							
- Relating to capital gains	-	-	-	-	-	-	-	526	526	526	-	-	-	-	2,632	2,632	-	2,192	2,192	4,824			
- Excluding capital gains	-	-	-	-	-	-	-	86	86	86	-	-	-	-	(76)	(76)	-	(174)	(174)	(250)			
	-	-	-	-	-	-	-	612	612	612	-	-	-	-	2,556	2,556	-	2,018	2,018	4,574			
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Undistributed income carried forward	-	-	-	-	-	-	-	6,204	6,204	6,204	-	5,287	5,287	-	7,169	7,169	-	4,153	4,153	16,609			
Undistributed income carried forward																							
- Realised	-	-	-	-	-	-	-	5,728	5,728	5,728	-	5,287	5,287	-	4,544	4,544	-	1,967	1,967	11,798			
- Unrealised	-	-	-	-	-	-	-	476	476	476	-	-	-	-	2,625	2,625	-	2,186	2,186	4,811			
	-	-	-	-	-	-	-	6,204	6,204	6,204	-	5,287	5,287	-	7,169	7,169	-	4,153	4,153	16,609			
	-- (Rupees) --			-- (Rupees) --			-- (Rupees) --				-- (Rupees) --			-- (Rupees) --			-- (Rupees) --			-- (Rupees) --			
Net assets value per unit at end of the period	<u>-</u>			<u>-</u>			<u>109.5359</u>				<u>-</u>			<u>102.9623</u>			<u>102.6002</u>			<u>101.2829</u>			
Net assets value per unit at beginning of the period	<u>-</u>			<u>-</u>			<u>107.0720</u>				<u>103.7512</u>			<u>101.6049</u>			<u>101.2829</u>			<u>101.2829</u>			

The annexed notes from 1 to 19 form an integral part of these condensed interim 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, 2021

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, the fund offers only UBL Active Principal Preservation Plan III. The maturity of Active Principal Preservation Plan I and II was 30 Months from the close of the initial offer period of February 16, 2018 and June 01, 2018 (i.e. matured on August 24, 2020 and November 30, 2020) respectively. The maturity of Active Principal Preservation Plan III is perpetual. Accordingly, Plan-I and Plan-II matured on August 24, 2020 and November 30, 2020 and its net assets value as at said date was Rs.41.115 million and Rs.194.528 million and NAV Rs.104.4951 and Rs.103.9423 per unit respectively.
- 1.5 VIS Credit Rating Company Limited has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company on December 31, 2020.
- 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.
- 1.7 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme's Trust Deed to the Registrar acting under Sindh Trusts Act, 2020 for registration.
- 1.8 As per regulation 54, sub-regulation 3(a) of the NBFC Regulations, the net assets of an Open End Scheme shall be one hundred million rupees at all times during the life of the scheme and all existing Open End Schemes shall ensure compliance with this minimum scheme size. The size of the Fund fell below the above mentioned limit on various occasions during the current year. As at 30th June 2021, the size of the Fund was Rs.63.864 million, after falling below Rs.100 million on 5th May 2021.

As per regulation 54, sub-regulation 3(b) of the NBFC Regulations, the Management Company shall ensure compliance with the minimum fund size within three months of its breach and if the fund size remains below the minimum fund size limit for consecutive ninety days the Management Company shall immediately intimate the grounds to the Securities and Exchange Commission of Pakistan (SECP) upon which it believes that the Open End Scheme is still commercially viable and its objective can still be achieved.

During the period, upon completion of the three months period on 3rd August 2021, the management has decided to liquidate the Fund and will initiate the process of obtaining the necessary approvals from the Board of Directors and regulatory authorities. The liquidation of the Fund is not expected to have any material impact on these financial statements for the reason that the carrying values of the assets and liabilities are not materially different from their realizable values and settlement amounts.

2. STATEMENT OF COMPLIANCE

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 with the requirements of IAS 34, 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.

2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2021.

2.3 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, 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISK MANAGEMENT POLICIES.

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, 2021.

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and 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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2021.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on or after July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

Note	September 30, 2021				June 30, 2021			
	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	797	6,461	5,600	12,858	797	6,461	5,751	13,009
------------------------	-----	-----	-------	-------	--------	-----	-------	-------	--------

4.1 These carry mark-up at the rates 5.50% (June 30, 2021: 5.5%) 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	-	-	21,060	21,060	-	-	57,793	57,793
--	-------	---	---	--------	--------	---	---	--------	--------

5.1.1 Units of mutual funds classified as 'at fair value through profit or loss

	Number of units				Balance as at September 30, 2021				
Name of Investee Fund (funds under common management)	As at July 01, 2021	Purchased during the period	Sold / redeemed during	As at September 30, 2021	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 III									
UBL Money Market Fund	574,021	-	369,580	204,441	20,583	21,060	476	77.27%	100.00%
Total as at September 30, 2021					20,583	21,060	476	77.27%	
Total as at June 30, 2021					56,155	57,804	1,649		

6. ADVANCE INCOME TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding of tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). During the current period and previous period, prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 150 and 151 of the ITO, 2001. Management is confident that the same shall be refunded after filing of Income Tax Return for Tax Year 2021.

	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
Note	----- (Rupees in 000) -----	----- (Rupees in 000) -----

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

conversion and other charges payable		6	6
Allocated expenses payable	7.1	12	54
		<u>18</u>	<u>60</u>

- 7.1 In accordance with Regulation 60 of the NBFC Regulations, an asset management company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). During the quarter, the Management Company has charged at the rate of 0.1% of the daily annual net assets.

8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE

Remuneration payable to the Trustee	8.1	1	3
Sales tax on remuneration payable	8.2	1	1
		<u>2</u>	<u>3</u>

- 8.1. The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.07% (June 30, 2021: 0.07%) per annum of average daily net assets of the Fund during the period.

- 8.2. Sales tax at the rate of 0.0091% on the remuneration of the Trustee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

9. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% (June 30, 2021: 0.02%) per annum of average annual net assets during the period.

	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	----- (Rupees in 000) -----	----- (Rupees in 000) -----

10. ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration payable		449	320
Capital gain tax payable		453	433
Annual listing fee payable		3	14
Legal and professional charges payable		135	100
Zakat deducted at source		50	50
Provision for Sindh Workers' Welfare Fund	10.1	-	251
Other payables		71	71
		<u>1,161</u>	<u>1,239</u>

10.1 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, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 0.258 million in UAPPP-III, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

12. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2022 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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.

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. TOTAL EXPENSE RATIO

Total Expense Ratio of UBL Active Principal Preservation Plan III is 0.43%, as on September 30, 2021 and these include 0.01% representing Government Levy, Sindh Worker's Welfare Fund and SECP Fee respectively. The ratio of each plan is within the maximum limit of 0.5% UBL Active Principal Preservation Plan III (as the management fee is not charged), as prescribed under the NBFC Regulation 60 (5) for a collective investment scheme categorised as a Fund of Fund scheme.

