



# Half Yearly Report - December 2020

## UBL Retirement Savings Fund



Rated '**AM1**' by VIS | Call: 0800-00026 | SMS **INVEST** to 8258

## CORPORATE INFORMATION

### Board of Directors

Azhar Hamid (Chairman)

Yasir Qadri (Chief Executive Officer)

Syed Furrugh Zaeem

Huma Pasha

Arif Akmal Saifie

Sadia Saeed

Imran Sarwar

### Audit Committee

Huma Pasha (Chair)

Imran Sarwar

Sadia Saeed

Arif Akmal Saifie

### Risk and Compliance Committee

Imran Sarwar (Chairman)

Syed Furrugh Zaeem

Yasir Qadri

Azhar Hamid

Arif Akmal Saifie

### HR & Compensation Committee

Azhar Hamid (Chairman)

Huma Pasha

Syed Furrugh Zaeem

Sadia Saeed

Yasir Qadri

### Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem  
Member

Mufti Muhammad Najeeb Khan  
Member

### Chief Financial Officer

Umair Ahmed

### Company Secretary

Bilal Javaid

### Registered Office

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

### Head Office

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

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

Fax: (92-21) 32214930

### Date of incorporation of the Management Company/ Pension Fund Manager

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

### Management Quality Rating

AM1 by VIS Credit Rating Company

### Funds Under Management

UBL Liquidity Plus Fund

Launch Date: 21 June 2009

UBL Government Securities Fund

Launch Date: 27 July 2011

UBL Money Market Fund

Launch Date: 14 October 2010

UBL Income Opportunity Fund

Launch Date: 29 March 2013

UBL Growth & Income Fund

Launch Date: 2 March 2006

UBL Asset Allocation Fund

Launch Date: 20 August 2013

UBL Stock Advantage Fund

Launch Date: 4 August 2006

Al-Ameen Islamic Sovereign Fund

Launch Date: 07 November 2010

Al-Ameen Islamic Aggressive Income Fund

Launch Date: 20 October 2007

Al-Ameen Islamic Cash Fund

Launch Date: 17 September 2012

Al-Ameen Shariah Stock Fund

Launch Date: 24 December 2006

Al-Ameen Islamic Asset Allocation Fund

Launch Date: 10 December 2013

Al-Ameen Islamic Dedicated Equity Fund

Launch Date: 05 Jan 2016

Al-Ameen Islamic Cash Plan-I

Launch Date: 29 May 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 Special Saving Plan-II

Launch Date: 09 March 2020

Al-Ameen Islamic Aggressive Income Plan-I

Launch Date: 16 April 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 to you the report of “**UBL Retirement Savings Fund**” (URSF – the Fund) for the nine months period ended December 31, 2020.

### Economic Review 1HFY21

The economy witnessed decent recovery in 1HFY21 due to significant decline in Corona virus cases after peaking in Jun'20. This was demonstrated through healthy numbers such as LSM growth, which increased by 8.2% YoY in the 1HFY21 as compared to a decline of 2.7% in SPLY. The major increase came from Food, Mineral products, Pharmaceutical, Textile, Automobiles, Chemicals, Fertilizers and Paper & Board sectors. We expect strong growth in LSM during 2HFY21 due to low base effect. In the agriculture sector, all major Kharif crops, except for cotton, exceeded their respective production targets. Similarly, preliminary indicators of services sector also showed optimistic numbers during the 1HFY21. Growth in commodity producing sectors along with increase in imports and demand for credit from the services industry underscore recovery in the services sector. Overall, the economy is expected to grow in the range of 3.5-4.5% in FY21, with agriculture and services expected to grow by ~3% each while industry is expected to post a growth of 7.6% primarily driven by LSM.

The average headline inflation during 7MFY21 was 8.2% as compared to 11.6% in SPLY. Inflation has already bottomed out in Jan'21 and will start increasing from here onwards on account of hike in utility tariffs, reversal of base effect and possible rise in oil and commodity prices.

The central bank kept policy rate unchanged at 7.0% during 1HFY21 citing that these levels were appropriate in supporting ongoing economic recovery. In Jan'21 MPC meeting, the central bank for the first time shared forward looking guidance about the interest rates. The MPC does not expect any rate hike in near term and it expects any adjustments in the policy rate to be gradual to achieve mildly positive real interest rates.

On the external front, remarkable improvement was observed on a year over year basis. During 1HFY21, current account recorded a surplus in five of the six months taking the current account number to a cumulative surplus of USD 1.13bn (+0.4% of GDP) compared to a deficit of USD 2.03bn (-0.8% of GDP) in SPLY. During 1HFY21, the first monthly current account deficit was registered in Dec'20 which was primarily attributable to widening trade deficit which increased from USD1.8bn in Nov'20 to USD 2.8bn in Dec'20 (highest trade deficit in 24 months). Overall, improvement in current account during 1HFY21 was driven by increase in remittances (28%) and other current transfers (94%) respectively. The decline in services deficit (42%) also contributed positively in current account surplus during 1HFY21. For the full fiscal year, we anticipate current account balance to post a deficit of less than 1% of GDP and the overall balance of payments position should be comfortable due to an adequate surplus in the financial account.

On the fiscal front, the fiscal deficit stood at 2.5% of GDP during 1HFY21 as compared to 2.4% of GDP in SPLY. The primary balance remained in surplus of PKR 337bn (0.74% of GDP) during 1HFY21 as compared to surplus of PKR 286bn (0.69% of GDP) in SPLY. FBR collected PKR 2570bn during 7MFY21, slightly above the target of PKR 2550bn. We foresee strong revenue collection during the remaining period of the current fiscal year on account of higher economic activity. FBR collection in the second half has historically been around ~20% more than the first half. We believe FBR will manage to collect PKR4.7trn during the ongoing fiscal year and overall fiscal deficit is expected to be 7.5%, slightly higher than the target deficit of 7.1% of GDP due to absence of one-offs such as abnormally high profit of SBP, telecom license fee and lower than budgeted provincial surplus etc.



### Stock Market Review for 1HFY21

The benchmark KSE-100 index continued with the positive momentum, gaining 25% during the 1HFY21. This notable performance was driven by; major decline in domestic Covid-19 infection rate and increase in recovery rates, improvement in macro-economic indicators (LSM growth, remittances and FX reserves) and significant decline in interest rates (625bps). Moreover, encouraging developments on Covid vaccines also acted as a catalyst for the market.

Local participants led the rally with individuals mopping up shares worth USD 159mn, companies USD 91mn, Insurance USD 83mn and Mutual funds USD20mn respectively, while foreigners continued to remain net sellers offloading shares worth USD 279mn.

### Fixed Income Review 1HFY21

During 1HFY21, market expectation of further rate cut faded away. As the inflation outlook started to change, the short term yields started to rise. Moreover, long term yields had already started to reverse since May'20 MPS. As a result, the market preferred remaining on the shorter end and investing in 3M T-Bills and floater rate PIBs.

During 1HFY21, the market participation was ~PKR 9 trillion in treasury bills auctions, major participation was witnessed in 3M tenor which constituted ~70% of the total participation. Government accepted ~PKR 4.6 trillion in T-bill auctions.

A strong demand was witnessed in floater rate PIBs (particularly in 3Y), a participation of PKR 2.3 trillion took place in the floater rate PIB auctions, out of which the government accepted PKR 1.23 trillion. Ministry further introduced quarterly resetting PIBs of 3Y,5Y and 10Y PIBs along with the fortnightly resetting rate of 2Y PIB in addition to the existing semi-annually resetting floater rate PIBs. In contrast, participation in the fixed rate PIBs remained on the lower side. The market participated ~PKR 650 billion in PIBs, out of which government accepted ~PKR 300 billion.

As observed on conventional side, same trend was witnessed in case of GoP Ijara Sukuk. The market remained inclined towards variable rate Ijara sukuk. Total participation was PKR515 billion in six variable rate Ijara sukuk auctions and the government accepted PKR 316 billion. In contrast, only PKR 56 billion participation was witnessed in the fixed rate Ijara sukuk out of which, the government accepted PKR 31 billion.

Yield curve comparison is given below:

Tenors	PKRV as at 31st Dec 2020	PKRV as at 30th June 2020	Change
3 Months	7.08	7.15	-0.07
6 Months	7.17	7.09	0.08
1 Year	7.26	7.05	0.21
3 years	8.28	7.55	0.73
5 Years	9.25	8.14	1.11
10 Years	10.00	8.71	1.29



Fund performance and operational review is as follows:

URSF is an open-end fund that aims to provide a secure source of savings and regular income after retirement to the Participants. The Participants would contribute to the Fund during their working life and would typically withdraw from the Fund on or after retirement. The Fund comprises of four sub funds namely Equity sub-fund, Debt sub-fund, Money Market and Commodity sub-fund. The Fund as a whole earned a net income of PKR 391.361 million during the half year ended December 31, 2020 and fund size stood at PKR 3,535.810 million as at the end of December 31, 2020.

