



Al-Ameen Islamic Retirement Savings Fund
Financial Report
March 2019

CORPORATE INFORMATION

as at March 31, 2019

Board of Directors

Azhar Hamid
Chairman

Yasir Qadri
Chief Executive Officer

Syed Furrugh Zaeem
Director

Naz Khan
Director

Tauqeer Mazhar
Director

Sadia Saeed
Director

Imran Sarwar
Director

Audit Committee

Naz Khan
Chair

Imran Sarwar
Member

Sadia Saeed
Member

Tauqeer Mazhar
Member

Risk and Compliance Committee

Imran Sarwar
Chairman

Syed Furrugh Zaeem
Member

Yasir Qadri
Member

Azhar Hamid
Member

Tauqeer Mazhar
Member

HR & Compensation Committee

Azhar Hamid
Chairman

Naz Khan
Member

Syed Furrugh Zaeem
Member

Sadia Saeed
Member

Yasir Qadri
Member

Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem
Member

Mufti Muhammad Najeeb Khan
Member

Chief Financial Officer
Umair Ahmed

Company Secretary
Aly Osman

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 JCR-VIS Credit Rating Company

Funds Under Management

UBL Liquidity Plus Fund
Launch Date: 21 June 2009

UBL Government Securities Fund
Launch Date: 27 July 2011

UBL Money Market Fund
Launch Date: 14 October 2010

UBL Income Opportunity Fund
Launch Date: 29 March 2013

UBL Growth & Income Fund
Launch Date: 2 March 2006

UBL Asset Allocation Fund
Launch Date: 20 August 2013

UBL Stock Advantage Fund
Launch Date: 4 August 2006

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

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

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

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

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

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

UBL Retirement Savings Fund
Launch Date: 10 May 2010

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

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

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

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

UBL Financial Planning Fund
Launch Date: 28 September 2017

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

Conventional Investment Plans

UBL Mahana Munafa Plan

UBL Children Savings Plan

UBL Equity Builder Plan

UBL Wealth Builder Plan

Islamic Investment Plans

Al-Ameen Mahana Munafa Plan

Al-Ameen Children Savings Plan

Al-Ameen Equity Builder Plan

Al-Ameen Wealth Builder Plan

Al-Ameen Hajj Savings Plan



Directors' Report

The Board of Directors of UBL Fund Managers Limited is pleased to present to you the report of "Al-Ameen Islamic Retirement Savings Fund (AIRSF) for the nine months period ended March 31, 2019.

Economy & Money Market Review – 9MFY'19

The economy of Pakistan has shown signs of major economic slowdown during 9MFY19. During the period, SBP raised its policy rate by 425bps from 6.50% to 10.75%. Similarly, currency also devalued by ~16% during the period under review. The restrictive measures have resulted in slowdown in large scale manufacturing which declined by 2.3% during 7MFY19 with sectors like cement, automobiles and petroleum products showing decline in demand. Breakup of LSM shows significant decline in Food beverages, Petroleum Products and Iron & Steel Products segments. The decline in cyclical sectors was primarily attributable to slowdown in aggregate demand due to high interest rate and PKR devaluation.

The latest balance of payment numbers have been extremely positive as monthly current account deficit declined by 59%MoM and 72%YoY, settling at just USD356mn, a 29 month low, in February. Reduction in CAD was broad-based with all heads showing improvement. During 8MFY19, CAD has declined by 23%YoY to USD 8,844mn. Going forward, we expect further improvement in monthly CAD run rate, where we expect it to remain around USD600/700mn on account of monetary and exchange rate adjustments along with fiscal consolidation. Remittances have also shown sign of improvement and registered a growth of ~12% during 8MFY19 compared to SPLY, which has funded 70% of trade deficit. FX Inflows in the form of multilateral and bilateral debt will be the main source of financing of current account and external debt repayments.

Average Inflation for 9MFY19 clocked in at 6.7% with increase primarily attributable to food index and transport segment. Core inflation's averaged at 8.2% 9MFY19. We expect inflation to remain at consistent level given the recent rise in oil prices and holy month of Ramadan approaching.

The State Bank of Pakistan in its latest MPS decided to raise the policy rate to 10.75% on account of escalated core inflation. We don't see any major hike in interest rates going forward.

Stock Market Review – 9MFY'19

The KSE-100 index in recent months has remained bearish with 3QFY19 return of mere 1.7%. During 9MFY19, foreign investors sold heavily (net USD 373mn worth of shares). The average daily traded shares during this period also remained dry at ~82.6mn as the confidence of the investor is still shaky due to weak economic outlook. Moreover, yields on risk free instruments as a substitute investment became increasingly eye-catching given the rise in interest rates.

The investor's confidence seems to be in doldrums recently but consistent policies on macro and micro level would definitely bring the confidence back as we have seen it in the past. Valuations at current levels remain attractive and an impending IMF program would lend clarity to investors and act as a catalyst for market performance.

The market is trading at a significant discount to region (Fwd P/E 7.3 vs 13.1 region average). The dividend yield is also highest among the region (7% vs 2.5% region average), these factors along with expected IMF bailout



advocates a strong fundamental case for Pakistani market. We also expect double digit earning growth in heavy weight sectors in the market which also makes the case for strong returns over a one year horizon.

Fund performance and operational review

Al-Ameen Islamic Retirement Savings Fund

The Fund comprises of three sub funds namely Equity sub-fund, Debt sub-fund and Money Market sub-fund. The Fund as a whole earned a net loss of PKR 28.391 million during the period and fund size stood at PKR 2,599 million as at Mar'19.

| Al-Ameen Islamic Retirement Savings Fund | ESF | DSF | MMSF |
|--|-----------|----------|----------|
| Gross (loss) / Income (PKR Mn) | (63.379) | 36.984 | 28.953 |
| Net (loss) / Income (PKR Mn) | (79.949) | 26.973 | 24.585 |
| Fund Size as of March 31 '19 (PKR Mn) | 1,457.933 | 599.121 | 541.950 |
| NAV as of March 31 '19 (PKR) | 599.24 | 171.44 | 165.59 |
| FYTD Return (%) | -5.20 | 6.28 p.a | 6.33 p.a |

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

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

| Al-Ameen Islamic Retirement Savings Fund | Since Inception | 12 Month Rolling |
|--|-----------------|------------------|
| High Volatility | 19.1% | -8.2% |
| Medium volatility | 14.2% | -2.9% |
| Low volatility | 10.2% | 1.5% |
| Lower volatility | 6.1% | 5.9% |



Future Outlook

The stock market fundamentals are intact and our market is trading at a deep discount as compared to regional peers. The market is trading at a forward PE of 7.1x and is at a 56% discount to Asia's average of 16.3x, thus offering attractive valuations and expected profitability growth over the next two years to investors with a medium to long-term horizon. We believe the recent devaluation of PKR will likely support our exports and provide relief to the current account position. Any possible respite in the coming budget would also aid in restoring investor confidence.

With the IMF program just round the corner, we are of the view that the government needs to urgently address issues including low tax revenue, uneven distribution of revenue/expenditure between provincial and federal governments to achieve macroeconomic stability. FX Inflows in the form of multilateral and bilateral debt will be the main source of financing for current account and external debt repayments.

We continue to maintain an optimistic outlook on the local equity market in the short to medium-term. Despite recent increase in fixed income yields, we still find incredible value in the stock market for medium to long-term investors, as reflected in the strong double-digit earnings growth over the next two years. Banks and E&Ps, the two heavyweight sectors in the index are expected to perform during this time and would likely trigger the earnings' progression and lead the upside. The 100 index also offers a dividend yield of 7%, more than twice the average of peer markets.

Acknowledgements

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

FOR & ON BEHALF OF THE BOARD

-----SD-----
Yasir Qadri
CHIEF EXECUTIVE

Karachi, Dated: 29 April 2019

AIRSF

Al-Ameen Islamic Retirement Savings Fund

INVESTMENT OBJECTIVE

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

| | |
|-----------------------------|---|
| Pension Fund Manager | 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 | Deloitte Yousuf Adil |
| Bankers | Bank Al Baraka Limited Bank Alfalah Limited Bank Al-Habib Limited BankIslami Pakistan Limited Faysal Bank Limited- Islamic Banking Habib Bank Limited Habib Metropolitan Bank Limited- Islamic Banking Meezan Bank Limited MCB Islamic Bank Limited Soneri Bank Limited - Islamic Banking United Bank Limited National Bank Pakistan Limited |
| Management Co.Rating | AM1 (JCR-VIS) |