15 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 owning 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)					
UBL Active Principal Preservation Plan I						
As at September 30, 2021						
Balances held						
Bank balances	-	797	-	-	-	-
Remuneration payable	-	-	3	-	-	-
Allocated expenses payable	-	-	-	-	-	-
Other payable	-	-	-	-	-	-
Mark-up receivable	-	148	-	-	-	-
UBL Active Principal Preservation Plan II						
As at September 30, 2021						
Balances held						
Bank balances	-	6,461	-	-	-	-
Remuneration payable	-	-	1	-	-	-
Other payable	3,431	-	-	-	-	-
Mark-up receivable	-	280	-	-	-	-
UBL Active Principal Preservation Plan III						
For the quarter ended September 30, 2020						
Transactions during the period						
Mark-up on bank accounts	-	83	-	-	-	-
Bank and other charges	-	2	-	-	-	-
Units redeemed	-	-	-	15,420	-	-
Remuneration (inclusive of SST)	-	-	10	-	-	-
Allocated expenses	12	-	-	-	-	-
Sale of investment	3,696	-	-	-	-	-
As at September 30, 2021						
Balances held						
Units held (units in '000)	-	-	-	-	-	107
Units held (Rupees in '000)	-	-	-	-	-	11,703
Bank balances	-	797	-	-	-	-
Investment	21,060	-	-	-	-	-
Remuneration payable	-	-	2	-	-	-
Allocated expenses payable	12	-	-	-	-	-
conversion and other charges payable	6	-	-	-	-	-
Units of mutual funds held	-	-	-	21,060	-	-
Mark-up receivable	-	83	-	-	-	-
Receivable from the Management Company	241	-	-	-	-	-

UBL Active Principal Preservation Plan I
Transactions during the period

Mark-up on bank accounts
Remuneration (Inclusive of SST)
Allocated expenses

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

-	11	-	-	-	-
-	-	5	-	-	-
7	-	-	-	-	-

As at June 30, 2021
Balances held

Bank balances
Remuneration payable
Other payable
Mark-up receivable

-	802	-	-	-	-
-	-	3	-	-	-
720	-	-	-	-	-
-	148	-	-	-	-

UBL Active Principal Preservation Plan II
Transactions during the period

Mark-up on bank accounts
Units issued
Remuneration (Inclusive of SST)
Allocated expenses

For the quarter ended September 30, 2020

-	134	-	-	-	-
-	-	-	-	-	1,422
-	-	35	-	-	-
49	-	-	-	-	-

As at June 30, 2021
Balances held

Bank balances
Remuneration payable
Other payable
Mark-up receivable

-	6,481	-	-	-	-
-	-	1	-	-	-
2,050	-	-	-	-	-
-	280	-	-	-	-

UBL Active Principal Preservation Plan III
Transactions during the period

Mark-up on bank accounts
Remuneration (inclusive of SST)
Allocated expenses

For the quarter ended September 30, 2020

-	3	-	-	-	-
-	-	31	-	-	-
39	-	-	-	-	-

Balances held

Units held (units in '000)
Units held (Rupees in '000)
Bank balances
Remuneration payable
Allocated expenses payable
Other payable
Units of mutual funds held
Receivable from the Management Company
Mark-up receivable

#REF!

-	-	-	-	-	391
-	-	-	-	-	41,865
-	5,751	-	-	-	-
-	-	4	-	-	-
54	-	-	-	-	-
6	-	-	-	-	-
-	-	-	57,793	-	-
241	-	-	-	-	-
-	119	-	-	-	-

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.

18. GENERAL

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

19. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 27, 2021 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, Separately Managed Accounts (only managed by UBL Fund Managers) and UBL Fund Managers Limited as Management Company 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	EY Ford Rhodes, Chartered Accountants
Bankers	United Bank Limited JS Bank Limited Soneri Bank Limited
Management Co. Rating	AM1 (VIS)

UBL DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2021

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	1,016	3,191
Investments	5	25,033	26,055
Dividend, mark-up and other receivable		340	140
Advance tax	6.	49	49
Deposits and other receivables		3,048	2,972
Preliminary expenses and floatation costs		103	119
TOTAL ASSETS		29,589	32,526
LIABILITIES			
Payable to the Management Company	7.	56	59
Payable to the Trustee	8.	6	6
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	9.	2	7
Accrued and other liabilities	12.	832	1,531
TOTAL LIABILITIES		896	1,603
NET ASSETS		28,693	30,923
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		28,693	30,923
CONTINGENCIES AND COMMITMENTS			
	13.		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		249,368	261,077
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		115.0599	118.4446

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL DEDICATED EQUITY FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER, 2021 (UN-AUDITED)

		Quarter ended	
		September 30, 2021	September 30, 2020
	Note	----- (Rupees in '000) -----	
INCOME			
Mark-up on bank account		15	238
Net capital gain on redemption and sale of investments		39	2,196
Dividend income		390	140
Net unrealised (loss) / gain on revaluation of investments classified as 'at fair value through profit or loss'		(971)	4,960
Total (loss) / income		(527)	7,534
EXPENSES			
Remuneration of the Management Company	7.1	153	210
Sales tax on management fee	7.2	20	27
Allocated expenses by the Management Company		-	153
Selling and marketing expenses		-	42
Remuneration of the Trustee	8.	15	21
Sales tax on remuneration of the Trustee	8.	2	3
Annual fee to SECP	9.	2	2
Amortization of preliminary expenses and floatation costs		16	16
Brokerage expenses		22	45
Auditors' remuneration		146	124
Custody and settlement charges		133	83
Bank charges and other expenses		55	54
Total expenses		564	780
Net operating (loss) / income for the period		(1,091)	6,754
Reversal / (provision) for Sindh Workers' Welfare Fund	12.1	242	(135)
Net (loss) / income for the period before taxation		(849)	6,619
Taxation	14.	-	-
Net (loss) / income for the period after taxation		(849)	6,619
<i>Allocation of net income for the period:</i>			
Net income for the period after taxation		-	6,619
Income already paid on units redeemed		-	(172)
		-	6,447
<i>Accounting income available for distribution</i>			
- Relating to capital gains		-	6,447
- Excluding capital gains		-	-
		-	6,447
Earning per unit	10.		

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.

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
FOR THE QUARTER ENDED 30 SEPTEMBER, 2021 (UN-AUDITED)

	Quarter ended	
	September 30, 2021	Sept 30, 2020
	----- (Rupees in '000) -----	
Net (loss) / income for the period after taxation	(849)	6,619
Other comprehensive income for the period	-	-
Total comprehensive (loss) / income for the period	<u>(849)</u>	<u>6,619</u>