UBL Retirement Savings Fund	ESF	DSF	MMSF	CSF
Gross Income (PKR Mn)	356.664	31.226	37.870	0.557
Net Income (PKR Mn)	341.375	22.545	27.017	0.424
Fund Size as of December 31 '20 (PKR Mn)	1,619.413	840.751	1,063.141	12.505
NAV as of December 31 '20 (PKR)	744.2993	273.2934	216.6772	161.59
FYTD Return (%)	26.71	5.51	5.24	3.52

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

Allocations	ESF	DSF	MMSF
High Volatility	80%	20%	0%
Medium volatility	50%	40%	10%
Low volatility	25%	60%	15%
Lower volatility	0%	60%	40%

UBL Retirement Savings Fund	Since Inception	12 Month Rolling
<b>High Volatility</b>	18.6%	10.9%
<b>Medium volatility</b>	15.1%	10.8%
<b>Low volatility</b>	12.2%	10.9%
<b>Lower volatility</b>	8.9%	10.3%

**Annualized**

### Future outlook

After witnessing negative real GDP growth (-0.4%) in FY20 for the first time since 1952, the country witnessed decent recovery in the current fiscal year. The outlook also remains positive as the policy makers focus seems to have shifted toward the revival of economy and supporting growth and employment. Broad macroeconomic indicators, including an improved current account position, revival in industrial activity and low interest rates continue to remain supportive and we believe economy is expected to recover from here and GDP growth is expected to be in the range of 3.5% to 4.5% in FY21. Moreover, re-entry in IMF program albeit will have its own challenges, they may create a positive impact on overall macro indicators.



From a fundamental perspective, despite the recent run-up, the equity market still holds a huge potential as corporate earnings are expected to witness a decent growth in CY21 and beyond. Earnings yield differential from 10Y PIB yield is 3.2% (13.2% vs. 10.0%) which is still much higher than the average yield difference of 1.1% over the last 15 years. In the short-term, the market will take direction from evolving domestic political situation, progress on Covid-19, result of impending FATF review and upcoming results season. We continue to hold a sanguine view on equities on the back of improving economic activity and indicators coupled with attractive valuations especially for larger listed sectors. There is ample liquidity available that we think may enter in equity market due to waning investor interest in alternative avenues that should support strong performance for equities.

### **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, 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**

----- SD -----

**Azhar Hamid**  
**CHAIRMAN**

**Karachi, Dated: 25 February 2021**

# URSF

## UBL Retirement Savings Fund

### INVESTMENT OBJECTIVE

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

<b>Pension Fund Manager</b>	UBL Fund Managers Limited
<b>Trustee</b>	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
<b>Distribution Company</b>	United Bank Limited  (for detail of others, please visit our website: <a href="http://www.ublfunds.com.pk">www.ublfunds.com.pk</a> )
<b>Auditors</b>	Deloitte Yousuf Adil Chartered Accountants
<b>Bankers</b>	Allied Bank Limited Bank Alfalah Limited Habib Bank Limited JS Bank Limited Khushhali Bank Limited MCB Bank Limited National Bank Limited Samba Bank Limited Sindh Bank Limited Tameer MicroFinance Bank United Bank Limited Zarai Taraqiati Bank Limited Soneri Bank Limited
<b>Pension Fund Managers Rating</b>	AM1 (VIS)

**INDEPENDENT AUDITOR'S REVIEW REPORT****TO THE UNITHOLDERS' OF UBL RETIREMENT SAVINGS FUND****Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **UBL RETIREMENT SAVINGS FUND** (the "Fund") as at December 31, 2020, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unitholders' funds, condensed interim statement of cash flows and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year then ended. The Management Company (**UBL Fund Managers Limited**) is responsible for the preparation and presentation of this condensed interim financial information in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

**Scope of Review**

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

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2020 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

**Other Matters**

The figures of the condensed interim income statement, condensed interim statement of comprehensive income and related notes for the quarter ended December 31, 2020 have not been reviewed, as we are only required to review the cumulative figures for the half year ended December 31, 2020.

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

  
Chartered Accountants

Place: Karachi

Date: February 25, 2021



**UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT DECEMBER 31, 2020**

		December 31, 2020 (Un-Audited)					June 30, 2020 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
Note		(Rupees in '000)									
<b>ASSETS</b>											
	4	58,112	381,060	644,508	9,629	1,093,309	90,093	157,027	503,353	7,240	757,713
	5	1,582,664	463,894	421,805	479	2,468,842	1,146,657	635,746	570,172	304	2,352,879
	6	982	496	1,278	37	2,793	915	591	1,058	32	2,596
		10,967	-	-	-	10,967	1,440	-	-	-	1,440
		11,268	6,682	2,961	43	20,954	2,980	11,877	1,441	-	16,298
		2,737	497	1,634	2,964	7,832	11,910	11,939	11,062	2,757	37,668
		<b>1,666,730</b>	<b>852,629</b>	<b>1,072,186</b>	<b>13,152</b>	<b>3,604,697</b>	<b>1,253,995</b>	<b>817,180</b>	<b>1,087,086</b>	<b>10,333</b>	<b>3,168,594</b>
<b>LIABILITIES</b>											
	7	2,753	1,418	1,851	87	6,109	1,965	1,375	1,670	49	5,059
		176	96	120	2	394	131	78	118	2	329
		186	106	133	1	426	318	208	293	2	821
		14,509	-	-	-	14,509	3,000	-	-	-	3,000
	8	29,693	10,258	6,941	557	47,449	26,095	15,298	8,728	596	50,717
		<b>47,317</b>	<b>11,878</b>	<b>9,045</b>	<b>647</b>	<b>68,887</b>	<b>31,509</b>	<b>16,959</b>	<b>10,809</b>	<b>649</b>	<b>59,926</b>
		<b>1,619,413</b>	<b>840,751</b>	<b>1,063,141</b>	<b>12,505</b>	<b>3,535,810</b>	<b>1,222,486</b>	<b>800,221</b>	<b>1,076,277</b>	<b>9,684</b>	<b>3,108,668</b>
<b>PARTICIPANTS' SUB-FUNDS</b> (as per statement attached)											
		<b>1,619,413</b>	<b>840,751</b>	<b>1,063,141</b>	<b>12,505</b>	<b>3,535,810</b>	<b>1,222,486</b>	<b>800,221</b>	<b>1,076,277</b>	<b>9,684</b>	<b>3,108,668</b>
<b>CONTINGENCIES AND COMMITMENTS</b>											
	9	(Number of units)									
	10	2,175,755	3,076,369	4,906,564	77,388		2,081,183	3,008,374	5,096,712	62,036	
		Rupees					Rupees				
		<b>744.2993</b>	<b>273.2934</b>	<b>216.6772</b>	<b>161.5900</b>		<b>587.3998</b>	<b>265.9978</b>	<b>211.1708</b>	<b>156.1029</b>	

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited  
(Pension Fund Manager)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020**

	For the half year ended December 31, 2020					For the half year ended December 31, 2019				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
<b>Note</b>	----- (Rupees in '000) -----									
<b>Income</b>										
Financial income	1,926	33,670	38,630	220	74,446	4,894	46,420	65,071	439	116,824
Gain / (loss) on sale of investments - net	95,037	(1,314)	(764)	(142)	92,817	2,947	(1,351)	(1,200)	66	462
Dividend income	30,558	-	-	-	30,558	27,936	-	-	-	27,936
Unrealized gains / (losses) on revaluation of investments classified as financial assets at fair value through profit or loss - net	229,143	(1,130)	4	479	228,496	201,376	(265)	(41)	233	201,303
<b>Total income</b>	<b>356,664</b>	<b>31,226</b>	<b>37,870</b>	<b>557</b>	<b>426,317</b>	<b>237,153</b>	<b>44,804</b>	<b>63,830</b>	<b>738</b>	<b>346,525</b>
<b>Expenses</b>										
Remuneration of UBL Fund Managers Limited - Pension Fund Manager	7.1 11,161	6,357	7,997	79	25,594	7,652	5,156	7,352	56	20,216
Sindh sales tax on Pension Fund Manager's remuneration	7.1 1,451	827	1,040	10	3,328	995	670	956	7	2,628
Remuneration of Central Depository Company of Pakistan Limited - Trustee	948	542	680	7	2,177	660	462	681	4	1,807
Annual fee to the Securities and Exchange Commission of Pakistan	186	106	133	1	426	170	113	163	1	447
Auditors' remuneration	84	83	82	83	332	108	108	108	108	432
Brokerage expense	2,224	73	37	2	2,336	669	81	42	4	796
Custody and settlement charges	565	323	5	4	897	308	12	4	4	328
Legal and professional charges	17	24	24	24	89	20	20	20	20	80
Bank charges and other expenses	9	45	34	1	89	8	27	24	2	61
<b>Total expenses</b>	<b>16,645</b>	<b>8,380</b>	<b>10,032</b>	<b>211</b>	<b>35,268</b>	<b>10,590</b>	<b>6,649</b>	<b>9,350</b>	<b>206</b>	<b>26,795</b>
<b>Net operating income for the period</b>	<b>340,019</b>	<b>22,846</b>	<b>27,838</b>	<b>346</b>	<b>391,049</b>	<b>226,563</b>	<b>38,155</b>	<b>54,480</b>	<b>532</b>	<b>319,730</b>
Element of income / (loss) and capital gains / (losses) included in the prices of units less those in units redeemed - net	8,185	151	(280)	86	8,142	16,217	(219)	(1,073)	71	14,996
Provision for Sindh Workers' Welfare Fund	8.1 (6,829)	(452)	(541)	(8)	(7,830)	(4,762)	(745)	(1,048)	(12)	(6,567)
<b>Net income for the period before taxation</b>	<b>341,375</b>	<b>22,545</b>	<b>27,017</b>	<b>424</b>	<b>391,361</b>	<b>238,018</b>	<b>37,191</b>	<b>52,359</b>	<b>591</b>	<b>328,159</b>
Taxation	12 -	-	-	-	-	-	-	-	-	-
<b>Net income for the period after taxation</b>	<b>341,375</b>	<b>22,545</b>	<b>27,017</b>	<b>424</b>	<b>391,361</b>	<b>238,018</b>	<b>37,191</b>	<b>52,359</b>	<b>591</b>	<b>328,159</b>
<b>Earnings Per Unit</b>	13									