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2019**

| | March 31, 2019 (Un-Audited) | | | | June 30, 2018 (Audited) | | | | |
|---|-----------------------------|--------------------|-----------------------|------------------|-------------------------|--------------------|-----------------------|------------------|------------------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | |
| Note ----- (Rupees in '000) ----- (Rupees in '000) ----- | | | | | | | | | |
| ASSETS | | | | | | | | | |
| Bank balances | 4 | 75,580 | 589,594 | 527,800 | 1,192,974 | 81,042 | 454,539 | 352,788 | 888,369 |
| Investments - Net | 5 | 1,385,916 | 5,441 | - | 1,391,357 | 1,409,445 | 172,936 | 70,266 | 1,652,647 |
| Dividend and other receivables | | 20,134 | 9,857 | 17,789 | 47,780 | 25,146 | 16,094 | 18,463 | 59,703 |
| Advance tax | 6 | 538 | 334 | 236 | 1,108 | 510 | 272 | 192 | 974 |
| Total assets | | 1,482,168 | 605,226 | 545,825 | 2,633,219 | 1,516,143 | 643,841 | 441,709 | 2,601,693 |
| LIABILITIES | | | | | | | | | |
| Payable to UBL Fund Managers Limited - Pension Fund Manager | 7 | 2,395 | 1,015 | 853 | 4,263 | 2,441 | 1,017 | 786 | 4,244 |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | | 172 | 70 | 62 | 304 | 170 | 70 | 44 | 284 |
| Payable to the Securities and Exchange Commission of Pakistan | | 371 | 150 | 114 | 635 | 494 | 187 | 111 | 792 |
| Accrued expenses and other liabilities | 8 | 21,297 | 4,870 | 2,846 | 29,013 | 20,752 | 4,110 | 6,033 | 30,895 |
| Total liabilities | | 24,235 | 6,105 | 3,875 | 34,215 | 23,857 | 5,384 | 6,974 | 36,215 |
| NET ASSETS | | 1,457,933 | 599,121 | 541,950 | 2,599,004 | 1,492,286 | 638,457 | 434,735 | 2,565,478 |
| PARTICIPANTS' SUB-FUNDS (as per statement attached) | | 1,457,933 | 599,121 | 541,950 | 2,599,004 | 1,492,286 | 638,457 | 434,735 | 2,565,478 |
| Contingencies and commitments | 9 | | | | | | | | |
| Number of Units in Issue | 10 | 2,432,982 | 3,494,723 | 3,272,799 | | 2,360,849 | 3,899,731 | 2,750,091 | |
| | | ----- Rupees ----- | | | | ----- Rupees ----- | | | |
| Net Asset Value Per Unit | | 599.24 | 171.44 | 165.59 | | 632.10 | 163.72 | 158.08 | |

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

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019**

| | For the nine months period ended March 31, 2019 | | | | For the nine months period ended March 31, 2018 | | | |
|---|--|------------------|-----------------------------|-----------------|--|------------------|-----------------------------|------------------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| Note | (Rupees in '000) | | | | (Rupees in '000) | | | |
| Income | | | | | | | | |
| Financial income | 5,704 | 37,338 | 28,779 | 71,821 | 4,093 | 23,248 | 13,225 | 40,566 |
| (Loss) / gain on sale of investments - net | (18,948) | (309) | 174 | (19,083) | (73,160) | (3,393) | - | (76,553) |
| Dividend income | 50,349 | - | - | 50,349 | 51,714 | - | - | 51,714 |
| Unrealized loss on revaluation of investments classified as financial assets at fair value through profit or loss - net | (100,484) | (45) | - | (100,529) | (112,790) | (2,599) | (1,000) | (116,389) |
| Total (loss) / income | (63,379) | 36,984 | 28,953 | 2,558 | (130,143) | 17,256 | 12,225 | (100,662) |
| Expenses | | | | | | | | |
| Remuneration of UBL Fund Managers Limited - Pension Fund Manager | 16,843 | 6,825 | 5,192 | 28,860 | 16,624 | 6,237 | 3,601 | 26,462 |
| Sindh sales tax on Pension Fund Manager's remuneration | 2,190 | 887 | 675 | 3,752 | 2,161 | 811 | 468 | 3,440 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 1,519 | 616 | 469 | 2,604 | 1,520 | 571 | 330 | 2,421 |
| Annual fee to the Securities and Exchange Commission of Pakistan | 371 | 150 | 114 | 635 | 366 | 137 | 79 | 582 |
| Auditors' remuneration | 100 | 100 | 100 | 300 | 84 | 84 | 84 | 252 |
| Securities transaction costs | 1,784 | 7 | 6 | 1,797 | 752 | 77 | 7 | 836 |
| Legal and professional charges | 34 | 52 | 52 | 138 | 30 | 29 | 28 | 87 |
| Custody and settlement charges | 414 | 6 | - | 420 | 487 | 6 | - | 493 |
| Charity Expense | 651 | - | - | 651 | 564 | - | - | 564 |
| Printing expense | - | - | - | - | 7 | 7 | 7 | 21 |
| Bank and other charges | 56 | 60 | 69 | 185 | 137 | 60 | 55 | 252 |
| Total expenses | 23,962 | 8,703 | 6,677 | 39,342 | 22,732 | 8,019 | 4,659 | 35,410 |
| Net operating (loss) / income for the period | (87,341) | 28,281 | 22,276 | (36,784) | (152,875) | 9,237 | 7,566 | (136,072) |
| Element of income / (loss) and capital gains / (losses) included in the prices of units less those in units redeemed - net | 7,392 | (768) | 2,801 | 9,425 | 2,680 | (43) | 1,074 | 3,711 |
| Provision for Sindh Workers' Welfare Fund | 8.2 | - | (540) | (492) | (1,032) | - | (181) | (351) |
| Net (loss) / income for the period before taxation | (79,949) | 26,973 | 24,585 | (28,391) | (150,195) | 9,013 | 8,470 | (132,712) |
| Taxation | 12 | - | - | - | - | - | - | - |
| Net (loss) / income for the period after taxation | (79,949) | 26,973 | 24,585 | (28,391) | (150,195) | 9,013 | 8,470 | (132,712) |

Earning Per Unit

13

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

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2019**

| | For the quarter ended March 31, 2019 | | | | For the quarter ended March 31, 2018 | | | | |
|--|--------------------------------------|------------------|-----------------------------|---------------|--------------------------------------|------------------|-----------------------------|----------------|---------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | |
| Note | (Rupees in '000) | | | | (Rupees in '000) | | | | |
| Income | | | | | | | | | |
| Financial income | 2,143 | 14,989 | 12,646 | 29,778 | 1,416 | 7,677 | 5,228 | 14,321 | |
| (Loss) on sale of investments - net | (5,120) | (24) | - | (5,144) | (9,159) | (3,586) | - | (12,745) | |
| Dividend income | 10,663 | - | - | 10,663 | 12,795 | - | - | 12,795 | |
| Unrealized (loss) / gain on revaluation of investments classified as financial assets at fair value through profit or loss - net | 5.1 | 49,291 | 17 | - | 49,308 | 109,777 | 2,502 | (360) | 111,919 |
| Total income | 56,977 | 14,982 | 12,646 | 84,605 | 114,829 | 6,593 | 4,868 | 126,290 | |
| Expenses | | | | | | | | | |
| Remuneration of UBL Fund Managers Limited - Pension Funds Manager | 5,547 | 2,198 | 1,870 | 9,615 | 5,462 | 2,034 | 1,369 | 8,865 | |
| Sindh sales tax on Pension Fund Manager's remuneration | 722 | 286 | 243 | 1,251 | 710 | 265 | 178 | 1,153 | |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | - | - | - | - | - | - | - | - | |
| Annual fee to the Securities and Exchange Commission of Pakistan | 502 | 200 | 170 | 872 | 496 | 184 | 124 | 804 | |
| Auditors' remuneration | - | - | - | - | - | - | - | - | |
| Securities transaction costs | 122 | 48 | 41 | 211 | 120 | 45 | 30 | 195 | |
| Legal and professional charges | 17 | 17 | 17 | 51 | 15 | 15 | 15 | 45 | |
| Custody and settlement charges | 394 | - | 1 | 395 | 229 | 6 | - | 235 | |
| Charity Expense | 9 | 27 | 27 | 63 | 14 | 15 | 14 | 43 | |
| Printing expense | 105 | 3 | - | 108 | 53 | 3 | - | 56 | |
| Bank and other charges | 122 | - | - | 122 | 165 | - | - | 165 | |
| | - | - | - | - | 1 | 1 | 1 | 3 | |
| | 21 | 29 | 34 | 84 | 18 | 18 | 17 | 53 | |
| Total expenses | 7,561 | 2,808 | 2,403 | 12,772 | 7,283 | 2,586 | 1,748 | 11,617 | |
| Net operating income for the quarter ended | 49,416 | 12,173 | 10,243 | 71,833 | 107,546 | 4,007 | 3,120 | 114,673 | |
| Element of income / (loss) and capital gains / (losses) included in the prices of units less those in units redeemed - net | 260 | (298) | 2,018 | 1,980 | (6,381) | 186 | 236 | (5,959) | |
| Provision for Sindh Workers' Welfare Fund | 8.2 | - | (233) | (240) | (473) | - | (82) | (66) | (148) |
| Net income for the quarter ended before taxation | 49,676 | 11,642 | 12,021 | 73,340 | 101,165 | 4,111 | 3,290 | 108,566 | |
| Taxation | - | - | - | - | - | - | - | - | |
| Net income for the quarter ended after taxation | 49,676 | 11,642 | 12,021 | 73,340 | 101,165 | 4,111 | 3,290 | 108,566 | |
| Earning per unit | 13 | | | | | | | | |