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

SD

UBL DEDICATED EQUITY FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	Quarter ended September 30, 2021			Quarter ended September 30, 2020		
	Capital value	Undistributed Income	Total	Capital value	Undistributed Income	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Net assets at beginning of the period	64,701	(33,778)	30,923	74,898	(38,330)	36,567
Amount received on issuance of 10,698 units (September 30, 2020: 6,831 units)						
Capital value	1,267	-	1,267	589	-	589
Element of income during the period; - Relating to net income for the period after taxation	19	-	19	82	-	82
	1,286	-	1,286	671	-	671
Amount paid on redemption of 22,407 units (September 30, 2020: 17,702 units)						
Capital value	(2,654)	-	(2,654)	(1,526)	-	(1,526)
Element of loss during the period; - Relating to income earned	(13)	-	(13)	(57)	(172)	(229)
	(2,667)	-	(2,667)	(1,755)	-	(1,755)
Total comprehensive (loss) / income for the period	-	(849)	(849)	-	6,619	6,619
Net assets at end of the period	63,320	(34,627)	28,693	73,814	(31,883)	42,102
Undistributed income brought forward:						
- Realised	-	(36,634)	(36,634)	-	(40,207)	(40,207)
- Unrealised	-	2,856	2,856	-	1,877	1,877
	-	(33,778)	(33,778)	-	(38,330)	(38,330)
Accounting income available for distribution:						
- Relating to capital gains	-	-	-	-	6,447	-
- Excluding capital gains	-	-	-	-	-	-
	-	-	-	-	6,447	-
Net (loss) / income for the period after taxation	-	(849)	(849)	-	-	-
Undistributed loss carried forward	-	(34,627)	(34,627)	-	(31,883)	(31,883)
Undistributed loss carried forward						
- Realised	-	(33,656)	(33,656)	-	(36,843)	(36,843)
- Unrealised	-	(971)	(971)	-	4,960	4,960
	-	(34,627)	(34,627)	-	(31,883)	(31,883)
			-- (Rupees) --			-- (Rupees) --
Net assets value per unit at beginning of the period			118.4446			86.2142
Net assets value per unit at end of the period			115.0599			102.2206

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL DEDICATED EQUITY FUND
STATEMENT OF CASH FLOWS
FOR QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

	Quarter ended	
	September 30, 2021	September 30, 2020
	(Rupees in '000)	(Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period before taxation	(849)	6,619
Adjustments for:		
Mark-up on bank account	(15)	(238)
Net capital gain on redemption and sale of investments	(39)	(2,196)
Dividend income	(390)	(140)
(Reversal) / provision for Sindh Workers' Welfare Fund	(242)	135
Net unrealised loss / (gain) on revaluation of investments classified as 'at fair value through profit or loss	971	(4,960)
Amortization of preliminary expenses and floatation costs	16	16
	301	(7,383)
Increase / (Decrease) in assets		
Investments	90	2,173
Advance tax	-	(2)
Receivable against sale of investments	-	(55,483)
Deposits and other receivable	(76)	(22)
	14	(53,334)
(Decrease) / Increase in liabilities		
Payable to the Management Company	(3)	(21)
Payable to the Trustee	-	(7)
Annual fee payable to SECP	(5)	(126)
Payable against purchase of investments	-	6,736
Accrued and other liabilities	(457)	50,640
	(465)	57,222
Mark-up and dividend received	205	7,159
Net cash (used in) / generated from operating activities	(794)	10,283
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipt from issuance of units	1,286	319,097
Net payment against redemption of units	(2,667)	(451,805)
Net cash used in financing activities	(1,381)	(132,708)
Net decrease in cash and cash equivalents during the period	(2,175)	(1,299)
Cash and cash equivalents at beginning of the period	3,191	2,697
Cash and cash equivalents at end of the period	1,016	1,398

The annexed notes from 1 to 19 form an integral part of this condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL DEDICATED EQUITY FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

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 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 investment objective of the fund is to provide other 'Fund of Funds' schemes and Separately Managed Accounts (only managed by UBL Fund Managers) an avenue for investing in Equities.
- 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, 2020.
- 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.
- 1.7' The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme's Trust Deed to the Registrar acting under Sindh Trusts Act, 2020 for registration.

2. BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 with the requirements of IAS 34, 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 statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2021.

2.1.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISK MANAGEMENT POLICIES

3.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2021.

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and 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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2021.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on or after July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
4. BANK BALANCES			
Bank account - saving account	4.1	<u>1,016</u>	<u>3,191</u>
4.1	The rates of return on these balances range from 5.5% to 7.35% (June 30, 2021: 5.5% to 7.3%) per annum. These include an amount held by a related party, United Bank Limited, amounting to Rs. 1.00 million (June 30, 2021: Rs. 3.175 million) on which return is earned at 5.5% (June 30, 2021: 5.5%) per annum.		

5. INVESTMENTS

Investments by Category

At fair value through profit or loss

- Equity securities - listed	5.1	<u>25,033</u>	<u>26,055</u>
------------------------------	-----	---------------	---------------

5.1 Equity securities classified as 'Fair value classified through Profit and 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, 2021			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, 2021	Purchased during the period	Bonus/Rights	Sold during the period	As at September 30, 2021	Carrying value	Market value	(Diminution) / appreciation			
----- (Rupees in '000) -----												
Cement												
Kohat Cement Company Limited		5,340	-	-	-	5,340	1,103	918	(185)	3.20%	3.67%	0.00%
Lucky Cement Limited		508	1,200	-	-	1,708	1,504	1,235	(270)	4.30%	4.93%	0.00%
Pioneer Cement Limited		5,500	-	-	5,500	-	-	-	-	0.00%	0.00%	0.00%
							2,607	2,153	(454)	7.50%	8.60%	0.00%
Oil and gas exploration companies												
Mari Petroleum Company Limited		1,157	-	-	-	1,157	1,764	1,797	34	6.26%	7.18%	0.00%
Oil And Gas Development Company Limited	6.1.1	9,868	-	-	-	9,868	938	827	(111)	2.88%	3.30%	0.00%
Attock Petroleum Limited		900	-	-	900	-	-	-	-	0.00%	0.00%	0.00%
Pakistan Petroleum Limited	6.1.1	10,775	-	-	-	10,775	936	807	(128)	2.81%	3.22%	0.00%
							3,637	3,431	(206)	11.96%	13.71%	0.00%
Food and personal care products												
Treet Corporation Limited		7,000	-	-	7,000	-	-	-	-	0.00%	0.00%	0.00%
Shezan International Limited		1,500	-	-	-	1,500	497	479	(18)	1.67%	1.91%	0.02%
Al Shaheer Corporation Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
THE ORGANIC MEAT COMPANY LIMITED		18,000	-	-	7,800	10,200	375	366	(8)	1.28%	1.46%	0.01%
							872	845	(26)	2.95%	3.38%	0.03%
Fertilizer												
Fatima Fertilizer Company Limited		3,791	-	-	-	3,791	402	387	(15)	1.35%	1.55%	0.00%
Chemicals												
Engro Polymer & Chemicals Limited		6,113	8,000	-	3,000	11,113	605	612	7	2.13%	2.44%	0.00%
Dynea Pakistan Limited*		2,800	-	-	1,000	1,800	398	409	11	1.43%	1.63%	0.01%
ICI Pakistan Limited		50	-	-	50	-	-	-	-	0.00%	0.00%	0.00%
Ittehad Chemicals Limited		742	-	-	742	-	-	-	-	0.00%	0.00%	0.00%
							1,003	1,021	18	3.56%	4.08%	0.01%
Technology and communication												
Systems Limited		935	-	-	-	935	524	680	156	2.37%	2.72%	0.00%
							524	680	156	2.37%	2.72%	0.00%
Automobile assembler												
Al-Ghazi Tractors Limited		800	-	-	800	-	-	-	-	0.00%	0.00%	0.00%
Automobile parts and accessories												
Thal Limited*		2,214	-	-	-	2,214	936	860	(76)	3.00%	3.43%	0.00%
Panther Tyres Limited		9,500	-	-	9,500	-	-	-	-	0.00%	0.00%	0.00%
							936	860	(76)	3.00%	3.43%	0.00%
Leather and Tanneries												
SERVICE GLOBAL FOOTWEAR LIMITED		3,500	-	-	-	3,500	202	157	(45)	0.55%	0.63%	0.00%
Service Industries Limited		1,274	1,000	-	-	2,274	1,214	1,014	(200)	3.53%	4.05%	0.01%
							1,417	1,171	(246)	4.08%	4.68%	0.01%
Engineering												
Aisha Steel Mills Limited		-	25,000	-	1,000	24,000	588	499	(89)	1.74%	1.99%	0.00%
Mughal Iron & Steel Industries Limited		-	5,000	-	1,000	4,000	455	390	(65)	1.36%	1.56%	0.00%
International Industries Limited		20	-	-	20	-	-	-	-	0.00%	0.00%	0.00%
							1,043	889	(154)	3.10%	3.55%	0.00%