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

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

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020**

	For the quarter ended December 31, 2020					For the quarter ended December 31, 2019				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
<b>Income</b>	Note ----- (Rupees in '000) -----									
Financial income	768	16,221	19,589	128	36,706	3,053	23,435	34,038	291	60,817
Gain / (loss) on sale of investments - net	31,430	(13,642)	(582)	(709)	16,497	7,766	(489)	(801)	67	6,543
Dividend income	23,915	-	-	-	23,915	16,830	-	-	-	16,830
Unrealized gains / (losses) on revaluation of investments classified as financial assets at fair value through profit or loss - net	61,288	10,781	770	782	73,621	266,097	(1,926)	(34)	90	264,227
<b>Total income</b>	<b>117,401</b>	<b>13,360</b>	<b>19,777</b>	<b>201</b>	<b>150,739</b>	<b>293,746</b>	<b>21,020</b>	<b>33,203</b>	<b>448</b>	<b>348,417</b>
<b>Expenses</b>										
Remuneration of UBL Fund Managers Limited - Pension Funds Manager	5,790	3,222	3,978	42	13,032	4,149	2,621	3,838	30	10,638
Sindh sales tax on Pension Fund Manager's remuneration	753	420	517	5	1,695	540	341	499	4	1,384
Remuneration of Central Depository Company of Pakistan Limited - Trustee	490	274	336	3	1,103	345	233	364	3	945
Annual fee to the Securities and Exchange Commission of Pakistan	96	54	66	-	216	93	57	86	-	236
Auditors' remuneration	43	42	41	42	168	54	54	54	54	216
Brokerage expense	757	36	33	-	826	319	43	27	2	391
Custody and settlement charges	270	232	2	4	508	146	5	2	2	155
Legal and professional charges	5	12	12	12	41	10	10	10	10	40
Bank charges and other expenses	7	43	32	-	82	4	12	-	-	16
<b>Total expenses</b>	<b>8,211</b>	<b>4,335</b>	<b>5,017</b>	<b>108</b>	<b>17,671</b>	<b>5,660</b>	<b>3,376</b>	<b>4,880</b>	<b>105</b>	<b>14,021</b>
<b>Net operating income for the period</b>	<b>109,190</b>	<b>9,025</b>	<b>14,760</b>	<b>93</b>	<b>133,068</b>	<b>288,086</b>	<b>17,644</b>	<b>28,323</b>	<b>343</b>	<b>334,396</b>
Element of income / (loss) and capital gains / (losses) included in the prices of units less those in units redeemed - net	3,982	(183)	111	44	3,954	11,348	(106)	(1,834)	71	9,479
Provision for Sindh Workers' Welfare Fund	(2,219)	(174)	(291)	(2)	(2,686)	(4,762)	(344)	(519)	(7)	(5,632)
<b>Net income for the period before taxation</b>	<b>110,953</b>	<b>8,668</b>	<b>14,580</b>	<b>135</b>	<b>134,336</b>	<b>294,672</b>	<b>17,194</b>	<b>25,970</b>	<b>407</b>	<b>338,243</b>
Taxation	-	-	-	-	-	-	-	-	-	-
<b>Net income for the period after taxation</b>	<b>110,953</b>	<b>8,668</b>	<b>14,580</b>	<b>135</b>	<b>134,336</b>	<b>294,672</b>	<b>17,194</b>	<b>25,970</b>	<b>407</b>	<b>338,243</b>

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited  
(Pension Fund Manager)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020**

	For the half year ended December 31, 2020					For the half year ended December 31, 2019				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
----- (Rupees in '000) -----										
<b>Net income for the period after taxation</b>	<b>341,375</b>	<b>22,545</b>	<b>27,017</b>	<b>424</b>	<b>391,361</b>	238,018	37,191	52,359	591	328,159
<b>Other comprehensive income for the period</b>										
<b><i>Items that may be reclassified subsequently to income statement</i></b>										
Unrealised (loss) / gain on re-measurement of investments 'at fair value through other comprehensive income' - net	-	(101)	-	-	(101)	-	71	-	-	71
<b><i>Items that will not be reclassified subsequently to income statement</i></b>	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>341,375</b>	<b>22,444</b>	<b>27,017</b>	<b>424</b>	<b>391,260</b>	238,018	37,262	52,359	591	328,230

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

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

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020**

	For the quarter ended December 31, 2020					For the quarter ended December 31, 2019				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	----- (Rupees in '000) -----									
<b>Net income for the period after taxation</b>	<b>110,953</b>	<b>8,668</b>	<b>14,580</b>	<b>135</b>	<b>134,336</b>	294,672	17,194	25,970	407	338,243
<b>Other comprehensive income for the quarter</b>										
<i>Items that may be reclassified subsequently to income statement</i>										
Unrealised (loss) / gain on re-measurement of investments 'at fair value through other comprehensive income' - net	-	(43)	-	-	(43)	-	32	-	-	32
<i>Items that will not be reclassified subsequently to income statement</i>	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>110,953</b>	<b>8,625</b>	<b>14,580</b>	<b>135</b>	<b>134,293</b>	294,672	17,226	25,970	407	338,275

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

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

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020**

	For the half year ended December 31, 2020					For the half year ended December 31, 2019				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	----- (Rupees in '000) -----									
Net assets at the beginning of the period	1,222,486	800,221	1,076,277	9,684	3,108,668	992,144	692,678	875,956	6,583	2,567,361
Amount received on issuance of units	172,853	162,022	134,344	3,625	472,844	152,445	115,618	414,645	30,858	713,566
Effect of reallocation	1,360	3,615	(4,188)	(787)	-	60,378	(45,875)	(13,831)	(672)	-
Amount paid on redemption of units - net	(110,476)	(147,400)	(170,589)	(355)	(428,820)	(177,215)	(101,643)	(346,805)	(29,249)	(654,912)
	63,737	18,237	(40,433)	2,483	44,024	35,608	(31,900)	54,009	937	58,654
Element of (income) / loss and capital (gains) / losses included in the prices of units sold less those in units redeemed - net	(8,185)	(151)	280	(86)	(8,142)	(16,217)	219	1,073	(71)	(14,996)
	1,278,038	818,307	1,036,124	12,081	3,144,550	1,011,535	660,997	931,038	7,449	2,611,019
Unrealised (Loss) / gain on re-measurement of investments 'at fair value through other comprehensive income' - net	-	(101)	-	-	(101)	-	71	-	-	71
Gain / (loss) on sale of investments - net	95,037	(1,314)	(764)	(142)	92,817	2,947	(1,351)	(1,200)	66	462
Unrealized gain / (loss) on revaluation of investments classified as financial assets at fair value through profit or loss - net	229,143	(1,130)	4	479	228,496	201,376	(265)	(41)	233	201,303
Other net income	17,195	24,989	27,777	87	70,048	33,695	38,807	53,600	292	126,394
	341,375	22,545	27,017	424	391,361	238,018	37,191	52,359	591	328,159
<b>Net assets at the end of the period</b>	<b>1,619,413</b>	<b>840,751</b>	<b>1,063,141</b>	<b>12,505</b>	<b>3,535,810</b>	<b>1,249,553</b>	<b>698,259</b>	<b>983,397</b>	<b>8,040</b>	<b>2,939,249</b>