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

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019**

| | For the nine months period ended March 31, 2019 | | | | For the nine months period ended March 31, 2018 | | | |
|---|--|------------------|-----------------------------|-----------------|--|------------------|-------------------------|-----------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub- | Total |
| Note | ----- (Rupees in '000) ----- | | | | ----- (Rupees in '000) ----- | | | |
| Net (loss) / income for the period after taxation | (79,949) | 26,973 | 24,585 | (28,391) | (150,195) | 9,013 | 8,470 | (132,712) |
| Other comprehensive income for the period | | | | | | | | |
| Items that may be reclassified subsequently to income statement | | | | | | | | |
| <i>Transfer of unrealised appreciation of investment classified as available for sale - net to undistributed income upon adoption of IFRS 9</i> | 3.2 | 5,719 | - | - | 5,719 | - | - | - |
| Unrealised loss on re-measurement of investments classified as available-for-sale - net | - | - | - | - | 20,682 | - | - | 20,682 |
| Items that will not be reclassified subsequently to income statement | | | | | | | | |
| Total comprehensive income for the period | (74,230) | 26,973 | 24,585 | (22,672) | (129,513) | 9,013 | 8,470 | (112,030) |

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

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2019**

| | For the quarter ended March 31, 2019 | | | | For the quarter ended March 31, 2018 | | | |
|--|--------------------------------------|------------------|-----------------------------|---------------|--------------------------------------|------------------|-----------------------------|---------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| Note | ----- (Rupees in '000) ----- | | | | ----- (Rupees in '000) ----- | | | |
| Net income for the quarter ended after taxation | 49,676 | 11,642 | 12,021 | 73,339 | 101,165 | 4,111 | 3,290 | 108,566 |
| Other comprehensive income for the quarter | | | | | | | | |
| <i>Items that may be reclassified subsequently to income statement</i> | | | | | | | | |
| Transfer of unrealised appreciation of investment classified as available for sale - net to undistributed income upon adoption of IFRS 9 | 3.2 | - | - | - | - | - | - | - |
| Unrealised loss on re-measurement of investments classified as available-for-sale - net | - | - | - | - | 27,012 | - | - | 27,012 |
| <i>Items that will not be reclassified subsequently to income statement</i> | | | | | | | | |
| Total comprehensive income for the quarter ended | 49,676 | 11,642 | 12,021 | 73,339 | 128,177 | 4,111 | 3,290 | 135,578 |

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

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

| | For the nine months period ended March 31, 2019 | | | | For the nine months period ended March 31, 2018 | | | |
|--|--|------------------|-----------------------------|------------------|--|------------------|-----------------------------|------------------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| Note | ------(Rupees in '000)----- | | | | ------(Rupees in '000)----- | | | |
| Net assets at beginning of the period | 1,492,286 | 638,457 | 434,735 | 2,565,478 | 1,716,239 | 482,324 | 279,738 | 2,478,301 |
| Amount received on issuance of units | 404,782 | 235,490 | 360,201 | 1,000,473 | 605,869 | 419,040 | 333,779 | 1,358,688 |
| Amount paid on redemption of units - net | (356,862) | (286,585) | (285,684) | (929,131) | (601,031) | (364,037) | (254,900) | (1,219,968) |
| Reallocation among Sub-Funds | 5,068 | (15,982) | 10,914 | - | (32,708) | 24,333 | 8,375 | - |
| | 52,988 | (67,077) | 85,431 | 71,342 | (27,870) | 79,336 | 87,254 | 138,720 |
| Element of (income) / loss and capital (gains) / losses included in the prices of units sold less those in units redeemed - net | (7,392) | 768 | (2,801) | (9,425) | (2,680) | 43 | (1,074) | (3,711) |
| Transfer of unrealised appreciation of investment classified as available for sale - net to undistributed income upon adoption of IFRS 9 | 3.2 (5,719) | - | - | (5,719) | - | - | - | - |
| Unrealised loss on remeasurement of investments classified as available-for-sale - net | - | - | - | - | 20,682 | - | - | 20,682 |
| (Loss) / gain on sale of investments - net | (18,948) | (309) | 174 | (19,083) | (73,160) | (3,393) | - | (76,553) |
| Unrealized loss on revaluation of investments classified as financial assets at fair value through profit or loss - net | (100,484) | (45) | - | (100,529) | (112,790) | (2,599) | (1,000) | (116,389) |
| Other net income | 45,202 | 27,327 | 24,411 | 96,940 | 56,437 | 15,005 | 9,470 | 80,912 |
| | (74,230) | 26,973 | 24,585 | (22,672) | (129,513) | 9,013 | 8,470 | (112,030) |
| Net assets at the end of the period | 1,457,933 | 599,121 | 541,950 | 2,599,004 | 1,576,858 | 570,716 | 374,388 | 2,521,962 |

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

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019**

| | For the nine months period ended March 31, 2019 | | | | For the nine months period ended March 31, 2018 | | | |
|---|---|------------------|-----------------------------|------------------|---|------------------|-----------------------------|----------------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| Note------(Rupees in '000)------(Rupees in '000)----- | | | | | | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | | | |
| Net (loss) / income for the period before taxation | (79,949) | 26,973 | 24,585 | (28,391) | (150,195) | 9,013 | 8,470 | (132,712) |
| Adjustments for: | | | | | | | | |
| Financial income | (5,704) | (37,338) | (28,779) | (71,821) | (4,093) | (23,248) | (13,225) | (40,566) |
| Dividend income | (50,349) | - | - | (50,349) | (51,714) | - | - | (51,714) |
| Capital loss / (gain) on sale of investments | 18,948 | 309 | (174) | 19,083 | 73,160 | 3,393 | - | 76,553 |
| Unrealised loss on revaluation of investments classified as financial assets at fair value through profit or loss - net | 100,484 | 45 | - | 100,529 | 112,790 | 2,599 | 1,000 | 116,389 |
| Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net | (7,392) | 768 | (2,801) | (9,425) | (2,680) | 43 | (1,074) | (3,711) |
| Provision for Sindh Workers' Welfare Fund | - | 540 | 492 | 1,032 | - | 181 | 170 | 351 |
| | (23,962) | (8,703) | (6,677) | (39,342) | (22,732) | (8,019) | (4,659) | (35,410) |
| Decrease / (increase) in assets | | | | | | | | |
| Investments - net | (95,903) | 167,141 | 70,440 | 141,678 | (97,612) | 206,366 | (144,000) | (35,246) |
| Dividend and other receivables | 10,704 | 6,825 | 1,859 | 19,388 | 25,246 | 6,345 | (1,094) | 30,497 |
| | (85,199) | 173,966 | 72,299 | 161,066 | (72,366) | 212,711 | (145,094) | (4,749) |
| Increase / (decrease) in liabilities | | | | | | | | |
| Payable to UBL Fund Managers Limited - Pension Fund Manager | (46) | (2) | 67 | 19 | (739) | 106 | 166 | (467) |
| Payable to the Central Depository Company | 2 | - | 18 | 20 | (14) | 11 | 14 | 11 |
| Payable to the Securities and Exchange - Commission of Pakistan | (123) | (37) | 3 | (157) | (111) | (7) | 4 | (114) |
| Accrued expenses and other liabilities | 545 | 220 | (3,679) | (2,914) | 4,303 | 322 | 4,591 | 9,216 |
| | 378 | 181 | (3,591) | (3,032) | 3,439 | 432 | 4,775 | 8,646 |
| | (108,783) | 165,444 | 62,031 | 118,692 | (91,659) | 205,124 | (144,978) | (31,513) |
| Dividend income received | 44,748 | - | - | 44,748 | 46,676 | - | - | 46,676 |
| Financial income received | 5,613 | 36,750 | 27,594 | 69,957 | 4,138 | 21,952 | 9,503 | 35,593 |
| Withholding tax deducted during the period | (28) | (62) | (44) | (134) | - | (1) | (11) | (12) |
| Net cash (used in) / generated from operating activities | (58,450) | 202,132 | 89,581 | 233,263 | (40,845) | 227,075 | (135,486) | 50,744 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | |
| Amount received on issue of units | 404,782 | 235,490 | 360,201 | 1,000,473 | 605,869 | 443,373 | 342,154 | 1,391,396 |
| Amount paid on redemption of units | (356,862) | (286,585) | (285,684) | (929,131) | (633,739) | (364,037) | (254,900) | (1,252,676) |
| Reallocation among Sub-Funds | 5,068 | (15,982) | 10,914 | - | - | - | - | - |
| Net cash generated from / (used in) financing activities | 52,988 | (67,077) | 85,431 | 71,342 | (27,870) | 79,336 | 87,254 | 138,720 |
| Net (decrease) / increase in cash and cash equivalents | (5,462) | 135,055 | 175,012 | 304,605 | (68,715) | 306,411 | (48,232) | 189,464 |
| Cash and cash equivalents at the beginning of the period | 81,042 | 454,539 | 352,788 | 888,369 | 218,725 | 86,425 | 366,003 | 671,153 |
| Cash and cash equivalents at the end of the period | 4 75,580 | 589,594 | 527,800 | 1,192,974 | 150,010 | 392,836 | 317,771 | 860,617 |

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

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019**

1. LEGAL STATUS AND NATURE OF BUSINESS

Al-Ameen Islamic Retirement Savings Fund ("the Fund") has been established under the Voluntary Pension System Rules, 2005 (the VPS Rules) and has been approved as a pension fund by the Securities and Exchange Commission of Pakistan (SECP) on January 29, 2010. It has been constituted under a Trust Deed, dated November 17, 2009, between UBL Fund Managers Limited as the Pension Fund Manager, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and the MCB Financial Services Limited as the Trustee. The trusteeship of the Fund was transferred to Central Depository Company of Pakistan Limited (CDC) (the Trustee) effective from March 31, 2014 through a supplemental trust deed dated February 21, 2014. The registered office of the Pension Fund Manager is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Fund is an unlisted open end pension scheme and offers units for public subscription on a continuous basis. The units are nontransferable 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 object of the Fund is to provide a secure source of savings and regular income after retirement to the participants. The participants would contribute to the Fund during their working life and would typically withdraw from the Fund on or after retirement age. The Fund invests in a Shariah compliant diversified portfolio of securities under the Trust Deed. All the conducts and acts of the Fund are based on Shariah. The Pension Fund Manager has appointed Shariah Advisory Council to ensure that the activities of the Fund are in compliance with the principles of Shariah.