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

Name of Investee Company	Note	As at July 01, 2020	Number of shares				Balance as at March 31, 2021			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
			Purchased during the period	Bonus/Rights	Sold during the period	As at March 31, 2021	Carrying value	Market value	Appreciation / (diminution)			
----- (Rupees in '000) -----												
Inv. Banks/ Inv. Cos. / Securities Cos.												
Arif Habib Limited		500	-	50	500	50	4	2	(1)	0.01%	0.01%	0.00%
							4	2	(1)	0.01%	0.01%	0.00%
Cable and electrical goods												
EMCO INDUSTRIES LIMITED		12,500	-	-	-	12,500	561	464	(97)	1.62%	1.85%	0.01%
							561	464	(97)	1.62%	1.85%	0.01%
Commercial banks												
Allied Bank Limited		174	-	-	174	-	-	-	-	0.00%	0.00%	0.00%
Bank AL Habib Limited		16,300	-	-	500	15,800	1,108	1,093	(15)	3.81%	4.36%	0.00%
Bank Alfalah Limited	6.1.1	20,961	-	-	1,000	19,961	642	646	3	2.25%	2.58%	0.00%
Habib Bank Limited		2,801	-	-	-	2,801	343	306	(36)	1.07%	1.22%	0.00%
National Bank of Pakistan		1,174	-	-	1,174	-	-	-	-	0.00%	0.00%	0.00%
Meezan Bank Limited		-	10,000	1,500	2,000	9,500	962	1,329	368	4.63%	5.31%	0.00%
Habib Metropolitan Bank Limited		21,000	-	-	-	21,000	853	914	61	3.18%	3.65%	0.00%
United Bank Limited		15,309	8,000	-	1,000	22,309	2,720	2,645	(75)	9.22%	10.57%	0.00%
							6,627	6,932	306	24.16%	27.69%	0.01%
Glass & Ceramics												
Tariq Glass Industries Limited		-	4,500	-	-	4,500	473	457	(16)	1.59%	1.82%	0.00%
Shabbir Tiles & Ceramics Limited		10,500	15,000	-	13,000	12,500	388	381	(7)	1.33%	1.52%	0.01%
							861	838	(23)	2.92%	3.35%	0.01%
Textile composite												
Gul Ahmed Textile Mills Limited		18,424	-	-	2,500	15,924	808	873	65	3.04%	3.49%	0.00%
Kohinoor Textile Mills Limited	6.1.1	9,145	-	-	8,000	1,145	86	80	(7)	0.28%	0.32%	0.00%
TOWELLERS LIMITED		5,000	-	-	-	5,000	620	570	(50)	1.99%	2.28%	0.03%
The Crescent Textile Mills Limited		-	15,000	-	-	15,000	427	352	(75)	1.23%	1.40%	0.02%
Interloop Limited		8,000	-	-	4,000	4,000	280	285	5	0.99%	1.14%	0.00%
Nishat Chunian Limited		1,000	-	-	1,000	-	-	-	-	0.00%	0.00%	0.00%
							2,221	2,159	(62)	7.52%	8.62%	0.05%
Power generation and distribution												
K-Electric Limited **		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Nishat Power Limited		-	33,000	-	1,500	31,500	622	627	6	2.19%	2.51%	#DIV/0!
Saif Power Limited		184	-	-	184	-	-	-	-	0.00%	0.00%	0.00%
The Hub Power Company Limited		26,830	-	-	7,600	19,230	1,532	1,414	(118)	4.93%	5.65%	0.00%
							2,154	2,041	(112)	7.11%	8.16%	#DIV/0!
Vanaspati & Allied Industries												
Unity Foods Limited		542	-	-	542	-	-	-	-	0.00%	0.00%	0.00%
							-	-	-	0.00%	0.00%	0.00%
Pharmaceuticals												
Highnoon Laboratories Limited		1,650	-	-	-	1,650	990	1,022	32	3.56%	4.08%	0.00%
Sanofi-Aventis Pakistan Limited		300	-	-	300	-	-	-	-	0.00%	0.00%	0.00%
The Searle Company Limited		2,277	-	-	2,277	-	-	-	-	0.00%	0.00%	0.00%
							990	1,022	32	3.56%	4.08%	0.00%
SYNTHETIC & RAYON												
IMAGE PAKISTAN LIMITED		500	-	375	875	-	-	-	-	0.00%	0.00%	0.00%
							-	-	-	0.00%	0.00%	0.00%
Miscellaneous												
Synthetic Products Enterprises Limited		3,400	-	-	-	3,400	146	136	(10)	0.47%	0.54%	0.00%
							146	136	(10)	0.47%	0.54%	0.00%
Total as at September 30, 2021							26,004	25,033	(971)			
Total as at June 30, 2021 (audited)							23,199	26,055	2,856			

* 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 margin:

Bank Alfalah Limited
Oil And Gas Development Company Limited
Pakistan Petroleum Limited

September 30, 2021	
(Number of shares)	(Rupees in '000)
10,000	324
5,000	419
10,000	749
25,000	1,492

6. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding of tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II-66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). During the current period and previous period, prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 150 and 151 of the ITO, 2001. Management is confident that the same shall be refunded after filing of Income Tax Return for Tax Year 2021.

	Note	(Un-audited) September 30, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2021 -----
7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY			
Remuneration payable to the Management Company	7.1	50	51
Sindh sales tax payable on remuneration of the Management Company	7.2	6	7
Allocated expenses payable		-	1
		<u>56</u>	<u>59</u>

7.1 The Management Company charged remuneration at the rate of 2 percent (June 30, 2021: 2 percent) per annum of the average daily net assets of the Fund. The remuneration is paid to the Management Company on monthly basis in arrears.

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

7.2 'The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

	Note	(Un-audited) September 30, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2021 -----
8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Remuneration payable to the Trustee	8.1	5	5
Sindh sales tax on Trustee remuneration	8.2	1	1
		<u>6</u>	<u>6</u>

8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.065% (June 30, 2021: 0.065%) per annum of average daily net assets of the Fund during the period.

8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% (June 30, 2021: 0.02%) per annum of average annual net assets during the current period.

10. EARNINGS PER UNIT

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

11. TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund based on the current period results is 1.86% (September 30, 2020: 1.86%) which includes 0.09% (September 30, 2020: 0.42%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a equity scheme.