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

Note	For the half year ended December 31, 2020					For the half year ended December 31, 2019				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
(Rupees in '000)										
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
Net income for the period before taxation	341,375	22,545	27,017	424	391,361	238,018	37,191	52,359	591	328,159
<b>Adjustments for:</b>										
Financial income	(1,926)	(33,670)	(38,630)	(220)	(74,446)	(4,894)	(46,420)	(65,071)	(439)	(116,824)
Dividend income	(30,558)	-	-	-	(30,558)	(27,936)	-	-	-	(27,936)
(Gain) / loss on sale of investments - net	(95,037)	1,314	764	142	(92,817)	(2,947)	1,351	1,200	(66)	(462)
Unrealised (gains) / losses on revaluation of investments classified as financial assets at fair value through profit or loss - net	(229,143)	1,130	(4)	(479)	(228,496)	(201,376)	265	41	(233)	(201,303)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	(8,185)	(151)	280	(86)	(8,142)	(16,217)	219	1,073	(71)	(14,996)
Provision for Sindh Workers' Welfare Fund	6,829	452	541	8	7,830	4,762	745	1,048	12	6,567
<b>Cash used in operations before working capital changes</b>	<b>(16,645)</b>	<b>(8,380)</b>	<b>(10,032)</b>	<b>(211)</b>	<b>(35,268)</b>	<b>(10,590)</b>	<b>(6,649)</b>	<b>(9,350)</b>	<b>(206)</b>	<b>(26,795)</b>
<b>(Increase) / decrease in assets</b>										
Investments - net	(111,827)	169,307	(760)	162	56,882	(45,874)	(301,884)	(1,241)	526	(348,473)
Advance income tax	(67)	95	(220)	(5)	(197)	(35)	(175)	(452)	(4)	(666)
Receivable against sale of investments	(9,527)	-	-	-	(9,527)	2,395	-	(5,075)	(33)	(2,713)
Security deposits, prepayments and other receivables	9,173	11,442	9,428	(207)	29,836	(3,339)	4,414	8,531	(534)	9,072
	(112,248)	180,844	8,448	(50)	76,994	(46,853)	(297,645)	1,763	(45)	(342,780)
<b>Increase / (decrease) in liabilities</b>										
Payable to UBL Fund Managers Limited - Pension Fund Manager	788	43	181	38	1,050	437	52	264	(2)	751
Payable to the Central Depository Company of Pakistan Limited	45	18	2	-	65	2	2	43	(1)	46
Payable to the Securities and Exchange Commission of Pakistan	(132)	(102)	(160)	(1)	(395)	(230)	(113)	(88)	(1)	(432)
Payable against purchase of investment	11,509	-	-	-	11,509	2,029	-	-	-	2,029
Accrued expenses and other liabilities	(3,231)	(5,492)	(2,328)	(47)	(11,098)	3,507	5,249	4,996	53	13,805
	8,979	(5,533)	(2,305)	(10)	1,131	5,745	5,190	5,215	49	16,199
<b>Cash (used in) / generated from operations</b>	<b>(119,914)</b>	<b>166,931</b>	<b>(3,889)</b>	<b>(271)</b>	<b>42,857</b>	<b>(51,698)</b>	<b>(299,104)</b>	<b>(2,372)</b>	<b>(202)</b>	<b>(353,376)</b>
Dividend income received	22,728	-	-	-	22,728	29,535	-	-	-	29,535
Financial income received	1,468	38,865	37,110	177	77,620	4,322	45,432	57,393	408	107,555
<b>Net cash (used in) / generated from operating activities</b>	<b>(95,718)</b>	<b>205,796</b>	<b>33,221</b>	<b>(94)</b>	<b>143,205</b>	<b>(17,841)</b>	<b>(253,672)</b>	<b>55,021</b>	<b>206</b>	<b>(216,286)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
Amount received on issue of units	172,853	162,022	134,344	3,625	472,844	152,445	115,618	414,645	30,858	713,566
Effect of re-allocation	1,360	3,615	(4,188)	(787)	-	60,378	(45,875)	(13,831)	(672)	-
Amount paid on redemption of units - net	(110,476)	(147,400)	(170,589)	(355)	(428,820)	(177,215)	(101,643)	(346,805)	(29,249)	(654,912)
<b>Net cash generated from / (used in) financing activities</b>	<b>63,737</b>	<b>18,237</b>	<b>(40,433)</b>	<b>2,483</b>	<b>44,024</b>	<b>35,608</b>	<b>(31,900)</b>	<b>54,009</b>	<b>937</b>	<b>58,654</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(31,981)</b>	<b>224,033</b>	<b>(7,212)</b>	<b>2,389</b>	<b>187,229</b>	<b>17,767</b>	<b>(285,572)</b>	<b>109,030</b>	<b>1,143</b>	<b>(157,632)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>90,093</b>	<b>157,027</b>	<b>1,073,525</b>	<b>7,240</b>	<b>1,327,885</b>	<b>89,278</b>	<b>497,057</b>	<b>868,612</b>	<b>5,443</b>	<b>1,460,390</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>58,112</b>	<b>381,060</b>	<b>1,066,313</b>	<b>9,629</b>	<b>1,515,114</b>	<b>107,045</b>	<b>211,485</b>	<b>977,642</b>	<b>6,586</b>	<b>1,302,758</b>
<b>Cash and cash equivalents</b>										
Bank Balances	58,112	381,060	644,508	9,629	1,093,309	107,045	211,485	878,695	6,586	1,203,811
Treasury bills - 3 months	-	-	421,805	-	421,805	-	-	98,947	-	98,947
	58,112	381,060	1,066,313	9,629	1,515,114	107,045	211,485	977,642	6,586	1,302,758

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited  
(Pension Fund Manager)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL RETIREMENT SAVINGS FUND**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020**

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

UBL Retirement Savings Fund (the "Fund"), was established under the Trust Deed executed between UBL Fund Managers Limited (the "Pension Fund Manager" - a wholly owned subsidiary company of United Bank Limited) as the Pension Fund Manager and the MCB Financial Services Limited as the Trustee. The Trust Deed was executed on November 17, 2009, and the Fund was approved as a pension fund by the Securities and Exchange Commission of Pakistan (SECP) on January 29, 2010 in accordance with the requirements of Voluntary Pension System Rules, 2005 (the VPS Rules). The Fund commenced its operations from May 19, 2010. The trusteeship of the Fund was transferred to Central Depository Company of Pakistan Limited (CDC) effective from March 31, 2014 through a supplemental trust deed dated February 21, 2014.

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

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

The Fund consists of four Sub-Funds namely, UBL Retirement Savings Fund Equity Sub-Fund ("Equity Sub-Fund"), UBL Retirement Savings Fund Debt Sub-Fund ("Debt Sub-Fund"), UBL Retirement Savings Fund Money Market Sub-Fund ("Money Market Sub-Fund") and UBL Retirement Savings Fund Commodity Sub-Fund ("Commodity Sub-Fund") (collectively the "Sub-Funds"). The main features of the investment policy for each of the Sub-Funds are as follows:

- The Equity Sub-Fund shall invest primarily in listed equity securities with a minimum investment of 90% of its Net Assets Value (NAV) in listed shares. The investment in a single company is restricted to lower of 10% of NAV or the paid-up capital of the investee company. The investment in a single stock exchange sector is restricted to the higher of 30% of the NAV or the index weight, subject to a maximum of 35% of the NAV. The remaining assets of the Equity Sub-Fund shall be invested in any government security having less than one year time to maturity, or in a scheduled commercial bank having credit rating of atleast 'A'.
- The Debt Sub-Fund shall invest primarily in tradable debt securities with weighted average duration of the investment portfolio of the Debt Sub-Fund not exceeding five years. At least 25% of the assets in the Debt Sub-Fund shall be invested in securities issued by the Federal Government and up to 25% of the Funds may be deposited with banks having not less than "AA +" rating. Composition of the remaining portion of the investments shall be as defined in the offering document.
- The Money Market Sub-Fund shall invest in short term debt instruments with time to maturity not exceeding six months, and in case of Shariah compliant Government securities, up to three years. The Fund can make investment in Shariah compliant securities issued by the Federal Government and the commercial banks having A+ rating. There are no restrictions placed by the VPS Rules on such investments. The Fund can also make investment in securities issued by the federal government, provincial government and city government or a corporate entity (having credit rating of 'A' or higher) up to 10%, 5% and 5% of net assets of the Money Market Sub-Fund, respectively.
- The Commodity Sub-Fund shall invest only in those commodity futures contracts that are traded at the Pakistan Mercantile Exchange and cash settled futures contracts, except for gold for which the Commodity Sub-Fund, in addition to the cash settled futures, may also invest in deliverable futures contracts. At least 70% of net assets of the Commodity Sub-Fund shall remain invested in commodity futures contracts during the year based on quarterly average investment calculated on daily basis. At least 10% of the net assets of the Commodity Sub-Fund shall remain invested in Government treasury bills or Government securities having less than 90 days' time to maturity or kept as deposits with scheduled commercial banks which are rated not less than AA by a rating agency registered with SECP. A Pension Fund Manager may invest any surplus (un-invested) funds in Government treasury bills and Government securities having less than one year time to maturity or keep as deposits with scheduled commercial banks which are rated not less than AA by a rating agency registered with SECP.

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



VIS Credit Rating Company has reaffirmed management quality rating of 'AM1' (stable outlook) to the Pension Fund Manager 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 (CDC) as the Trustee of the Fund.

## **2 BASIS OF PREPARATION**

### **2.1 Statement of compliance**

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and
- Voluntary Pension System Rules, 2005 and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the Voluntary Pension System Rules, 2005 and requirements of the Trust Deed differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the Voluntary Pension System Rules, 2005 and requirements of the Trust Deed have been followed.

**2.1.2** The SECP/Commission through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Currently, the Asset Management Companies are required to continue to follow the requirements of Circular 33 of 2012 for impairment of debt securities.

**2.1.3** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2020.

**2.1.4** The comparative statement of assets and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of movement in participant's sub-fund are extracted from the unaudited condensed interim financial information for the period ended December 31, 2019.