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

- The Equity Sub-Fund shall invest primarily in listed equity securities with a minimum investment of 90% of its net asset value in listed shares. The investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) or the paid-up capital of the investee company. The investment in a single stock exchange sector is restricted to the higher of 30% of the NAV or the index weight, subject to a maximum of 35% of the NAV. The remaining assets of the Equity Sub-Fund shall be invested in any government security having less than one year time to maturity, or in a scheduled commercial bank having credit rating of 'A'.
- The Debt Sub-Fund shall invest primarily in tradable debt securities with weighted average duration of the investment portfolio of the Debt Sub-Fund not exceeding five years. At least twenty five percent (25%) of the assets in the Debt Sub-Fund shall be invested in securities issued by the Federal Government and up to twenty five (25%) of the Fund may be deposited with banks having not less than "AA+" rating. Composition of the remaining portion of the investments shall be as defined in the offering document.
- The Money Market Sub-Fund shall invest in short term debt instruments with time to maturity not exceeding six months, and in case of Shariah compliant Government securities, 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 provincial government, city government and 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.

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

The registered office of the Pension Fund Manager is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) 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
- Voluntary Pension System Rules, 2005 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 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 VIIIA of the repealed Companies Ordinance, 1984, the Voluntary Pension System Rules, 2005 and requirements of the Trust Deed have been followed.

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, 2018.

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

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

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

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

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

3.1 The accounting policies applied 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, 2018 except as disclosed in note 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.

3.2 Impact of initial application of IFRS 9 Financial Instruments

In the current year, the Fund has applied IFRS 9 Financial Instruments (as revised in July 2014) and the related consequential amendments to other IFRS Standards that are effective for an annual period that begins on or after July 01, 2018. The transition provisions of IFRS 9 allow an entity not to restate comparatives. The Fund has elected not to restate comparatives in respect of the classification and measurement of financial instruments.

Additionally, the Fund adopted consequential amendments to IFRS 7 Financial Instruments: Disclosures that are applied to the disclosures for the quarter ended March 31, 2019.

IFRS 9 introduced new requirements for:

- 1) The classification and measurement of financial assets and financial liabilities;
- 2) Impairment of financial assets; and
- 3) General hedge accounting

Details of these new requirements as well as their impact on the Fund's financial statements are described below except the General Hedge Accounting which the Fund does not apply. The Fund has applied IFRS 9 in accordance with the transition provisions set out in IFRS 9.

Classification and measurement of financial assets and financial liabilities

Under IFRS 9 'Financial Instruments', on initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or fair value through profit and loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

IFRS 9 largely retains the existing requirements in IAS 39 'Financial Instruments' for the classification and measurement of financial liabilities. The adoption of IFRS 9 did not have a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets:

| | |
|------------------------------------|---|
| Financial assets at FVTPL | These assets are subsequently measured at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement. |
| Financial assets at amortised cost | These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see (ii) below). Profit / markup income, foreign exchange gains and losses and impairment are recognised in income statement. |
| Debt investments at FVOCI | These assets are subsequently measured at fair value. Profit / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement. |
| Equity investments at FVOCI | These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to income statement. |

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Fund's financial assets as at 1 July 2018.

| Financial assets and financial liabilities | Note | Original classification as per IAS 39 | New classification as per IFRS 9 | Carrying amount as per IAS 39 as on June 30, 2018 | Carrying amount on initial adoption of IFRS 9 on July 01, 2018 | Effect on July 01, 2018 on Retained Earnings |
|--|------|---------------------------------------|----------------------------------|---|--|--|
|--|------|---------------------------------------|----------------------------------|---|--|--|

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

Financial assets

| | | | | | | |
|----------------------------------|-----|---------|-------|-----------|-----------|---|
| Bank balances | (b) | LR | AC | 888,369 | 888,369 | - |
| Investments - Equity Instruments | (a) | HFT/AFS | FVTPL | 1,409,445 | 1,409,445 | - |
| Investments - Debt Instruments | (a) | HFT/AFS | FVTPL | 315,202 | 315,202 | - |
| Dividend and profit receivable | (b) | LR | AC | 59,703 | 59,703 | - |

- "LR" is loans and receivables
- "AC" is amortised cost
- "HFT" is held for trading
- "FVTPL" is fair value through profit or loss
- "OFL" is other financial liabilities

(a) Debt securities classified as financial assets at fair value through profit or loss - held for trading have been measured at fair value through profit or loss with value changes continue to be recognised in income statement.

(b) The financial assets classified as 'loans and receivables' have been classified as amortised cost.

Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated 21 November 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds till further instructions. Meanwhile, SECP circular 33 of 2012 shall continue to apply for impairment requirements.

Transition

The Fund has used the exemption not to restate comparative periods as allowed under IFRS 9 and the differences, if any, in the carrying amounts of financial assets resulting from the adoption of IFRS 9 are recognised in opening retained earnings as at July 1, 2018. Accordingly, the comparative information does not reflect the requirements of IFRS 9, but rather those of IAS 39.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application.

- The determination of the business model within which a financial asset is held.
- The revocation of previous designations of certain financial assets measured at FVTPL.

4. BANK BALANCES

| | | March 31, 2019 (Un-audited) | | | | June 30, 2018 (Audited) | | | | |
|------|----------------------------------|-----------------------------|------------------|-----------------------------|----------------|-----------------------------|------------------|-----------------------------|----------------|----------------|
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | |
| Note | | ------(Rupees in '000)----- | | | | ------(Rupees in '000)----- | | | | |
| | Profit and loss sharing accounts | 4.1 | 69,145 | 474,320 | 426,245 | 969,710 | 66,683 | 452,550 | 280,538 | 799,771 |
| | Current accounts | | 6,435 | 1,274 | 3,555 | 11,264 | 14,359 | 1,989 | 250 | 16,598 |
| | Term deposit receipts | 4.2 | - | 114,000 | 98,000 | 212,000 | - | - | 72,000 | 72,000 |
| | | | 75,580 | 589,594 | 527,800 | 1,192,974 | 81,042 | 454,539 | 352,788 | 888,369 |

4.1 Profit rate on these accounts ranges between 6.30% to 10.25% (June 30, 2018: 3.75% to 6.2%) per annum.

4.2 Profit rate on the term deposit receipts is 10.60% (June 30, 2018: 5.8% to 7.16%) per annum.

5. INVESTMENTS

| | | March 31, 2019 (Un-audited) | | | | June 30, 2018 (Audited) | | | | |
|--|---|-----------------------------|------------------|-----------------------------|----------|-----------------------------|------------------|-----------------------------|---------------|------------------|
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | |
| Note | | ------(Rupees in '000)----- | | | | ------(Rupees in '000)----- | | | | |
| Investments by category: | | | | | | | | | | |
| Fair value through profit or loss | | | | | | | | | | |
| | Listed equity securities | 5.1 | 1,385,916 | - | - | 1,385,916 | 935,006 | - | - | 935,006 |
| | Letter of rights | | - | - | - | - | 2,553 | - | - | 2,553 |
| | Government securities | | | | | | | | | |
| | - Ijarah Sukuk Certificates | 5.2 | - | - | - | - | 162,618 | 70,266 | | 232,884 |
| | Debt securities - privately placed sukuk certificates | 5.3 | - | 5,441 | - | 5,441 | - | 10,318 | - | 10,318 |
| Available for sale | | | | | | | | | | |
| | Listed equity securities | 5.4 | - | - | - | - | 471,886 | - | - | 471,886 |
| | | | 1,385,916 | 5,441 | - | 1,391,357 | 1,409,445 | 172,936 | 70,266 | 1,652,647 |