	Note	(Un-audited) September 30, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2021 -----
12. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration		580	434
Provision for Sindh Workers' Welfare Fund (SWWF)	12.1	-	242
Brokerage payable		29	56
Listing fee payable		27	-
Legal and professional fees payable		196	170
Capital gain tax payable		-	629
		<u>832</u>	<u>1,531</u>

- 12.1** 'As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

'During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 0.246 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

13. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

14. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2022 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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.

15. 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 (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.

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

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

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

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, 2021 (Un-audited)					
Transactions during the period						
Mark-up on bank account	-	16	-	-	-	-
Bank charges	-	-	-	-	-	-
Units issued	1,200	-	-	-	-	-
Units redeemed	1,001	-	-	-	-	-
Remuneration *	173	-	17	-	-	-

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
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----- (Rupees in '000) -----

For the Quarter 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
Purchases of Securities	-	367	-	-	-	-
Sales of Securities	-	770	-	-	-	-
Remuneration *	237	-	24	-	-	-
Allocated expenses by the Management Company	10	-	-	-	-	-
Selling and marketing expense	42	-	-	-	-	-

As at September 30, 2021 (Un-audited)

Balances held						
Units held (units in '000)	2	-	-	-	-	217
Units held (Rupees in '000)	194	-	-	-	-	25,016
Bank balances	-	1,000	-	-	-	-
Investment of Equity in Securities	-	2,645	-	-	-	-
Remuneration payable	56	-	6	-	-	-
Mark-up receivable	-	11	-	-	-	-
Receivable from UBL Fund Managers Limited	-	472	-	-	-	-

* Remuneration for the period is inclusive of sales tax.

As at June 30, 2021 (Audited)

Balances held						
Units held (units in '000)	-	-	-	-	-	245
Units held (Rupees in '000)	-	-	-	-	-	29,019
Bank balances	-	3,175	-	-	-	-
Remuneration payable	58	-	6	-	-	-
Mark-up receivable	-	10	-	-	-	-
Allocated expenses payable	1	-	-	-	-	-
Investments	-	1,871	-	-	-	-
Receivable from UBL Fund Managers Limited	-	472	-	-	-	-

* Remuneration for the period is inclusive of sales tax.

16. FAIR VALUE MEASUREMENT

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

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

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

16.1 Fair value hierarchy

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

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

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

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

As at the reporting date, the Fund held the following financial instruments measured at fair value:

	Fair value
	Level 1 Level 2 Level 3 Total
<u>September 30, 2021 (Un-audited)</u>	----- (Rupees in '000) -----
Financial assets measured at fair value	
Equity securities - listed	<u>25,033</u> <u>-</u> <u>-</u> <u>25,033</u>
	Fair value
	Level 1 Level 2 Level 3 Total
<u>June 30, 2021 (Audited)</u>	----- (Rupees in '000) -----
Financial assets measured at fair value	
Equity securities - listed	<u>26,055</u> <u>-</u> <u>-</u> <u>26,055</u>

16.2 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.

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

17. IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

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 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.

18. GENERAL

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

19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on October 27, 2021 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

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	EY 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, 2021

		(Un-audited) September 30 2021	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4.	186,729	339,281
Investments	5	683,741	647,052
Advance tax	6	1,724	1,723
Dividend receivable and mark-up receivable		13,376	10,936
Deposits and other receivables		15,486	17,145
Receivable against sale of investments		979	653
TOTAL ASSETS		902,035	1,016,790
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	7	4,041	7,646
Payable to Central Depository Company of Pakistan Limited - Trustee	8	165	192
Payable to Securities and Exchange Commission of Pakistan	9	44	217
Payable against purchase of investments		4,226	103,655
Accrued expenses and other payables	10	19,298	32,759
TOTAL LIABILITIES		27,774	144,469
NET ASSETS		874,261	872,321
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		874,261	872,321
CONTINGENCY AND COMMITMENT	11.		
		----- (Number) -----	
NUMBER OF UNITS IN ISSUE		5,862,080	5,862,380
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		149.1384	148.7860

The annexed notes 1 to 19 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 ASSET ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

		Quarter Ended September	
		2021	2020
Note		(Rupees in '000)	
Income			
	Financial income	10,586	12,292
	Net capital (loss) / gain on sale of investments	(332)	15,758
	Dividend income	4,692	3,867
	Net unrealised (loss) / gain on revaluation of investments classified as 'at fair value through profit or loss'	(23,395)	50,213
	Total (loss) / income	(8,449)	82,130
Expenses			
	Remuneration of UBL Fund Managers Limited - Management Company	2,204	2,538
7.2	Sindh Sales Tax of the Management Company's remuneration	287	330
7.4	Allocation of expenses relating to the Fund	518	254
	Remuneration of the Central Depository Company of Pakistan Limited - Trustee	498	568
	Annual fee to Securities and Exchange Commission of Pakistan	44	51
7.3	Selling and marketing expense	2,292	2,639
	Auditors' remuneration	262	208
	Legal and professional charges	49	46
	Brokerage and settlement expenses	270	458
	Listing fee expense	7	
	Bank charges and other expenses	4	9
	Total expenses	6,435	7,101
	Net operating income/ (loss) for the period	(14,884)	75,029
10.2	Reversal / (provision) for Sindh Workers' Welfare Fund	16,632	(1,473)
	Net income/ (loss) for the period before taxation	1,748	73,556
	Taxation	-	-
	Net Income for the period after taxation	1,748	73,556
Allocation of net income for the period:			
	Net Income for the period after taxation	1,748	73,556
	Income already paid on units redeemed	-	(2,692)
	Accounting income available for distribution:	1,748	70,864
Accounting income available for distribution:			
	- Relating to capital gains	-	63,510
	- Excluding capital gains	1,748	7,354
		1,748	70,864
Earnings per unit			
14.			

The annexed notes 1 to 19 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 ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended September 30,	
	2021	2020
	----- (Rupees in '000) -----	
Net Income for the period after taxation	1,748	73,556
Other comprehensive income for the period	-	-
Total comprehensive income for the period	1,748	73,556

The annexed notes 1 to 19 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 ASSET ALLOCATION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30,	
	2021	2020
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	1,748	73,556
Adjustments for:		
Financial income	(10,586)	(12,292)
Net capital loss / (gain) on redemption and sale of investment	332	(15,758)
Dividend income	(4,692)	(3,867)
Net unrealised loss / (gain) on revaluation of investments classified as 'at fair value through profit or loss'	23,395	(50,213)
(Reversal) / provision for Sindh Workers' Welfare Fund	(16,632)	14,879
	(8,183)	(67,251)
Net cash (used in) / generated from operations before working capital changes	(6,435)	6,305
Working capital changes		
<i>decrease / (Increase) in assets</i>		
Investments	(60,416)	(59,557)
Advance tax	(1)	(3)
Receivable against sale of equity shares	(326)	166,597
Deposits, prepayments and other receivables	1,659	1,746
	(59,084)	108,783
<i>increase / (decrease) in liabilities</i>		
Payable to the Management Company	(3,605)	420
Payable to Central Depository Company of Pakistan Limited - Trustee	(27)	14
Payable to Securities and Exchange Commission of Pakistan	(173)	(172)
Payable against purchase of equity securities	(99,429)	1,511
Accrued expenses and other payables	3,171	(24,674)
	(100,063)	(22,901)
Markup income and dividend received	12,838	25,863
Net cash (used in) / generated from operating activities	(152,744)	118,050
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	68,717	205,432
Payments on redemption of units	(68,525)	(164,048)
Net cash generated financing activities	192	41,384
Cash and cash equivalents at beginning of the period	339,281	140,680
Cash and cash equivalents at end of the period	186,729	300,114