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

### **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.

### **2.3 Functional and presentation currency**

This condensed financial information have been presented in Pak rupees, which is the Fund's functional and presentation currency

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

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

**3.2** The preparation of this condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future period. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2020.

3.3 There are certain standards, interpretations on accounting and reporting standards as applicable in Pakistan and amendments to certain existing standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant impact on the accounting policies of the Fund and therefore not disclosed in this condensed interim financial information.

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

#### 4. BANK BALANCES

		December 31, 2020 (Un-audited)					June 30, 2020 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	<b>Note</b>	----- (Rupees in '000) -----									
Bank accounts - saving	4.1	58,112	381,052	644,500	9,629	1,093,293	90,093	157,027	503,343	7,240	757,703
Bank accounts - current		-	8	8	-	16	-	-	10	-	10
		<b>58,112</b>	<b>381,060</b>	<b>644,508</b>	<b>9,629</b>	<b>1,093,309</b>	<b>90,093</b>	<b>157,027</b>	<b>503,353</b>	<b>7,240</b>	<b>757,713</b>

4.1 These carry mark-up at the rates ranging from 3.75% to 7.00% (June 30, 2020: 3.75% to 11.25%) per annum.

#### 5. INVESTMENTS

		December 31, 2020 (Un-audited)					June 30, 2020 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	<b>Note</b>	----- (Rupees in '000) -----									
<b>Investments by category:</b>											
<b>Fair value through profit or loss</b>											
Listed equity securities	5.1	1,582,664	-	-	-	1,582,664	1,146,657	-	-	-	1,146,657
Government securities											
- Treasury Bills	5.2	-	-	421,805	-	421,805	-	381,035	570,172	-	951,207
- Pakistan Investment Bonds	5.3	-	435,277	-	-	435,277	-	212,491	-	-	212,491
Debt securities - Term Finance Certificates / Sukuks	5.4	-	25,016	-	-	25,016	-	36,531	-	-	36,531
Future Gold Contracts	5.5	-	-	-	479	479	-	-	-	304	304
		<b>1,582,664</b>	<b>460,293</b>	<b>421,805</b>	<b>479</b>	<b>2,465,241</b>	<b>1,146,657</b>	<b>630,057</b>	<b>570,172</b>	<b>304</b>	<b>2,347,190</b>
<b>Fair value through other comprehensive income</b>											
Government securities											
- Pakistan Investment Bonds	5.6	-	3,601	-	-	3,601	-	5,689	-	-	5,689
		<b>1,582,664</b>	<b>463,894</b>	<b>421,805</b>	<b>479</b>	<b>2,468,842</b>	<b>1,146,657</b>	<b>635,746</b>	<b>570,172</b>	<b>304</b>	<b>2,352,879</b>

5.1 Equity securities - At fair value through profit and loss

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

Name of Investee Company	As at July 1, 2020	Purchased / bonus received during the period	Sold during the period	As at December 31, 2020	Total carrying value as at December 31, 2020	Total market value as at December 31, 2020	Appreciation / (diminution) as at December 31, 2020	Market value as a percentage of net assets of Equity Sub-Fund	Market value as a percentage of total value of Investment of Equity Sub-Fund	Investment as a percentage of paid-up capital of investee company
Note	Number of shares			Rupees in '000			%			
<b>Held by equity sub-fund</b>										
<b>Automobile assembler</b>										
Honda Atlas Cars (Pakistan) Limited	400	-	-	400	77	131	54	0.01	0.01	0.00
Indus Motor Company Limited	7,500	22,400	5,400	24,500	29,818	29,350	(468)	1.81	1.85	0.03
					<b>29,895</b>	<b>29,481</b>	<b>(414)</b>	<b>1.82</b>	<b>1.86</b>	
<b>Automobile parts and accessories</b>										
Agriaautos Industries Limited **	-	42,800	-	42,800	8,543	10,026	1,483	0.62	0.63	0.15
Thai Limited **	84,650	23,500	19,000	89,150	30,653	42,139	11,486	2.60	2.66	0.11
					<b>39,196</b>	<b>52,165</b>	<b>12,969</b>	<b>3.22</b>	<b>3.29</b>	
<b>Cable and electrical goods</b>										
Waves Singer Pakistan Limited	-	799,000	799,000	-	-	-	-	-	-	0.00
<b>Oil and gas exploration companies</b>										
Mari Petroleum Company Limited	71,533	7,500	8,000	71,033	88,629	95,171	6,542	5.88	6.01	0.05
Oil & Gas Development Company Limited	701,400	49,000	223,000	527,400	57,630	54,728	(2,902)	3.38	3.46	0.01
Pakistan Oilfields Limited	62,180	112,138	82,300	92,018	34,146	36,385	2,239	2.25	2.30	0.03
Pakistan Petroleum Limited	512,908	353,000	50,000	815,908	74,727	73,701	(1,026)	4.55	4.66	0.03
					<b>255,132</b>	<b>259,985</b>	<b>4,853</b>	<b>16.06</b>	<b>16.43</b>	
<b>Oil and gas marketing companies</b>										
Hi-Tech Lubricants Limited	-	56,000	56,000	-	-	-	-	-	-	0.00
Pakistan State Oil Company Limited	5.1.2	101,654	40,000	109,300	32,354	6,504	6,966	462	0.43	0.44
					<b>6,504</b>	<b>6,966</b>	<b>462</b>	<b>0.43</b>	<b>0.44</b>	
<b>Construction and materials (cement)</b>										
Attock Cement (Pakistan) Limited	12,000	99,500	12,000	99,500	15,142	14,930	(212)	0.92	0.94	0.07
Kohat Cement Company Limited	334,320	89,500	72,000	351,820	52,554	77,133	24,579	4.76	4.87	0.18
Lucky Cement Limited	105,650	38,500	44,415	99,735	48,839	69,425	20,586	4.29	4.39	0.03
Maple Leaf Cement Factory Limited	150,000	255,000	349,500	55,500	2,310	2,498	188	0.15	0.16	0.01
Thatta Cement Company Limited	-	350,000	350,000	-	-	-	-	-	-	0.00
					<b>118,845</b>	<b>163,986</b>	<b>45,141</b>	<b>10.12</b>	<b>10.36</b>	
<b>Chemical</b>										
Sitara Chemical Industries Limited	62,900	-	57,100	5,800	1,607	1,798	191	0.11	0.11	0.03
Engro Polymer and Chemicals Limited	276,872	902,000	488,000	690,872	23,990	32,823	8,833	2.03	2.07	0.08
Ittehad Chemical Limited	377,500	22,000	336,000	63,500	1,703	2,033	330	0.13	0.13	0.07
I.C.I. Pakistan Limited	10,300	500	-	10,800	7,532	8,209	677	0.51	0.52	0.01
Dynea Pakistan Limited **	-	59,500	-	59,500	8,889	12,249	3,360	0.76	0.77	0.32
					<b>43,721</b>	<b>57,112</b>	<b>13,391</b>	<b>3.54</b>	<b>3.60</b>	
<b>Fertilizer</b>										
Fatima Fertilizer Company Limited	413,000	-	412,500	500	13	15	2	-	-	0.00
Dawood Hercules Corporation Limited	26,300	-	25,000	1,300	166	158	(8)	0.01	0.01	0.00
Engro Corporation Limited	278,177	42,000	24,600	295,577	87,304	90,849	3,545	5.61	5.74	0.05
Engro Fertilizers Limited	629,299	40,000	517,093	152,206	9,205	9,624	419	0.59	0.61	0.01
Fauji Fertilizer Company Limited	252,762	598,565	122,524	728,803	78,003	79,075	1,072	4.88	5.00	0.06
					<b>174,691</b>	<b>179,721</b>	<b>5,030</b>	<b>11.09</b>	<b>11.36</b>	
<b>Engineering</b>										
Agha Steel Industries Limited	-	740,000	-	740,000	26,491	29,163	2,672	1.80	1.84	0.13