5.1 Equity securities - Fair Value Through Profit or Loss

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

| Name of Investee Company | | As at July 1, 2018 | Purchased / bonus received / Transferred In during the period Refer Note 3.2 | Sold during the period | As at March 31, 2019 | Total carrying value as at March 31, 2019 | Total market value as at March 31, 2019 | Appreciation / (diminution) as at March 31, 2019 | 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 | | | | | | | | | | | |
| APL | Attock Petroleum Limited | | 1,920 | 21,570 | - | - | - | 0.00 | 0.00 | 0.00 | |
| PSO | Pakistan State Oil Company Limited | 5.1.1 & 5.1.2 | 25,240 | 303,388 | 113,700 | 214,928 | 51,331 | 46,463 | (4,868) | 3.19 | 3.35 |
| | | | | | | 51,331 | 46,463 | (4,868) | 3.19 | 3.35 | |
| OIL AND GAS EXPLORATION COMPANIES | | | | | | | | | | | |
| OGDC | Oil and Gas Development company | | 403,600 | 466,800 | 77,500 | 792,900 | 121,707 | 116,992 | (4,715) | 8.02 | 8.44 |
| PPL | Pakistan Petroleum Limited | | 322,200 | 288,830 | 122,600 | 488,430 | 89,407 | 90,355 | 948 | 6.20 | 6.52 |
| POL | Pakistan Oilfields Limited | | 21,900 | 152,820 | 9,900 | 164,820 | 86,906 | 73,716 | (13,190) | 5.06 | 5.32 |
| MARI | Mari Petroleum Company Limited | | 52,050 | 47,635 | - | 99,685 | 134,088 | 124,132 | (9,956) | 8.51 | 8.96 |
| | | | | | | 432,109 | 405,195 | (26,913) | 27.79 | 29.24 | |
| REFINERY | | | | | | | | | | | |
| NRL | National Refinery limited | | - | 65,900 | 900 | 65,000 | 10,613 | 10,936 | 323 | 0.75 | 0.79 |
| | | | | | | 10,613 | 10,936 | 323 | 0.75 | 0.79 | 0.08 |
| FERTILIZER | | | | | | | | | | | |
| ENGRO | Engro Corporation Limited | | 197,600 | 322,900 | 179,300 | 341,200 | 106,980 | 111,651 | 4,672 | 7.66 | 8.06 |
| EFERT | Engro Fertilizers Limited | | 734,000 | 143,000 | 203,500 | 673,500 | 50,452 | 48,189 | (2,263) | 3.31 | 3.48 |
| FFC | Fauji Fertilizer Company Limited | | - | 683,000 | 130,500 | 552,500 | 54,907 | 57,714 | 2,807 | 3.96 | 4.16 |
| DAWH | Dawood Hercules Corporation Limited | | - | 251,300 | 128,500 | 122,800 | 13,023 | 15,764 | 2,741 | 1.08 | 1.14 |
| | | | | | | 225,362 | 233,318 | 7,957 | 16.00 | 16.83 | |
| CHEMICALS | | | | | | | | | | | |
| ICI | I.C.I Pakistan Limited | | 40,800 | - | 34,900 | 5,900 | 4,729 | 3,919 | (810) | 0.27 | 0.28 |
| EPCL | Engro Polymer & Chemicals Limited | | - | 1,471,990 | 276,000 | 1,195,990 | 39,756 | 43,438 | 3,682 | 2.98 | 3.13 |
| EPCLR | Engro Polymer and Chemicals Limited (Right 1) | | 289,490 | - | 289,490 | - | - | - | - | 0.00 | 0.00 |
| SITC | Sitara Chemicals | | 62,800 | 37,800 | - | 100,600 | 36,408 | 30,179 | (6,229) | 2.07 | 2.18 |
| | | | | | | 80,893 | 77,536 | (3,357) | 5.32 | 5.59 | 0.47 |
| CEMENT | | | | | | | | | | | |
| CHCC | Cherat Cement Company Limited | | 233,500 | 44,500 | 247,300 | 30,700 | 2,936 | 1,929 | (1,007) | 0.13 | 0.14 |
| DGKC | D.G. Khan Cement Company Limited | | 72,900 | 81,000 | 153,900 | - | - | - | - | 0.00 | 0.00 |
| FCCL | Fauji Cement Company Limited | | 293,000 | 25,000 | 318,000 | - | - | - | - | 0.00 | 0.00 |
| KOHC | Kohat Cement Company Limited | | 117,000 | 462,280 | 13,000 | 566,280 | 53,425 | 48,604 | (4,821) | 3.33 | 3.51 |
| LUCK | Lucky Cement Limited | | 85,450 | 92,800 | 52,550 | 125,700 | 60,639 | 53,830 | (6,809) | 3.69 | 3.88 |
| PIOC | Pioneer Cement Limited | | 336,400 | 88,900 | 374,000 | 51,300 | 2,387 | 1,784 | (603) | 0.12 | 0.13 |
| | | | | | | 119,387 | 106,147 | (13,240) | 7.27 | 7.66 | 0.02 |
| AUTOMOBILE ASSEMBLER | | | | | | | | | | | |
| HCAR | Honda Atlas Cars (Pakistan) Limited | | 42,600 | 34,350 | 76,950 | - | - | - | - | 0.00 | 0.00 |
| MTL | Millat Tractors Limited | | 15,000 | 2,000 | 17,000 | - | - | - | - | 0.00 | 0.00 |
| PSMC | Pak Suzuki Motor Company Limited | | 150 | - | 150 | - | - | - | - | 0.00 | 0.00 |
| | | | | | | - | - | - | 0.00 | 0.00 | 0.00 |
| PAPER AND BOARD | | | | | | | | | | | |
| CEPB | Century Paper and Board Mills | | 292,600 | 88,000 | - | 380,600 | 24,115 | 19,220 | (4,895) | 1.32 | 1.39 |
| PKGS | Packages Limited | | 16,850 | 49,000 | 16,850 | 49,000 | 19,377 | 18,608 | (769) | 1.28 | 1.34 |
| | | | | | | 43,492 | 37,828 | (5,664) | 2.60 | 2.73 | 0.26 |
| COMMERCIAL BANKS | | | | | | | | | | | |
| MEBL | Meezan Bank Limited | | 439,500 | 407,657 | 146,500 | 700,657 | 54,536 | 69,400 | 14,864 | 4.76 | 5.01 |
| | | | | | | 54,536 | 69,400 | 14,864 | 4.76 | 5.01 | 0.06 |
| TEXTILE COMPOSITE | | | | | | | | | | | |
| NML | Nishat Mills Limited | | 301,700 | 216,000 | 79,000 | 438,700 | 61,459 | 59,053 | (2,406) | 4.05 | 4.26 |
| KTML | Kohinoor Textile Mills Limited | | - | 275,000 | - | 275,000 | 15,122 | 12,339 | (2,783) | 0.85 | 0.89 |
| | | | | | | 76,581 | 71,392 | (5,189) | 4.90 | 5.15 | 0.12 |
| POWER GENERATION AND DISTRIBUTION | | | | | | | | | | | |
| HUBC | The Hub Power Company Limited | | 709,800 | 693,000 | 49,000 | 1,353,800 | 125,014 | 99,274 | (25,740) | 6.81 | 7.16 |
| SPWL | Saif Power Limited | | - | 654,000 | - | 654,000 | 17,250 | 15,127 | (2,123) | 1.04 | 1.09 |
| PKGP | PakGen Power Limited | | - | 795,000 | - | 795,000 | 13,329 | 12,132 | (1,197) | 0.83 | 0.88 |
| KEL | K-Electric Limited (Face value of Rs. 3.5 per share) | | 1,400,000 | 1,785,000 | 1,300,000 | 1,885,000 | 10,806 | 10,537 | (269) | 0.72 | 0.76 |
| | | | | | | 166,399 | 137,070 | (29,329) | 9.40 | 9.89 | 0.21 |
| AUTOMOBILE PARTS AND ACCESSORIES | | | | | | | | | | | |
| Thal | Thal Limited (Face Value Rs. 5 per share) | | 80,150 | - | 20,000 | 60,150 | 28,723 | 25,383 | (3,340) | 1.74 | 1.83 |
| GTYR | The General Tyre and Rubber Company Of Pakistan | | - | 87,300 | 87,300 | - | - | - | - | 0.00 | 0.00 |
| | | | | | | 28,723 | 25,383 | (3,340) | 1.74 | 1.83 | 0.07 |
| GLASS & CERAMICS | | | | | | | | | | | |
| TGL | Tariq Glass Industries Limited | | 381,000 | - | 254,400 | 126,600 | 13,566 | 12,820 | (746) | 0.88 | 0.93 |
| | | | | | | 13,566 | 12,820 | (746) | 0.88 | 0.93 | 0.17 |
| ENGINEERING | | | | | | | | | | | |
| ASTL | Amreli Steels Limited | | 88,500 | 75,000 | 163,500 | - | - | - | - | 0.00 | 0.00 |
| ISL | International Steels Limited | | 185,500 | 101,000 | 161,500 | 125,000 | 12,561 | 8,004 | (4,557) | 0.55 | 0.58 |
| ITTEFAQ | Ittefaq Iron Industries Limited | | 1,152,000 | 56,500 | 1,208,500 | - | - | - | - | 0.00 | 0.00 |
| INIL | International Industries Limited | | - | 59,100 | 10,500 | 48,600 | 8,364 | 6,031 | (2,333) | 0.41 | 0.44 |
| | | | | | | 20,925 | 14,035 | (6,890) | 0.96 | 1.02 | 0.04 |
| FOOD AND PERSONAL CARE PRODUCTS | | | | | | | | | | | |
| ASC | Al Shaheer Corporation | | 370,500 | 287,000 | 249,000 | 408,500 | 11,052 | 7,345 | (3,707) | 0.50 | 0.53 |
| SHEZ | Shezan International | | 35,300 | 51,490 | - | 86,790 | 44,973 | 37,183 | (7,790) | 2.55 | 2.68 |
| | | | | | | 56,025 | 44,528 | (11,497) | 3.05 | 3.21 | 0.29 |
| PHARMACEUTICALS | | | | | | | | | | | |
| SEARL | The Searle Company Limited | 5.1.2 | 20,532 | 40,404 | 16,500 | 44,436 | 11,905 | 10,524 | (1,381) | 0.72 | 0.76 |
| HINOON | highnoon Laboratories Limited | 5.1.2 | 27,879 | - | 20,000 | 7,879 | 3,234 | 2,665 | (569) | 0.18 | 0.19 |
| FEROZ | Ferozsons Laboratories Limited | | - | 88,200 | 15,000 | 73,200 | 12,931 | 14,313 | 1,382 | 0.98 | 1.03 |
| | | | | | | 28,070 | 27,502 | (568) | 1.88 | 1.98 | 0.24 |
| TECHNOLOGY & COMMUNICATION | | | | | | | | | | | |
| SYS | Systems Limited | | - | 220,500 | - | 220,500 | 22,456 | 23,483 | 1,027 | 1.61 | 1.69 |
| AVN | Avanceon Limited | 5.1.2 | 35,938 | - | 34,500 | 1,438 | 95 | 100 | 5 | 0.01 | 0.01 |
| | | | | | | 22,551 | 23,583 | 1,032 | 1.62 | 1.70 | 0.20 |
| LEATHER & TANNERIES | | | | | | | | | | | |
| SRVI | Service Industries limited | | - | 29,740 | - | 29,740 | 22,806 | 19,777 | (3,029) | 1.36 | 1.43 |
| | | | | | | 22,806 | 19,777 | (3,029) | 1.36 | 1.43 | 0.25 |
| MISCELLANEOUS | | | | | | | | | | | |
| SPEL | Synthetic Products Enterprises Limited | | 484,500 | 84,000 | - | 568,500 | 27,690 | 18,761 | (8,929) | 1.29 | 1.35 |
| TRIPP | Tri-Packs Film Limited | | - | 39,000 | - | 39,000 | 5,343 | 4,242 | (1,101) | 0.29 | 0.31 |
| | | | | | | 33,033 | 23,003 | (10,030) | 1.58 | 1.66 | 0.10 |
| Total March 31, 2019 (Un-audited) | | | | | | 1,486,402 | 1,385,916 | (100,484) | | | |
| Total June 30, 2018 (Audited) | | | | | | 1,129,590 | 935,006 | (194,584) | | | |