The annexed notes 1 to 19 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 ASSET ALLOCATION FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended September 30, 2021			Quarter ended September 30, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the period	388,948	483,373	872,321	501,534	424,740	926,274
Amount received on issuance of 456,291 units (2020: 1,402,943 units)						
Capital value	67,890	-	67,890	191,198	-	191,198
Element of income during the period;						
- Relating to net loss for the period after taxation	827	-	827	14,234	-	14,234
Total amount received on issuance of units	68,717	-	68,717	205,432	-	205,432
Amount paid on redemption of 456,591 units (2020: 1,116,361 units)						
Capital value	(67,934)	-	(67,934)	(152,142)	-	(152,142)
Element of income during the period;						
- Relating to other comprehensive income for the period	(591)	-	(591)	(9,214)	(2,692)	(11,906)
- Relating to net loss for the period after taxation						
Total amount paid on redemption of units	(68,525)	-	(68,525)	(161,356)	(2,692)	(164,048)
Net income for the period after tax	-	1,748	1,748	-	73,556	73,556
Distribution during the period	-	-	-	-	-	-
Net income for the period less distribution	-	1,748	1,748	-	73,556	73,556
Net assets at end of the period	389,140	485,121	874,261	545,610	495,604	1,041,214
Undistributed income brought forward:						
- Realised		445,391			425,920	
- Unrealised		50,213			(1,180)	
		495,604			424,740	
Accounting income available for distribution:						
- Relating to capital gains		-			63,510	
- Excluding capital gains		1,748			7,354	
		1,748			70,864	
Distribution during the period		-			-	
Undistributed income carried forward		497,352			495,604	
Undistributed income carried forward						
- Realised		520,747			445,391	
- Unrealised		(23,395)			50,213	
		497,352			495,604	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			148.7860			136.2837
Net assets value per unit at end of the period			149.1384			146.9968

The annexed notes 1 to 19 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 ASSET ALLOCATION FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

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 re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company on December 31, 2020.

The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme's Trust Deed to the Registrar acting under Sindh Trusts Act, 2020 for registration.

2. STATEMENT OF COMPLIANCE

2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 with the requirements of IAS 34, 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.

2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2020.

2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISK MANAGEMENT POLICIES

3.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2021.

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and 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. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2021.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		(Un-audited) September 30 2021	(Audited) June 30, 2021
	Note	----- (Rupees in '000) -----	
4. BANK BALANCES			
Saving accounts		186,370	-
		359	339,281
	4.1	<u>186,729</u>	<u>339,281</u>
<p>4.1 The rates of return on these balances range from 5.50% to 9.00% (June 30, 2021: 5.50% to 9.00%) per annum. These include an amount held by a related party (United Bank Limited) amounting to Rs.12.437 (June 30, 2021: Rs. 9.79 million) on which return is earned at 5.50% per annum (June 30, 2021: 5.50%).</p>			
5 INVESTMENTS			
At Fair Value Through Profit or Loss			
- Government securities - Pakistan Investment Bonds	5.1	93,513	200,340
- Government securities - Ijarah Sukuk	5.2	100,550	-
- Debt securities Term Finance Deposits	5.3	147,342	116,158
- Quoted equity securities	5.4	342,336	330,473
		<u>683,741</u>	<u>646,971</u>

5.1 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, 2021	Purchased during the period	Disposed / matured during the period	As at September 30, 2021	Balance as at September 30, 2021			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 - 3	5.1.1	-	1,000	-	1,000	94,393	93,513	(880)	10.70%	13.68%
September 30, 2021						94,393	93,513	(880)	10.70%	13.68%
June 30, 2021						99,740	100,590	850		

5.1.1 This Pakistan Investment Bonds carry floating interest at the of 7% per annum. This will mature latest by August 05, 2024.

5.2 Government securities - Ijarah Sukuk 'at fair value through profit or loss'
(certificates having a nominal value of Rs.100 each)

Particulars	Note	As at July 01, 2021	Purchased during the period	Disposed / matured during the period	As at September 30,2021	Balance as at September 30, 2021			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) -----			----- % -----	
GOP Ijarah - PIB - FRB - 12	5.2.1	1,000,000		1,000,000	-	-	-	-	0.00%	0.00%
GOP Ijarah - PIB - FRB - 3	5.2.1	1,000,000		-	1,000,000	101,497	100,550	(947)	11.50%	14.71%
September 30, 2021						101,497	100,550	(947)	-	-
June 30, 2021						-	-	-		

5.2.1 This GOP Ijarah interest at the rate ranging from 8.0619-8.1967% per annum. This will mature latest by August 09, 2028.

5.3 Investment in debt securities - at fair value through profit or loss

Name of Security	Note	As at July 01, 2021	Purchased during the period (Number of certificates)	Sold / matured during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised gain / (loss)	Percentage of total investments	Percentage of net assets
Investment and Brokerage Services										
Jahangir Siddiqui and Company Limited - Term Finance Certificate (Face value at Rs.2,500 each)	5.3.1 & 5.3.2	30,000	-	-	30,000	67,774	67,871	97	9.9%	7.76%
Commercial Bank										
Bank Al Habib Limited - PPTFC (Face value at Rs.5,000 each)	5.3.1 & 5.3.2	-	7,000	-	7,000	35,000	35,000	-	5.1%	4.00%
Bank Alfalah Limited - Term Finance Certificate (Face value at Rs.2,500 each)	5.3.1 & 5.3.2	9,000	-	-	9,000	44,634	44,471	(163)	6.5%	5.09%
Total as at September 30, 2021		<u>39,000</u>	<u>7,000</u>	<u>-</u>	<u>46,000</u>	<u>147,408</u>	<u>147,342</u>	<u>(66)</u>		
Total as at June 30, 2021						<u>114,650</u>	<u>116,158</u>	<u>1,508</u>		

5.3.1 These carry profit rate from 8.91% to 9.03% (June 2021: from 8.76% to 9.03%).

5.3.2 Significant terms and conditions of term finance certificates outstanding as at September 30, 2021 are as follows:

Name of securities	Mark-up rate (per annum)	Issue date	Maturity date
Jahangir Siddiqui and Company (July 18, 2017)	6 Months KIBOR + 1.4%	18-Jul-17	18-Jul-22
Bank Alfalah Limited	3 Year PKRV + 0.75%	15-Jan-21	15-Jan-24
Bank Al Habib Limited	6M KIBOR + 0.75%	30-Sep-21	30-Sep-31