Name of Investee Company	As at July 1, 2020	Purchased / bonus received during the period	Sold during the period	As at December 31, 2020	Total carrying value as at December 31, 2020	Total market value as at December 31, 2020	Appreciation / (diminution) as at December 31, 2020	Market value as a percentage of net assets of Equity Sub-Fund	Market value as a percentage of total value of Investment of Equity Sub-Fund	Investment as a percentage of paid-up capital of investee company
Note	Number of shares			Rupees in '000			%			
<b>Insurance</b>										
IGI Holding Limited	33,300	-	1,500	31,800	5,755	6,467	712	0.40	0.41	0.02
Adamjee Insurance Company Limited	5.1.1	1,200,000	-	157,000	1,043,000	34,534	41,011	6,477	2.53	2.59
					<b>40,289</b>	<b>47,478</b>	<b>7,189</b>	<b>2.93</b>	<b>3.00</b>	
<b>Technology and communication</b>										
Systems Limited	211,500	15,500	113,500	113,500	21,634	47,583	25,949	2.94	3.01	0.09
TPL Trakker Limited	-	113,000	113,000	-	-	-	-	-	-	0.00
					<b>21,634</b>	<b>47,583</b>	<b>25,949</b>	<b>2.94</b>	<b>3.01</b>	
<b>Leather and tanneries</b>										
Bata Pakistan Limited	-	900	460	440	701	674	(27)	0.04	0.04	0.01
Service Industries Limited	425	21,106	-	21,531	16,514	17,960	1,446	1.11	1.13	0.09
					<b>17,215</b>	<b>18,634</b>	<b>1,419</b>	<b>1.15</b>	<b>1.17</b>	
<b>Transportation</b>										
Pakistan National Shipping Corporation Limited	2,000	-	-	2,000	151	183	32	0.01	0.01	0.00
<b>Vanaspati and allied industries</b>										
Unity Foods Limited	-	1,468,564	1,157,500	311,064	4,137	9,973	5,836	0.62	0.63	0.03
Unity Foods Limited (rights)	-	413,550	413,550	-	-	-	-	-	-	0.00
					<b>4,137</b>	<b>9,973</b>	<b>5,836</b>	<b>0.62</b>	<b>0.63</b>	
<b>Miscellaneous</b>										
Tri-Pack Films Limited	122,000	120,000	242,000	-	-	-	-	-	-	0.00
Synthetic Products Enterprises Limited	442,200	188,500	96,000	534,700	22,314	23,254	940	1.44	1.47	0.58
Synthetic Products Enterprises Limited (rights)	-	28,156	5,000	23,156	-	211	211	0.01	0.01	0.00
Shifa International Hospitals Limited	-	26,500	26,500	-	-	-	-	-	-	0.00
					<b>22,314</b>	<b>23,465</b>	<b>1,151</b>	<b>1.45</b>	<b>1.48</b>	
<b>Total December 31, 2020 (Un-audited)</b>					<b>1,353,521</b>	<b>1,582,664</b>	<b>229,143</b>			
Total June 30, 2020 (Audited)					1,151,428	1,146,657	(4,771)			

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

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

5.1.1 The above equity securities include 2.373 million (June 30, 2020: 2.573 million) shares pledged with National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs. 108.61 million (June 30, 2020: Rs. 99.90 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 This includes gross bonus shares as per Fund's entitlement declared by the investee company. The Finance Act, 2014 had brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder were to be treated as income and a tax at the rate of 5 percent was 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 was to be collected at source by the investee company which was to be considered as final discharge of tax liability on such income. However, the Pension Fund Manager jointly with other asset management companies and Mutual Funds Association of Pakistan, filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 47 B and 99 of Second schedule of the Income Tax Ordinance, 2001. Consequently, the Honorable Sindh High Court granted stay order till the final outcome of the case. As of period end, 1,392 shares (June 30, 2020: 1,392 shares) of Pakistan State Oil Company Limited having a fair market value of Rs. 0.299 million (June 30, 2020: Rs. 0.107 million), 5300 shares (June 30, 2020: 5,300 shares) of The Searle Company Limited having a fair market value of Rs. 1.32 million (June 30, 2020: Rs. 1.056 million), 778 shares (June 30, 2020: 778) of Highnoon Laboratories Limited having a fair market value of Rs. 0.467 million (June 30, 2020: 0.390 million) and 7,864 shares (June 30, 2020: 7,864 shares) of Faysal Bank Limited having a fair market value of Rs. 0.136 million (June 30, 2020: 0.110 million) are disputed. Such shares have not been deposited by the investee company in CDC account of the department of Income Tax. The Pension Fund Manager is of the view that the decision will be in its favour and accordingly has recorded the bonus shares on gross basis. Through Finance Act, 2018, the tax on bonus shares was withdrawn.

**5.2 Government securities - Treasury Bills 'at fair value through profit or loss'**

Particulars	Note	Face value				Balance as at December 31, 2020			Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of total investments of the Sub-Fund
		As at July 01, 2020	Purchased during the period	Disposed / matured during the period	As at December 31, 2020	Carrying value	Market value	Appreciation / (diminution)		
----- (Rupees in '000) -----						----- (Rupees in '000) -----			----- % -----	
<b>Held by Debt Sub-Fund</b>										
Treasury Bills - 1 year		350,000	175,000	525,000	-	-	-	-	-	-
Treasury Bills - 6 months		50,000	250,000	300,000	-	-	-	-	-	-
Treasury Bills - 3 months		-	2,235,500	2,235,500	-	-	-	-	-	-
<b>December 31, 2020 (Un-audited)</b>						<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
June 30, 2020 (Audited)						<u>375,033</u>	<u>381,035</u>	<u>6,002</u>		
<b>Held by Money Market Sub-Fund</b>										
Treasury Bills - 1 year		-	1,196,000	1,196,000	-	-	-	-	-	-
Treasury Bills - 6 months		-	625,000	625,000	-	-	-	-	-	-
Treasury Bills - 3 months	5.2.1	575,000	3,756,500	3,907,500	424,000	421,801	421,805	4	39.68%	100.00%
<b>December 31, 2020 (Un-audited)</b>						<b>421,801</b>	<b>421,805</b>	<b>4</b>	<b>39.68%</b>	<b>100.00%</b>
June 30, 2020 (Audited)						<u>569,549</u>	<u>570,172</u>	<u>623</u>		

**5.2.1** These Treasury Bills carry effective yield of 7.05% (June 30, 2020: 8.04% to 10.81%) per annum and will mature by January 28, 2021 (June 30, 2020: July 02, 2020 to August 27, 2020).

**5.3 Government securities - Pakistan Investment Bonds 'at fair value through profit or loss'**

Particulars	Note	Face value				Balance as at December 31, 2020			Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of total investments of the Sub-Fund
		As at July 01, 2020	Purchased during the period	Disposed / matured during the period	As at December 31, 2020	Carrying value	Market value	Appreciation / (diminution)		
----- (Rupees in '000) -----						----- (Rupees in '000) -----			----- % -----	
<b>Held by Debt Sub-Fund</b>										
Pakistan Investment Bonds - 3 years	5.3.1	100,000	225,000	100,000	225,000	225,938	225,180	(758)	26.78%	48.54%
Pakistan Investment Bonds - 5 years	5.3.2	-	200,000	100,000	100,000	100,388	100,100	(288)	11.91%	21.58%
Pakistan Investment Bonds - 10 years	5.3.3	110,000	50,000	50,000	110,000	110,658	109,997	(661)	13.08%	23.71%
<b>December 31, 2020 (Un-audited)</b>						<b>436,984</b>	<b>435,277</b>	<b>(1,707)</b>	<b>51.77%</b>	<b>93.83%</b>
June 30, 2020 (Audited)						<u>205,541</u>	<u>212,491</u>	<u>6,950</u>		

**5.3.1** These Pakistan Investment Bonds carry effective yield of 8.23% with maturity in June 2023.

**5.3.2** These Pakistan Investment Bonds carry effective yield of 8.26% with maturity in June 2025.

**5.3.3** These Pakistan Investment Bonds carry effective yield ranging from 8.55% to 14.70% (June 30, 2020: 7.25% to 14.05%) per annum with maturity in August 2028 and August 2029 (June 30, 2020: July 2021 and August 2028).

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

Particulars	Note	As at July 01, 2020	Purchased during the period	Disposed / matured during the period	As at December 31, 2020	Carrying value as at December 31, 2020			Market value as at December 31, 2020		Appreciation / (diminution)	Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of total investments of the Sub - Fund
						----- Number of certificates -----			----- (Rupees in '000) -----				
<b>Held by Debt Sub-Fund</b>													
Bank Alfalah Limited - Listed (Issue date - February 20, 2013)		1,200	-	1,200	-	-	-	-	-	-	-	-	-
Jahangir Siddiqui & Company Limited - Listed (Issue date - July 18, 2017)	5.4.1	10,000	-	-	10,000	<b>24,439</b>	<b>25,016</b>	<b>577</b>	<b>2.98%</b>	<b>5.39%</b>			
<b>December 31, 2020 (Un-audited)</b>						<b>24,439</b>	<b>25,016</b>	<b>577</b>	<b>2.98%</b>	<b>5.39%</b>			
June 30, 2020 (Audited)						<u>37,139</u>	<u>36,531</u>	<u>(608)</u>					

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

Name of security	Mark-up rate (Per annum)	Maturity
Jahangir Siddiqui & Company Limited	6M KIBOR + 1.40%	July 18, 2022
		(Un-audited) December 31, 2020
		(Audited) June 30, 2020
		----- (Rupees in '000) -----

**5.5 INVESTMENTS IN FUTURE GOLD CONTRACTS**

**Derivative financial instruments 'at fair value through profit or loss'**

Future Gold Contracts	5.5.1	<u><b>479</b></u>	<u><b>304</b></u>
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**5.5.1** This represents net unrealised gain on cash settled future gold contracts with settlement date of February 2021 (June 30, 2020: August 2020).