5.1.1 The above equity securities include 0.07 million shares (June 30, 2018: 0.075 million shares) pledged with National Clearing Company of Pakistan Limited having market value of Rs. 15.133 million (June 30, 2018: Rs. 8.59 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.

5.1.2 The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. An investee company of the Fund, in pursuance of the aforesaid amendment, withheld shares equivalent to 5% of bonus entitlement of the Fund having fair market value of Rs. 1.301 million (2018: Rs. 1.82 million) at period end. Such shares have not been deposited by the investee company 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. However, through Finance Act 2018, the tax on bonus is withdrawn.

5.2 Profit rate on these accounts ranges between 6.30% to 10.25% (June 30, 2018: 3.75% to 6.2%) per annum.

At fair value through profit and loss

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

| Particulars | Note | As at July 1, 2018 | Purchased during the period | Sold / matured during the period | 5 | Cost as at March 31, 2019 | Market value as at March 31, 2019 | Unrealized (diminution)/ appreciation as at March 31, 2019 | Market value as a percentage of Total Investment of the sub fund | Market value as a percentage of net assets of the Sub-Fund |
|--|------|--------------------|-----------------------------|----------------------------------|---|---------------------------|-----------------------------------|--|--|--|
| | | | | | | ------(Rs in "000")----- | | -----%----- | | |
| Government securities - held by Debt Sub-Fund | | | | | | | | | | |
| Ijarah Sukuk XVII | - | 55 | - | 55.00 | - | - | - | - | 0.00 | 0.00 |
| Ijarah Sukuk XVI | - | 1,565 | 115 | 1,680 | - | - | - | - | 0 | - |
| Total as at March 31, 2018 (Un-audited) | | | | 2,846 | | - | - | - | - | 0.00 |
| Total as at June 30, 2018 (Audited) | | | | | | 164,313 | 162,618 | (1,695) | | |
| Government securities - held by Money Market Sub-Fund | | | | | | | | | | |
| Ijarah Sukuk XVI | - | 700 | 500 | 1,200 | - | - | - | - | - | - |
| Total as at March 31, 2018 (Un-audited) | | | | | | - | - | - | - | - |
| Total as at June 30, 2018 (Audited) | | | | | | 71,055 | 70,266 | (789) | | |

5.3 Debt securities - Privately placed sukuk certificates - at fair value through profit and loss

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

| Particulars | Note | As at July 1, 2018 | Purchased during the period | Sold/ matured during the period | As at March 31, 2019 | Cost as at March 31, 2019 | Market value as at March 31, 2019 | Unrealized (diminution)/ appreciation as at March 31, 2019 | Percentage in relation to | |
|---|-------|--------------------|----------------------------------|---------------------------------|----------------------|---------------------------|-----------------------------------|--|--|--|
| | | | | | | | | | Market value as a percentage of Total Investment of the sub fund | Market value as a percentage of net assets of the sub fund |
| | | | -----Number of certificates----- | | | | (Rs in 000) | ------(%)----- | | |
| Held by Debt Sub-Fund | | | | | | | | | | |
| Wapda (Certificates of Rs 2,143 each) | 5.3.1 | 1,500 | - | 1,500 | - | - | - | - | - | - |
| Fatima Fertilizer (Certificates of Rs 3,000 each) | 5.3.1 | 1,800 | - | - | 1,800 | 5,486 | 5,441 | (45) | 100.00 | 0.91 |
| Total as at March 31, 2019 (Un-audited) | | | | | | 5,486 | 5,441 | (45) | 100.00 | |
| Total as at June 30, 2018 (Audited) | | | | | | 10,516 | 10,318 | (198) | | |

5.3.1 These are short term investments and carry a coupon rate of 11.02% (June 30, 2018: 7.49% to 7.66%) and will mature by November 2021.