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

Name of the investee company	Note	As at July 01, 2021	Purchased during the period	Bonus / Right issue during the period	Sold during the period	As at September 30,2021	Cost / carrying value as at September 30, 2021	Market value value as at September 30, 2021	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)			(%)			
Unless stated otherwise, the holdings are in ordinary shares of Rs.10 each.												
Oil and gas exploration companies												
Mari Petroleum Company Limited		23,071	500	-	-	23,571	35,924	36,614	690	5.35%	4.19%	0.02%
Oil and Gas Development Company Limited		145,300	17,301	-	1	162,600	15,343	13,626	(1,717)	1.99%	1.56%	0.00%
Pakistan Petroleum Limited	5.4.1	160,250	13,001	-	1	173,250	14,984	12,978	(2,006)	1.90%	1.48%	0.01%
Pakistan Oilfields Limited		2,282	-	-	2,282	-	-	-	-	0.00%	0.00%	0.00%
							66,251	63,218	(3,033)			
Oil and gas marketing companies												
Pakistan State Oil Company Limited	5.4.2	1,227	-	-	-	1,227	275	246	(29)	0.04%	0.03%	0.00%
Power generation and distribution												
The Hub Power Company Limited		214,253	70,000	-	-	284,253	22,296	20,901	(1,395)	3.06%	2.39%	0.02%
Nishat Power Limited		63,500	36,001	-	1	99,500	1,992	1,982	(10)	0.29%	0.23%	0.00%
Saif Power Limited		998	-	-	-	998	17	16	(1)	0.00%	0.00%	0.00%
							24,295	22,899	(1,396)			
Chemicals												
ICI Pakistan Limited		3,050	-	-	2,000	1,050	912	833	(79)	0.12%	0.10%	0.00%
Engro Polymer & Chemicals Limited		82,868	42,000	-	-	124,868	6,269	6,876	607	1.01%	0.79%	0.01%
							7,181	7,709	528			
Fertilizer												
Engro Corporation Limited	5.4.1	36,175	3,000	-	3,000	36,175	10,602	10,120	(482)	1.48%	1.16%	0.01%
Engro Fertilizers Limited		8,061	-	-	-	8,061	566	567	1	0.08%	0.06%	0.00%
Fauji Fertilizer Bin Qasim Limited		169,500	-	-	76,500	93,000	2,456	2,093	(363)	0.31%	0.24%	0.01%
Fauji Fertilizer Company Limited		159,462	1,500	-	-	160,962	17,072	16,428	(644)	2.40%	1.88%	0.01%
							30,696	29,208	(1,488)			
Cement												
Kohat Cement Company Limited		73,270	-	-	5,500	67,770	13,994	11,652	(2,342)	1.70%	1.33%	0.03%
Lucky Cement Limited	5.4.1	18,413	9,100	-	1,271	26,242	22,478	18,970	(3,508)	2.77%	2.17%	0.01%
Maple Leaf Cement Factory Limited		9,200	-	-	8,500	700	33	25	(8)	0.00%	0.00%	0.00%
Pioneer Cement Limited		15,000	-	-	15,000	-	-	-	-	0.00%	0.00%	0.00%
							36,505	30,647	(5,858)			
Automobile parts and accessories												
Thal Limited		28,950	-	-	-	28,950	12,239	11,243	(996)	1.64%	1.29%	0.07%
							12,239	11,243	(996)			
Leather and tanneries												
Service Industries Limited		11,774	4,900	287	-	16,961	9,445	7,436	(2,009)	1.09%	0.85%	0.04%

Name of the investee company	Note	As at July 01, 2021	Purchased during the period	Bonus / Right issue during the period	Sold during the period	As at September 30,2021	Cost / carrying value as at September 30, 2021		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		148,800	26,500	-	-	175,300	21,339	19,169	(2,170)	2.80%	2.19%	0.01%
Allied Bank Limited		208,500	-	-	-	208,500	15,460	14,178	(1,282)	2.07%	1.62%	0.02%
Bank Alfalah Limited		255,132	41,000	-	-	296,132	9,531	9,580	49	1.40%	1.10%	0.02%
Bank AL Habib Limited		177,961	20,000	-	-	197,961	13,859	13,689	(170)	2.00%	1.57%	0.02%
Faysal Bank Limited	5.4.2	8	100,000	-	-	100,008	1,967	2,632	665	0.38%	0.30%	0.01%
United Bank Limited**	5.4.1	164,233	18,500	-	-	182,733	22,325	21,665	(660)	3.17%	2.48%	0.01%
						-	84,481	80,913	(3,568)			
Textile												
Nishat Mills Limited		36,100	2,500	-	3,500	35,100	3,266	3,189	(77)	0.47%	0.36%	0.01%
Nishat Chunian Limited			17,500	-	-	17,500	878	867	(11)	0.13%	0.10%	0.00%
Kohinoor Textile Mills Limited		276,446	-	-	65,000	211,446	15,901	14,685	(1,216)	2.15%	1.68%	0.07%
Gul Ahmed Textile Mills Limited		100,960	84,000	-	-	184,960	9,327	10,138	811	1.48%	1.16%	0.04%
Interloop Limited		83,000	7,500	-	-	90,500	6,360	6,441	81	0.94%	0.74%	0.01%
						-	35,732	35,320	(412)			
Engineering												
Agha Steel Industries Limited		71,000	12,000	-	-	83,000	2,743	2,282	(461)	0.33%	0.26%	0.01%
Aisha Steel Mills Limited		104,500	-	-	-	104,500	2,603	2,175	(428)	0.32%	0.25%	0.01%
International Steels Limited		19,100	3,500	-	3,500	19,100	1,803	1,456	(347)	0.23%	0.17%	0.00%
International Industries limited		3,900	-	-	-	3,900	823	650	(173)	0.10%	0.07%	0.00%
Mughal Iron & Steel Industries Limited		-	8,000	-	-	8,000	920	781	(139)	0.12%	0.09%	0.00%
						-	8,892	7,344	(1,548)			
FOOD & PERSONAL CARE PRODUCT												
Unity Foods Limited		69	-	-	-	69	3	2	(1)	0.00%	0.00%	0.00%
Shezan International Limited		-	8,300	-	-	8,300	2,822	2,650	(172)	0.39%	0.30%	0.00%
AT-TAHUR LTD.		-	49,500	-	-	49,500	1,405	1,354	(51)	0.20%	0.15%	0.00%
							4,230	4,006	(224)			
Glass and ceramics												
Shabbir Tiles & Ceramics Limited		173,000	-	-	-	173,000	5,770	5,273	(497)	0.77%	0.60%	0.11%
Tariq Glass Industries Limited		-	29,200	-	-	29,200	3,081	2,962	(119)	0.43%	0.34%	0.00%
						-	8,851	8,235	(616)			
Insurance												
Adamjee Insurance Company Limited		130,256	-	-	-	130,256	5,402	4,593	(809)	0.67%	0.53%	0.04%
IGI Holdings Limited		14,800	3,000	-	-	17,800	3,399	2,936	(463)	0.43%	0.34%	0.01%
						-	8,801	7,529	(1,272)			
Technology and communication												
Systems Limited		15,570	-	-	2,000	13,570	7,602	9,872	2,270	1.44%	1.13%	0.01%
						-	7,602	9,872	2,270			
Miscellaneous												
Shifa International Hospitals Limited		15,000	-	-	-	15,000	3,287	2,887	(400)	0.42%	0.33%	0.02%
Pakistan Aluminium Beverage Cans Limited		-	36,000	-	-	36,000	1,473	1,413	(60)	0.21%	0.16%	0.00%
							4,760	4,300	(460)			
Mutual Funds												
UBL Pakistan Enterprise Exchange Traded Fund**		71,000	-	-	-	71,000	998	917	(81)	0.13%	0.10%	0.02%
							998	917	(81)			
Pharmaceuticals												
The Searle Company Limited	5.4.2	27,596	-	-	-	27,596	6,695	5,561	(1,134)	0.81%	0.64%	0.01%
Highnoon Laboratories Limited	5.4.2	7,183	-	-	-	7,183	4,310	4,451	141	0.65%	0.51%	0.02%
IBL HealthCare Limited		-	14,200	-	-	14,200	1,589	1,282	(307)	0.19%	0.15%	0.00%
							12,594	11,294	(1,300)			
Total equity securities 'At Fair Value Through Profit or Loss' as at September 30,2021							363,838	342,336	(21,502)			
Total equity securities 'At Fair Value Through Profit or Loss' as at June 30, 2021							292,641	330,473	37,833			