**5.6 Government securities - Pakistan Investment Bonds - 'at fair value through OCI'**

Particulars	Note	Face value				Balance as at December 31, 2020			Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of total investments
		As at July 01, 2020	Purchased during the period	Disposed / matured during the period	As at December 31, 2020	Carrying value	Market value	Appreciation / (diminution)		
<b>Held by Debt Sub-Fund</b>										
Pakistan Investment Bonds - 10 years	5.6.1	5,500	-	2,000	3,500	<b>3,702</b>	<b>3,601</b>	<b>(101)</b>	<b>0.43%</b>	<b>0.78%</b>
June 30, 2020 (Audited)						<u>5,412</u>	<u>5,689</u>	<u>277</u>		

**5.6.1** These Pakistan Investment Bonds carry mark-up of 12.00% (June 30, 2020: 12.00%) per annum with maturity in August 2021 (June 30, 2020: July 2020 to August 2021).

## 6. ADVANCE INCOME TAX

The income of the Fund is exempt under clause 57(3)(viii) of Part I of the Second schedule of the Income Tax Ordinance, 2001 and funds are exempt under clause 47(B) of ITO 2001 from withholding of tax under section 150 and 151 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417 -R" dated May 12, 2005, made it mandatory to obtain exemption certificates under section 159(1) of the Income Tax Ordinance, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150A and 151 of the Income Tax Ordinance, 2001. The Management Company is confident that this amount will be refunded to the Fund.

## 7. PAYABLE TO UBL FUND MANAGERS LIMITED - PENSION FUND MANAGER

	December 31, 2020 (Un-audited)					June 30, 2020 (Audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	
<b>Note</b>	----- (Rupees in '000) -----										
Management fee (including Sindh Sales Tax thereagainst)	7.1	2,301	1,214	1,529	17	5,061	1,681	1,096	1,488	13	4,278
Sales load and conversion charges payable		448	200	318	43	1,009	280	275	178	9	742
Other payable		4	4	4	27	39	4	4	4	27	39
		<b>2,753</b>	<b>1,418</b>	<b>1,851</b>	<b>87</b>	<b>6,109</b>	<b>1,965</b>	<b>1,375</b>	<b>1,670</b>	<b>49</b>	<b>5,059</b>

7.1 This represents remuneration of the Pension Fund Manager at the rate of 1.5% (June 30, 2020: 1.5%) of the daily net assets of each sub-fund. The sales tax has been charged at the rate of 13% (June 30, 2020: 13%) of each sub-fund.

## 8. ACCRUED EXPENSES AND OTHER LIABILITIES

	December 31, 2020 (Un-audited)					June 30, 2020 (Audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	
<b>Note</b>	----- (Rupees in '000) -----										
Provision of Sindh Workers' Welfare Fund	8.1	21,756	5,011	3,698	143	30,608	14,927	4,559	3,156	135	22,777
Provision of indirect taxes and duties	8.2	5,897	4,599	2,578	194	13,268	5,897	4,599	2,578	194	13,268
Auditors' remuneration		79	79	78	98	334	146	97	146	102	491
Zakat payable		2	5	96	-	103	1	3	59	-	63
Withholding tax payable		167	70	354	27	618	891	-	259	140	1,290
Brokerage payable		1,699	107	39	-	1,845	2,891	167	57	-	3,115
Legal and professional fees		88	95	96	95	374	25	25	25	25	100
Sales load payable		5	4	2	-	11	-	-	-	-	-
Other payable		-	288	-	-	288	1,317	5,848	2,448	-	9,613
		<b>29,693</b>	<b>10,258</b>	<b>6,941</b>	<b>557</b>	<b>47,449</b>	<b>26,095</b>	<b>15,298</b>	<b>8,728</b>	<b>596</b>	<b>50,717</b>

### 8.1 Provision of Sindh Workers' Welfare Fund



This represents provision for Sindh Workers' Welfare Fund (SWWF) as at December 31, 2020. The Pension Fund Manager, based on an opinion obtained by MUFAP, believes that the Funds are not liable to pay SWWF under the SWWF Act, 2014, for the reason that the Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis. Had the SWWF not been provided for, the net assets value per unit would have been higher by Rs. 10.00 (URSF-ESF) (June 30, 2020: Rs. 7.17), Rs. 1.63 (URSF-DSF) (June 30, 2020: Rs. 1.52), Rs. 0.75 (URSF-MMSF) (June 30, 2020: Rs. 0.62), Rs. 1.85 (URSF-CSF) (June 30, 2020: Rs. 2.18). There is no change in the status of the applicability of SWWF, details of which have been disclosed in note 13.1 to the annual audited financial statements for the year ended June 30, 2020.

## 8.2 Provision of indirect taxes and duties

This represents provision for federal excise duty (FED) as at December 31, 2020. There is no change in the status of the legal proceeding on this matter, details of which have been disclosed in note 13.2 to the annual audited financial statements for the year ended June 30, 2020. As a matter of abundant caution, the Pension Fund Manager has maintained full provision up to June 30, 2016 for FED aggregating to Rs. 13.268 million until the matter is resolved. Had the provision not been made, the net assets value per unit would have been higher by Rs. 2.71 (June 30, 2020: Rs. 2.83) of URSF-ESF, Rs. 1.50 (June 30, 2020: Rs. 1.53) of URSF-DSF, Rs. 0.53 (June 30, 2020: Rs. 0.51) OF URSF-MMSF and Rs. 2.51 (June 30, 2020: Rs. 3.13) OF URSF-CSF.

## 9. CONTINGENCIES AND COMMITMENTS

### 9.1 CONTINGENCIES

There were no contingencies outstanding as at December 31, 2020 and June 30, 2020.

### 9.2 COMMITMENTS

#### Commodity Sub-Fund

Purchase of 33 (June 30, 2020: 29) ounce gold in US\$ 62,753 (June 30, 2020: US\$ 50,332)

(Un-audited) (Audited)  
December 31, June 30,  
2020 2020  
---- (Rupees in '000) ----

10,065 8,458

This represents the investment in future gold contracts with settlement date of February 2021 (June 30, 2020: August 2020).

## 10. NUMBER OF UNITS IN ISSUE

	For the period ended December 31, 2020 (Un-audited)					For the year ended June 30, 2020 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	-----Number of units-----									
Total units outstanding at the beginning of the period	2,081,183	3,008,374	5,096,712	62,036	10,248,305	1,822,960	2,989,337	4,624,981	52,992	9,490,270
Units issued during the period	254,319	601,579	606,152	22,605	1,484,655	894,879	1,196,529	3,297,112	249,287	5,637,807
Effect of reallocation	2,284	13,564	(19,825)	(5,066)	(9,043)	(111,626)	197,544	72,856	5,457	164,231
Units redeemed during the period	(162,031)	(547,148)	(776,475)	(2,187)	(1,487,841)	(525,030)	(1,375,036)	(2,898,237)	(245,700)	(5,044,003)
Total units in issue at the end of the period	2,175,755	3,076,369	4,906,564	77,388	10,236,076	2,081,183	3,008,374	5,096,712	62,036	10,248,305

## 11. CONTRIBUTION TABLE

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

For the half year ended December 31, 2020 (Un-audited)										
From:	Equity Sub Fund		Debt Sub-Fund		Money Market Sub-Fund		Commodity Sub-Fund		Total	
	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)
Individuals	254,319	172,853	601,579	162,022	606,152	134,344	22,605	3,625	1,484,655	472,844

For the half year ended December 31, 2019 (Un-audited)										
From:	Equity Sub Fund		Debt Sub-Fund		Money Market Sub-Fund		Commodity Sub-Fund		Total	
	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)
Individuals	251,972	152,445	486,697	115,618	2,143,453	414,645	236,271	30,858	3,118,393	713,566

## 12. TAXATION

No provision for taxation for the period ended December 31, 2020 has been made in view of the exemption available to the fund under clause 57(3) (viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

## 13. EARNING PER UNIT

Earnings / (loss) per unit based on cumulative average units for the period has not been disclosed as in the opinion of the Pension Fund Manager the determination of the same is not practicable.

## 14. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The table below analyse financial instruments measured as at December 31, 2020 by the level in the fair value hierarchy into which the fair value measurement is categorised:

	<b>As at December 31, 2020 (Un-audited)</b>			
	<b>Fair value</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	----- (Rupees in '000) -----			
<b>Investments at fair value through profit or loss</b>				
<b>Equity Sub-Fund</b>				
Listed equity securities	1,582,664	-	-	1,582,664
<b>Debt Sub-Fund</b>				
Government securities - Pakistan Investment Bonds	-	435,277	-	435,277
Debt securities - Term Finance Certificates / Sukuks	25,016	-	-	25,016
<b>Money Market Sub-Fund</b>				
Government Securities - Treasury Bills	-	421,805	-	421,805
<b>Commodity Sub-Fund</b>				
Future gold contracts	479	-	-	479
<b>Investments at fair value through other comprehensive income</b>				
<b>Debt Sub-Fund</b>				
Government securities - Pakistan Investment Bonds	-	3,601	-	3,601
	<u>1,608,159</u>	<u>860,683</u>	<u>-</u>	<u>2,468,842</u>
<b>As at June 30, 2020 (Audited)</b>				
<b>Fair value</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	----- (Rupees in '000) -----			
<b>Investments at fair value through profit or loss</b>				
<b>Equity Sub-Fund</b>				
Listed equity securities	1,146,657	-	-	1,146,657
<b>Debt Sub-Fund</b>				
Government securities - Treasury Bills	-	381,035	-	381,035
Government securities - Pakistan Investment Bonds	-	212,491	-	212,491
Debt securities - Term Finance Certificates / Sukuks	-	36,531	-	36,531
<b>Money Market Sub-Fund</b>				
Government Securities - Treasury Bills	-	570,172	-	570,172
<b>Commodity Sub-Fund</b>				
Future gold contracts	304	-	-	304
<b>Investments at fair value through other comprehensive income</b>				
<b>Debt Sub-Fund</b>				
Government securities - Pakistan Investment Bonds	-	5,689	-	5,689
	<u>1,146,961</u>	<u>1,205,918</u>	<u>-</u>	<u>2,352,879</u>