5.4 Listed equity securities - Available for sale

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

| Sector and Name of Security | As at July 1, 2018 | Purchased / bonus received during the year | Sold/ Transferred to Fairvalue through Profit & Loss during the year Refer Note 3.2 | As at March 31, 2019 | Total cost as at March 31, 2019 | Total market value as at March 31, 2019 | Unrealized gain / (loss) as at March 31, 2019 | Market value of investment as a percentage of net assets | Market value of investment as a percentage of total investment | Investment as a percentage of investees' paid up capital |
|--|--------------------|--|---|----------------------|---------------------------------|---|---|--|--|--|
| Note | (Number of shares) | | | | (Rupees '000) | | | (%) | | |
| AUTOMOBILE ASSEMBLER | | | | | | | | | | |
| Honda Atlas Cars (Pakistan) Limited | 34,350 | - | 34,350 | - | - | - | - | - | - | - |
| CEMENT | | | | | | | | | | |
| Cherat Cement Company Limited | 39,500 | - | 39,500 | - | - | - | - | - | - | - |
| Lucky Cement Limited | 1,500 | - | 1,500 | - | - | - | - | - | - | - |
| D.G. Khan Cement Company Limited | 56,300 | - | 56,300 | - | - | - | - | - | - | - |
| Pioneer Cement Limited | 78,900 | - | 78,900 | - | - | - | - | - | - | - |
| Fauji Cement Company Limited | 25,000 | - | 25,000 | - | - | - | - | - | - | - |
| Kohat Cement Limited | 283,100 | - | 283,100 | - | - | - | - | - | - | - |
| FERTILIZER | | | | | | | | | | |
| Engro Corporation Limited | 225,600 | - | 225,600 | - | - | - | - | - | - | - |
| Fauji Fertilizer Company Limited | 13,000 | - | 13,000 | - | - | - | - | - | - | - |
| Engro Fertilizers Limited | 143,000 | - | 143,000 | - | - | - | - | - | - | - |
| POWER GENERATION & DISTRIBUTION | | | | | | | | | | |
| Hub Power Company Limited | 413,500 | - | 413,500 | - | - | - | - | - | - | - |
| K-Electric Limited (ordinary shares of Rs. 3.5/- each) | 1,000,000 | - | 1,000,000 | - | - | - | - | - | - | - |
| OIL & GAS EXPLORATION COMPANIES | | | | | | | | | | |
| Oil and Gas Development Company Limited | 160,000 | - | 160,000 | - | - | - | - | - | - | - |
| Pakistan Oilfields Limited | 62,200 | - | 62,200 | - | - | - | - | - | - | - |
| Mari Petroleum Company Limited | 6,100 | - | 6,100 | - | - | - | - | - | - | - |
| Pakistan Petroleum Limited | 85,000 | - | 85,000 | - | - | - | - | - | - | - |
| OIL & GAS MARKETING COMPANIES | | | | | | | | | | |
| Pakistan State Oil Company Limited | 94,200 | - | 94,200 | - | - | - | - | - | - | - |
| TEXTILE COMPOSITE | | | | | | | | | | |
| Kohinoor Textile Mills Limited | 275,000 | - | 275,000 | - | - | - | - | - | - | - |
| Nishat Mills Limited | 71,000 | - | 71,000 | - | - | - | - | - | - | - |
| ENGINEERING | | | | | | | | | | |
| Amreli Steels Limited | 75,000 | - | 75,000 | - | - | - | - | - | - | - |
| International Steels Limited | 60,000 | - | 60,000 | - | - | - | - | - | - | - |
| Ittefaq Iron industries Limited | 56,500 | - | 56,500 | - | - | - | - | - | - | - |
| CHEMICAL | | | | | | | | | | |
| Engro Polymer and Chemicals Limited | 782,500 | - | 782,500 | - | - | - | - | - | - | - |
| Sitara Chemical Industries Limited | 23,000 | - | 23,000 | - | - | - | - | - | - | - |
| AUTOMOBILE PARTS & ACCESSORIES | | | | | | | | | | |
| General Tyre and Rubber Co. of Pakistan Limited | 89,500 | - | 89,500 | - | - | - | - | - | - | - |
| Milat Tractors Limited | 2,000 | - | 2,000 | - | - | - | - | - | - | - |
| FOOD AND PERSONAL CARE | | | | | | | | | | |
| Al-Shaheer Corporation Limited | 202,000 | - | 202,000 | - | - | - | - | - | - | - |
| Shezan International Limited | 43,600 | - | 43,600 | - | - | - | - | - | - | - |
| LEATHER & TANNERIES | | | | | | | | | | |
| Service Industries Limited | 16,640 | - | 16,640 | - | - | - | - | - | - | - |
| REFINERY | | | | | | | | | | |
| National Refinery Limited | 900 | - | 900 | - | - | - | - | - | - | - |
| TECHNOLOGY & COMMUNICATION | | | | | | | | | | |
| Systems Limited | 210,000 | - | 210,000 | - | - | - | - | - | - | - |
| COMMERCIAL BANKS | | | | | | | | | | |
| Meezan Bank Limited | 26,370 | - | 26,370 | - | - | - | - | - | - | - |
| MISCELLANEOUS | | | | | | | | | | |
| Tri-Pack Films Limited | 39,000 | - | 39,000 | - | - | - | - | - | - | - |
| Total Value as at March 31, 2019 (Un-audited) | | | | | - | - | - | - | - | - |
| Total Value as at June 30, 2018 (Audited) | | | | | 487,365 | 471,886 | (15,479) | | | |

6. ADVANCE INCOME TAX

The income of the fund is exempt from tax under Clause 57(3)(viii) of Part I of the Second Schedule of the Income Tax Ordinance 2001 and funds is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding tax under section 150, 150A 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, 2015 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 150, 150A and 151 of the Income Tax Ordinance, 2001. The management is confident that the same shall be refunded after filling Income Tax Return for Tax Year 2019.

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

| | March 31, 2019 (Un-audited) | | | | June 30, 2018 (Audited) | | | |
|--|------------------------------|---------------|-----------------------|--------------|------------------------------|---------------|-----------------------|--------------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| Note | ----- (Rupees in '000) ----- | | | | ----- (Rupees in '000) ----- | | | |
| Remuneration fee (including Sindh Sales Tax there against) | 2,139 | 859 | 757 | 3,755 | 2,140 | 867 | 550 | 3,557 |
| Sales load and conversion charges | 256 | 150 | 91 | 497 | 301 | 145 | 231 | 677 |
| Other payable | - | 6 | 5 | 11 | - | 5 | 5 | 10 |
| | 2,395 | 1,015 | 853 | 4,263 | 2,441 | 1,017 | 786 | 4,244 |

8. ACCRUED EXPENSES AND OTHER LIABILITIES

| | March 31, 2019 (Un-audited) | | | | June 30, 2018 (Audited) | | | | |
|--|------------------------------|---------------|-----------------------|---------------|------------------------------|---------------|-----------------------|---------------|--------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | |
| Note | ----- (Rupees in '000) ----- | | | | ----- (Rupees in '000) ----- | | | | |
| Auditors' remuneration | 95 | 95 | 95 | 285 | 60 | 60 | 60 | 180 | |
| Brokerage and other payable | 2,794 | 1,027 | 566 | 4,387 | 2,284 | 842 | 4,280 | 7,406 | |
| Provision of Indirect Taxes and Duties | 8.1 | 5,019 | 2,481 | 1,340 | 8,840 | 5,019 | 2,481 | 1,340 | 8,840 |
| Provision of Sindh Workers' Welfare Fund | 8.2. | 13,389 | 1,267 | 845 | 15,501 | 13,389 | 727 | 353 | 14,469 |
| | 21,297 | 4,870 | 2,846 | 29,013 | 20,752 | 4,110 | 6,033 | 30,895 | |

8.1 Provision of Indirect Taxes and Duties

This includes provision for federal excise duty (FED) as at March 31, 2019 amounting to Rs.6.98 million (June 30, 2018: Rs. 6.98 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 11.1 to the annual audited financial statements for the year ended June 30, 2018. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 8.84 million till June 30, 2016. Had the provision not been made, the net asset value per unit of Equity sub-fund, Debt sub-fund and Money Market sub-fund as at March 31, 2019 would have been higher by Rs. 1.67, Re. 0.53 and Re. 0.34 (June 30, 2018: Rs. 1.72, Re. 0.47 and Re. 0.40) respectively.

8.2 Provision of Sindh Workers' Welfare Fund

This includes provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2019 amounting to Rs. 15.5 million (June 30, 2018: Rs. 14.69 million). The Management Company, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis. Had the provision not been made, the net asset value per unit of Equity sub-fund, Debt sub-fund and Money Market sub-fund as at March 31, 2019 would have been higher by Rs. 5.5, Re. 0.36 and Re. 0.26 (June 30, 2018: Rs. 5.67, Rs. 3.43 and Rs. 4.87) of Equity sub fund, Debt sub fund and Money Market sub fund, respectively.

As disclosed in note 8 to the annual financial statements for the year ended June 30, 2018, the Provision for Workers' Welfare Fund (WWF) held in the books of accounts till June 30, 2015 was reversed on January 12, 2017. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 8 to the annual audited financial statements for the year ended June 30, 2018.

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2019.

10. NUMBER OF UNITS IN ISSUE

| | March 31, 2019 (Un-audited) | | | | June 30, 2018 (Audited) | | | |
|--|-----------------------------|------------------|-----------------------|------------------|-------------------------|------------------|-----------------------|------------------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| Total units outstanding at the beginning of the period | 2,360,849 | 3,899,731 | 2,750,091 | 9,010,671 | 2,333,120 | 3,028,072 | 1,828,383 | 7,189,575 |
| Units issued during the period | 648,300 | 1,412,376 | 2,229,976 | 4,290,652 | 1,179,423 | 3,339,461 | 2,930,801 | 7,449,685 |
| Effect of reallocation | 8,136 | (97,588) | 69,020 | (20,432) | (45,360) | 152,896 | 54,723 | 162,259 |
| Units redeemed during the period | (584,303) | (1,719,796) | (1,776,288) | (4,080,387) | (1,106,334) | (2,620,698) | (2,063,816) | (5,790,848) |
| Total units in issue at the end of the period | 2,432,982 | 3,494,723 | 3,272,799 | 9,200,504 | 2,360,849 | 3,899,731 | 2,750,091 | 9,010,671 |

11. CONTRIBUTION TABLE

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

| From: | As at March 31, 2019 (Un-audited) | | | | | | | |
|-------------|-----------------------------------|--------------|---------------|--------------|-----------------------|--------------|-----------|--------------|
| | Equity Sub Fund | | Debt Sub-Fund | | Money Market Sub-Fund | | Total | |
| | Units | Rupees (000) | Units | Rupees (000) | Units | Rupees (000) | Units | Rupees (000) |
| Individuals | 648,300 | 404,782 | 1,412,376 | 235,490 | 2,229,976 | 360,201 | 4,290,652 | 1,000,473 |

| From: | As at March 31, 2018 (Un-audited) | | | | | | | |
|-------------|-----------------------------------|--------------|---------------|--------------|-----------------------|--------------|-----------|--------------|
| | Equity Sub Fund | | Debt Sub-Fund | | Money Market Sub-Fund | | Total | |
| | Units | Rupees (000) | Units | Rupees (000) | Units | Rupees (000) | Units | Rupees (000) |
| Individuals | 926,801 | 605,869 | 2,621,889 | 419,040 | 2,155,938 | 333,779 | 5,704,628 | 1,358,688 |

12. TAXATION

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

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

13. EARNING PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units 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 market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