** This represents investment held in a related party.

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

	September 30 2021	June 30, 2021
	(Number of shares)	
Engro Corporation Limited	36,175	5,000
Lucky Cement Limited	26,242	15,000
Pakistan Petroleum Limited	173,250	25,000
United Bank Limited	182,733	50,000
	<u>418,400</u>	<u>95,000</u>

6. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding of tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). During the current period and previous period, prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 150 and 151 of the ITO, 2001. Management is confident that the same shall be refunded after filing of Income Tax Return for Tax Year 2021.

		September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	
7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY			
Remuneration payable to the Management Company	7.1	705	848
Sindh sales tax payable on remuneration of the Management Company	7.2	92	110
Sales load and conversion charges payable		415	591
Selling and marketing expenses payable	7.3	2,294	5,562
Allocated expenses payable	7.4	535	535
		<u>4,041</u>	<u>7,646</u>

- 7.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit.

Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the following rates:

From Jul 1, 2021 to Jul 4, 2021	From July 05, 2021 to September 30, 2021
8.00% of AUMs	1% of AUMs

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

- 7.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 7.3 In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rates of 1.04% of daily net assets.
- 7.4 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

From Jul 1, 2021 to August 12, 2020	From Aug 13, 2021 to September 30, 2021
0.1% of AUMs	0.35% of AUMs

		September 30 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	
8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE			
Remuneration payable to the Trustee	8.1	146	170
Sindh sales tax on Trustee remuneration	8.2	19	22
		<u>165</u>	<u>192</u>

8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.055% (June 30, 2021: 0.065%) per annum of average daily net assets of the Fund during the period.

8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2021: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

		September 30 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	
9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Annual fee payable	9.1	44	217

9.1 In accordance with SRO No.685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% per annum (June 30, 2021: 0.02%) of average annual net assets during the current period.

		September 30 2021 (Un-audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in 000) -----	
10. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		1,043	781
Printing charges payable		10	10
Withholding tax payable		6,282	7,541
Capital gain tax payable		78	167
Legal and professional charges payable		124	86
Sales load payable		45	12
Brokerage payable		568	428
Zakat deducted at source		123	123
Provision for Federal Excise Duty	10.1	6,977	6,977
Provision for Sindh Workers' Welfare Fund	10.2	-	16,632
Other payables		4,051	2
		<u>19,301</u>	<u>32,759</u>

10.1 This includes provision for Federal Excise Duty (FED) as at September 30, 2021 amounting to Rs. 6.272 million (June 30, 2021: Rs. 6.977 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 of the Fund for the year ended June 30, 2021. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 1.07 (June 30, 2021: Re. 1.07).

- 10.2 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) 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 0.50 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 Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments and based on the legal opinion obtained by MUFAP, regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 16.736 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2021 and June 30, 2021.

12. TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund based on the current period results is 0.73% (September 30, 2020: 0.85%) which includes 0.05% (September 30, 2020: 0.19%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a asset allocation scheme.

13. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

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.

14. EARNINGS PER UNIT

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

15. 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

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 provisions of the NBFC Rules, NBFC Regulations and the Trust Deed respectively.

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 interim financial statements are as follows:

15.1

	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 2021) (Un-audited)					
<u>Transactions during the period</u>						
Mark-up on bank accounts	-	225	-	-	-	-
Dividend income	-	4,692	-	-	-	-
Units issued	-	-	-	-	-	1,259
Selling and marketing expense	2,292	-	-	-	-	-
Remuneration	2,204	-	498	-	-	-
Sales tax on management fee	287	-	-	-	-	-
Allocated expenses	518	-	-	-	-	-

	(For the quarter ended 30 september 2020) (Un-audited)					
<u>Transactions during the period</u>						
Mark-up on bank accounts	-	137	-	-	-	-
Units redeemed	-	-	-	-	185	17,576
Purchase of securities	-	16,136	-	-	-	2,293
Sale of securities	-	37,720	-	-	-	-
Selling and marketing expense	2,639	-	-	-	-	-
Remuneration	2,538	-	568	-	-	-
Sales tax on management fee	330	-	-	-	-	-
Allocated expenses	254	-	-	-	-	-

	(As at 30 September 2021) (Un-audited)					
<u>Balances held</u>						
Units held (Number of units in '000)	-	-	-	-	2	1,536
Units held (Amount in '000)	-	-	-	-	298	229,077
Bank balances	-	12,437	-	-	-	-
Remuneration payable	-	-	165	-	-	-
Sales load and conversion charges payable	365	10	-	-	-	-
Selling and marketing expense payable	2,294	-	-	-	-	-
Allocated expenses	518	-	-	-	-	-
Profit receivable	-	62	-	-	-	-
Investments	-	21,665	-	917	-	-

	(As at 30 June 2021) (Audited)					
<u>Balances held</u>						
Units held (Number of units in '000)	-	-	-	-	2	1,528
Units held (Amount in '000)	-	-	-	-	241	227,312
Bank balances	-	9,791	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable **	958	-	-	-	-	-
Sales load and other payable	591	11	-	-	-	-
Selling & Marketing Expense Payable	5,562	-	-	-	-	-
Allocated expenses	535	-	-	-	-	-
Profit receivable	-	41	-	-	-	-
Remuneration payable to Trustee	-	-	192	-	-	-
Investments	-	20,069	-	998	-	-

16 FAIR VALUE MEASUREMENT

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

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

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

16.1 Fair value hierarchy

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

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

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

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

As at the reporting date, the Fund held the following financial instruments measured at fair value:

	Fair Value			
	Level 1	Level 2	Level 3	Total
	<hr/> (Rupees) <hr/>			
<u>September 30, 2021</u>				
Financial assets measured at fair value				
Investments in debt securities	112,342	35,000	-	147,342
Government securities	-	194,063	-	194,063
Quoted equity securities	342,336	-	-	342,336
	<u>454,678</u>	<u>229,063</u>	<u>-</u>	<u>683,741</u>

	Level 1	Fair Value Level 2	Level 3	Total
	<hr/> (Rupees) <hr/>			
<u>June 30, 2021</u>				
Financial assets measured at fair value				
Investments in debt securities	116,158	-	-	116,158
Government securities	-	200,340	-	200,340
Quoted equity securities	330,554	-	-	330,554
	<u>446,712</u>	<u>200,340</u>	<u>-</u>	<u>647,052</u>

17 IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

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 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 unit holders. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risks 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.

18. GENERAL

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

19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on October 27, 2021 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









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