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

## 15. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

- 15.1** Connected persons / related parties comprise United Bank Limited (Holding Company of the Pension Fund Manager), UBL Fund Managers Limited (Pension Fund Manager), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Pension Fund Manager), entities under common management or directorships, the Central Depository Company of Pakistan Limited (Trustee), Directors and Officers of Pension Fund Manager, persons having 10% or more beneficial ownership of the units of the Fund and other collective investment schemes managed by the Pension Fund Manager.
- 15.2** 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 at contracted / agreed rates.
- 15.3** Remuneration payable to the Pension Fund Manager and the Trustee is determined in accordance with the provision of the VPS Rules and constitutive documents of the Fund respectively.
- 15.4** Details of transactions with related parties / connected persons during the period and balances held with them at the period ended December 31, 2020 are as follows:

	Pension Fund Manager	Associated companies **	Trustee	Funds under common management	Directors and key executives ***	Other connected persons / related parties ****
----- (Rupees in '000) -----						
<b>Equity Sub-Fund</b>	<b>For the period ended December 31, 2020 (Un-audited)</b>					
<b>Transactions during the period</b>						
Mark-up on bank accounts	-	425	-	-	-	-
Bank charges	-	3	-	-	-	-
Units issued (units in '000)	-	-	-	-	3	-
Value of units issued	-	-	-	-	1,900	-
Remuneration*	12,612	-	948	-	-	-
Purchase of securities	-	-	-	-	-	76,704
Sale of securities	-	-	-	-	-	20,799
Dividend received	-	-	-	-	-	7,526
Central Depository Service (CDS) expenses	-	-	32	-	-	-
----- For the period ended December 31, 2019 (Un-audited) -----						
Mark-up on bank accounts	-	838	-	-	-	-
Bank charges	-	5	-	-	-	-
Units issued (units in '000)	-	-	-	-	29	-
Value of units issued	-	-	-	-	18,633	-
Remuneration*	7,652	-	660	-	-	-
Central Depository Service (CDS) expenses	-	-	8	-	-	-
<b>Equity Sub-Fund</b>	<b>As at December 31, 2020 (Un-audited)</b>					
<b>Balances held</b>						
Units held (units in '000)	-	-	-	-	39	-
Units held (Rupees in '000)	-	-	-	-	29,299	-
Investments	-	-	-	-	-	170
Bank balances	-	24,651	-	-	-	-
Remuneration payable*	2,301	-	176	-	-	-
Sales load payable	448	-	-	-	-	-
Mark-up receivable	-	112	-	-	-	-
Other payable	4	-	-	-	-	-
----- As at June 30, 2020 (Audited) -----						
Units held (units in '000)	-	-	-	-	67	-
Units held (Rupees in '000)	-	-	-	-	39,479	-
Investments	-	626,001	-	-	-	-
Bank balances	-	27,775	-	-	-	-
Remuneration payable*	1,681	-	131	-	-	-
Sales load payable	280	-	-	-	-	-
Mark-up receivable	-	62	-	-	-	-
Other payable	4	-	-	-	-	-

Pension Fund Manager	Associated companies **	Trustee	Funds under common management	Directors and key executives ***	Other connected persons / related parties ****
----- (Rupees in '000) -----					
<b>For the period ended December 31, 2020 (Un-audited)</b>					

**Debt Sub-Fund**

**Transactions during the period**

Mark-up on bank accounts	-	245	-	-	-
Bank charges	-	16	-	-	-
Sale of Investments	-	-	-	-	46,555
Units issued (units in '000)	-	-	-	-	-
Remuneration*	7,184	-	542	-	-
CDS expenses	-	-	1	-	-

For the period ended December 31, 2019 (Un-audited)

Mark-up on bank accounts	-	526	-	-	-
Bank charges	-	11	-	-	-
Units issued (units in '000)	-	-	-	1	-
Units redeemed (units in '000)	-	-	-	1	-
Value of units issued	-	-	-	210	-
Value of units redeemed	-	-	-	315	-
Remuneration*	5,156	-	462	-	-
CDS expenses	-	-	2	-	-

**As at December 31, 2020 (Un-audited)**

**Debt Sub-Fund**

**Balances held**

Bank balances	-	243	-	-	-
Remuneration payable*	1,214	-	96	-	-
Sales load payable	200	-	-	-	-
Other payable	4	-	-	-	-
Mark-up receivable	-	2	-	-	-

As at June 30, 2020 (Audited)

Units held (units in '000)	-	-	-	2	-
Units held (Rupees in '000)	-	-	-	504	-
Bank balances	-	33,294	-	-	-
Remuneration payable*	1,096	-	78	-	-
Sales load payable	275	-	-	-	-
Other payable	4	-	-	-	-
Mark-up receivable	-	554	-	-	-

Pension Fund Manager	Associated companies **	Trustee	Funds under common management	Directors and key executives ***	Other connected persons / related parties ****
----- (Rupees in '000) -----					
<b>For the period ended December 31, 2020 (Un-audited)</b>					

**Money Market Sub-Fund**

**Transactions during the period**

Mark-up on bank accounts	-	188	-	-	-	-
Bank charges	-	18	-	-	-	-
Remuneration*	9,037	-	680	-	-	-

For the period ended December 31, 2019 (Un-audited)

Mark-up on bank accounts	-	350	-	-	-	-
Bank charges	-	6	-	-	-	-
Units redeemed (units in '000)	-	-	-	-	88	-
Value of units redeemed	-	-	-	-	17,354	-
Remuneration*	7,352	-	681	-	-	-

**As at December 31, 2020 (Un-audited)**

**Money Market Sub-Fund**

**Balances held**

Bank balances	-	5,218	-	-	-	-
Remuneration payable*	1,529	-	120	-	-	-
Sales load payable	318	-	-	-	-	-
Other payable	4	-	-	-	-	-
Mark-up receivable	-	20	-	-	-	-

As at June 30, 2020 (Audited)

Bank balances	-	332,934	-	-	-	-
Remuneration payable*	1,488	-	118	-	-	-
Sales load payable	178	-	-	-	-	-
Other payable	4	-	-	-	-	-
Mark-up receivable	-	118	-	-	-	-

Pension Fund Manager	Associated companies **	Trustee	Funds under common management	Directors and key executives ***	Other connected persons / related parties ****
----- (Rupees in '000) -----					
For the period ended December 31, 2020 (Un-audited)					

### Commodity Sub-Fund

#### Transactions during the period

Mark-up on bank accounts	-	27	-	-	-
Bank charges	-	-	-	-	-
Units held (units in '000)	-	-	-	-	10
Units held (Rupees in '000)	-	-	-	-	3
Value of units issued	-	-	-	-	1,700
Value of units redeemed	-	-	-	-	450
Remuneration*	89	-	7	-	-

For the period ended December 31, 2019 (Un-audited)

Mark-up on bank accounts	-	94	-	-	-
Bank charges	-	1	-	-	-
Units issued (units in '000)	-	-	-	-	9
Units redeemed (units in '000)	-	-	-	-	2
Value of units issued	-	-	-	-	1,200
Value of units redeemed	-	-	-	-	289
Remuneration*	56	-	4	-	-

As at December 31, 2020 (Un-audited)

### Commodity Sub-Fund

#### Balances held

Units held	-	-	-	-	45
Units held (Rupees in '000)	-	-	-	-	7,339
Bank balances	-	1,095	-	-	-
Remuneration payable*	17	-	2	-	-
Sales load payable	43	-	-	-	-
Mark-up receivable	-	5	-	-	-
Other payable	27	-	-	-	-

As at June 30, 2020 (Audited)

Units held (units in '000)	-	-	-	-	38
Units held (Rupees in '000)	-	-	-	-	5,944
Bank balances	-	6,837	-	-	-
Remuneration payable*	13	-	2	-	-
Sales load payable	9	-	-	-	-
Mark-up receivable	-	1	-	-	-
Other payable	27	-	-	-	-

\* Remuneration for the period is inclusive of sales tax.

\*\* 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 (including their close family members) that existed as at period 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 the entities where common directorship exists as at period end.

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

**17. GENERAL**

**17.1** Figures have been rounded off to the nearest thousand rupees.

**17.2** This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2020 have not been reviewed by auditors.

**17.3** Certain comparative information has been re-classified or re-arranged in these financial statements, wherever necessary for the purpose of better presentation and comparison.

**18. DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information were authorised for issue by the Board of Directors of the Pension Fund Manager on February 25, 2021

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

SD  
**Chief Executive Officer**

SD  
**Chief Financial Officer**

SD  
**Director**