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

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

| | As at March 31, 2019 (Un-audited) | | | | As at June 30, 2018 (Audited) | | | |
|---|-----------------------------------|---------|---------|-----------|-------------------------------|---------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total |
| ----- (Rupees in '000) ----- | | | | | | | | |
| Equity Sub Fund | | | | | | | | |
| At fair value through profit or loss | | | | | | | | |
| Equity Securities | 1,385,916 | - | - | 1,385,916 | 935,006 | - | - | 935,006 |
| Available for sale | | | | | | | | |
| Equity Securities | - | - | - | - | 471,886 | - | - | 471,886 |
| Debt Sub Fund | | | | | | | | |
| At fair value through profit or loss | | | | | | | | |
| Government securities - Ijarah Sukuk Certificates | - | - | - | - | - | 162,618 | - | 162,618 |
| Debt securities - Privately Placed Sukuk Certificates | - | 5,441 | - | 5,441 | - | 10,318 | - | 10,318 |
| | - | 5,441 | - | 5,441 | - | 172,936 | - | 172,936 |
| Money Market Sub Fund | | | | | | | | |
| At fair value through profit or loss | | | | | | | | |
| Government securities - GoP Ijarah Sukuk Certificates | - | - | - | - | - | 70,266 | - | 70,266 |
| | - | - | - | - | - | 70,266 | - | 70,266 |

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

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

15. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

15.1 Connected persons / related parties comprise of United Bank Limited (holding Company of Pension Fund Manager), UBL Fund Managers Limited (Pension Fund Manager), Al - Ameen Financial Services (Private) Limited (subsidiary of management Company), collective investment schemes managed by the Pension Fund Manager, directors and officers of the Pension Fund Manager, entities under common management or directorships, and Central Depository Company of Pakistan Limited (Trustee).

15.2 Remuneration of the Pension Fund Manager and trustee is determined in accordance with the provisions of VPS Rules, and the Trust Deed.

15.3 Other transactions with the related parties / connected persons are carried out at agreed / commercial terms.

15.4 Details of transactions with related parties / connected persons during the period and balances held with them at the half year ended March 31, 2019 are as follows:

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

-----For Nine Months ended March 31, 2019-----

Equity Sub Fund

Transactions during the period

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

| | | | | | | |
|----------------------------------|--------|-------|-------|---|-------|---|
| Profit on PLS accounts | - | 4,333 | - | - | - | - |
| Bank charges | - | 44 | - | - | - | - |
| Units issued | - | - | - | - | 3,939 | - |
| Units redeemed | - | - | - | - | 1,238 | - |
| Remuneration including sales tax | 19,033 | - | 1,519 | - | - | - |
| CDS expense | - | - | 61 | - | - | - |

Balances held

-----For Nine Months ended March 31, 2019-----

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

| | | | | | | |
|------------|---|---|---|---|----|---|
| Units held | - | - | - | - | 21 | - |
|------------|---|---|---|---|----|---|

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

| | | | | | | |
|------------------------------|-------|--------|-----|---|--------|---|
| Value of units held | - | - | - | - | 12,584 | - |
| Bank balances | - | 62,938 | - | - | - | - |
| Deposits | - | - | 100 | - | - | - |
| Remuneration payable | 2,139 | - | 172 | - | - | - |
| Sales load and other payable | 256 | 90 | - | - | - | - |
| Profit receivable | - | 703 | - | - | - | - |

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

-----For Nine Months ended March 31, 2018-----

Equity Sub Fund

Transactions during the period

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

| | | | | | | |
|----------------------------------|--------|-------|-------|---|-------|---|
| Profit on PLS accounts | - | 2,158 | - | - | - | - |
| Bank charges | - | 37 | - | - | - | - |
| Units issued | - | - | - | - | 8,106 | - |
| Units redeemed | - | - | - | - | 4,391 | - |
| Remuneration including sales tax | 18,785 | - | 1,520 | - | - | - |
| CDS expense | - | - | 51 | - | - | - |

Balances held

----- As at June 30, 2018 -----

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

| | | | | | | |
|------------|---|---|---|---|----|---|
| Units held | - | - | - | - | 28 | - |
|------------|---|---|---|---|----|---|

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

| | | | | | | |
|------------------------------|-------|--------|-----|---|--------|---|
| Value of units held | - | - | - | - | 17,699 | - |
| Bank balances | - | 11,212 | - | - | - | - |
| Deposits | - | - | 100 | - | - | - |
| Remuneration payable | 2,140 | - | 170 | - | - | - |
| Sales load and other payable | 301 | 142 | - | - | - | - |
| Profit receivable | - | 146 | - | - | - | - |

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

-----For Nine Months ended March 31, 2019-----

Debt Sub Fund

Transactions during the period

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

| | | | | | | |
|----------------------------------|-------|-------|-----|---|-------|---|
| Profit on PLS accounts | - | 4,113 | - | - | - | - |
| Bank charges | - | 49 | - | - | - | - |
| Units issued | - | - | - | - | 1,236 | - |
| Units redeemed | - | - | - | - | 680 | - |
| Remuneration including sales tax | 7,712 | - | 616 | - | - | - |
| CDS expense | - | - | 6 | - | - | - |

Balances held

-----For Nine Months ended March 31, 2019-----

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

| | | | | | | |
|------------|---|---|---|---|----|---|
| Units held | - | - | - | - | 52 | - |
|------------|---|---|---|---|----|---|

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

| | | | | | | |
|------------------------------|-----|--------|-----|---|-------|---|
| Value of units held | - | - | - | - | 8,915 | - |
| Bank balances | - | 52,755 | - | - | - | - |
| Remuneration payable | 859 | - | 70 | - | - | - |
| Sales load and other payable | 156 | 172 | - | - | - | - |
| Profit receivable | - | 433 | - | - | - | - |
| Deposits | - | - | 100 | - | - | - |

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

-----For Nine Months ended March 31, 2018-----

Debt Sub Fund

Transactions during the period

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

| | | | | | | |
|----------------------------------|-------|-----|-----|---|-------|---|
| Profit on PLS accounts | - | 214 | - | - | - | - |
| Bank charges | - | 43 | - | - | - | - |
| Units issued | - | - | - | - | 2,968 | - |
| Units redeemed | - | - | - | - | 287 | - |
| Remuneration including sales tax | 7,048 | - | 571 | - | - | - |
| CDS expense | - | - | 6 | - | - | - |

Balances held

----- As at June 30, 2018 -----

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

| | | | | | | |
|------------|---|---|---|---|----|---|
| Units held | - | - | - | - | 54 | - |
|------------|---|---|---|---|----|---|

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

| | | | | | | |
|------------------------------|-----|---------|-----|---|-------|---|
| Value of units held | - | - | - | - | 8,841 | - |
| Bank balances | - | 100,605 | - | - | - | - |
| Deposits | - | - | 100 | - | - | - |
| Remuneration payable | 867 | - | 70 | - | - | - |
| Sales load and other payable | 149 | 79 | - | - | - | - |
| Profit receivable | - | 457 | - | - | - | - |

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

-----For Nine Months ended March 31, 2019-----

Money Market Sub Fund

Transactions during the period

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

| | | | | | | |
|----------------------------------|-------|-------|-----|---|-----|---|
| Profit on PLS accounts | - | 3,944 | - | - | - | - |
| Bank charges | - | 59 | - | - | - | - |
| Units issued | - | - | - | - | 375 | - |
| Units redeemed | - | - | - | - | 243 | - |
| Remuneration including sales tax | 5,867 | - | 469 | - | - | - |

Balances held

-----For Nine Months ended March 31, 2019-----

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

| | | | | | | |
|------------|---|---|---|---|----|---|
| Units held | - | - | - | - | 16 | - |
|------------|---|---|---|---|----|---|

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

| | | | | | | |
|------------------------------|-----|--------|-----|---|-------|---|
| Value of units held | - | - | - | - | 2,649 | - |
| Bank balances | - | 66,125 | - | - | - | - |
| Deposits | - | - | 100 | - | - | - |
| Remuneration payable | 757 | - | 62 | - | - | - |
| Sales load and other payable | 96 | 142 | - | - | - | - |
| Profit receivable | - | 517 | - | - | - | - |

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

-----For Nine Months ended March 31, 2018-----

Money Market Sub Fund

Transactions during the period

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

| | | | | | | |
|----------------------------------|-------|-------|-----|---|-------|---|
| Profit on PLS accounts | - | 1,849 | - | - | - | - |
| Bank charges | - | 39 | - | - | - | - |
| Units issued | - | - | - | - | 2,120 | - |
| Units redeemed | - | - | - | - | 550 | - |
| Remuneration including sales tax | 4,069 | - | 330 | - | - | - |

Balances held

----- As at June 30, 2018 -----

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

| | | | | | | |
|------------|---|---|---|---|----|---|
| Units held | - | - | - | - | 20 | - |
|------------|---|---|---|---|----|---|

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

| | | | | | | |
|------------------------------|-----|--------|-----|---|-------|---|
| Value of units held | - | - | - | - | 3,162 | - |
| Bank balances | - | 83,644 | - | - | - | - |
| Deposits | - | - | 100 | - | - | - |
| Remuneration payable | 550 | - | 44 | - | - | - |
| Sales load and other payable | 231 | 15 | - | - | - | - |
| Profit receivable | - | 361 | - | - | - | - |
| Other Payable | 5 | - | - | - | - | - |

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

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

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

16. 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 29-April-2019.

17. GENERAL

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

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director



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