



# Quarterly Report March 2021

**UBL Fund Managers**



**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 Furrukh Zaeem

Huma Pasha

Arif Akmal Saifie

Sadia Saeed

Imran Sarwar

### Audit Committee

Huma Pasha (Chair)

Imran Sarwar

Sadia Saeed

Arif Akmal Saifie

### Risk and Compliance Committee

Imran Sarwar (Chairman)

Syed Furrukh Zaeem

Yasir Qadri

Azhar Hamid

Arif Akmal Saifie

### HR & Compensation Committee

Azhar Hamid (Chairman)

Huma Pasha

Syed Furrukh Zaeem

Sadia Saeed

Yasir Qadri

### Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem  
Member

Mufti Muhammad Najeeb Khan  
Member

### 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 Special Saving Fund II

Launch Date: 10 February 2020

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 reports of its **UBL Liquidity Plus Fund (ULPF)**, **UBL Money Market Fund (UMMF)**, **UBL Cash Fund (UCF)**, **UBL Government Securities Fund (UGSF)**, **UBL Growth and Income Fund (UGIF)**, **UBL Stock Advantage Fund (USF)**, **UBL Dedicated Equity Fund (UDEF)**, **UBL Income Opportunity Fund (UIOF)**, **UBL Asset Allocation Fund (UAAF)**, **UBL Financial Sector Fund (UFSF)**, **UBL Financial Planning Fund** [comprising UBL Active Principal Preservation Plan I (UAPPP-I), UBL Active Principal Preservation Plan II (UAPPP-II), UBL Active Principal Preservation Plan III (UAPPP-III)], **UBL Special Saving Fund (USSF)** [comprising UBL Special Savings Plan - I (USSP-I), UBL Special Savings Plan - II (USSP-II), UBL Special Savings Plan - III (USSP-III), UBL Special Savings Plan - IV (USSP-IV), UBL Special Savings Plan - V (USSP-V) and UBL Special Savings Plan - VI (USSP-VI)], **UBL Exchange Traded Fund (UBLP-ETF)** and **UBL Special Saving Fund II (USSF II)** [comprising UBL Special Savings Plan - VIII (USSP-VIII) for the period ended March 31, 2021.

### Economy and Money Market outlook 9MFY21

The Pakistan's economy showed some sign of recovery in overall economic activity during ongoing fiscal year marked by 7.45% growth in Large Scale Manufacturing Index vis-à-vis decline of 3.62% in the SPLY. The primary contributors to this growth were automobiles, petroleum products, 'Iron and steel' products, pharmaceutical and chemicals. This has encouraged improvement in broad macroeconomic indicators. Benign external account position backed by strong remittance flows, revival in industrial activity, and low interest rates continue to remain supportive to the overall growth.

However, the recent spike in the COVID-19 cases due to emergence of third, more virulent wave of Coronavirus has increased the risk of another slowdown in economic activity especially in the light of slower pace of vaccination in the country. Authorities have also imposed the partial lockdown areas where infection ratios are higher.

The headline inflation for March came in at 9.05%YoY and 0.36%MoM (in-line with street consensus). This took the 9MFY21 CPI reading to 8.34% as compared to 11.55% in SPLY. The rise in monthly inflation was primarily driven by food inflation with perishable food inflation increasing by 2.79%MoM and non-perishable by 1.5%MoM. However, housing and transport inflation remained contained during the outgoing month on the back of lower electricity fuel price adjustment and absence of any hike in petroleum product prices. We think inflation will continue to rise in the coming months on account of increasing international commodity prices, base effect, expected surge in food prices due to seasonal demand uptick in Ramadan, new revenue measures in the next year budget and further hike in utility tariffs. The unexpected improvement in rupee-dollar parity may marginally dilute inflationary trends for the current fiscal year, we expect inflation to remain in the range of 8.5-9.5%.

In the recent MPC meeting, the central bank kept the policy rate unchanged at 7% citing that the existing accommodative monetary policy stance was well appropriate in supporting ongoing economic recovery. Further, the Governor also highlighted that the monetary policy would continue to be growth supportive as long as second round effects of recent rise in administered prices and other one-offs shocks in inflation did not materialize and inflation expectations remained well anchored. We expect the interest rates to rise by 150 to 200 bps. Larger part of the increase may take place in the next financial year.

On the external front, Pakistan posted a current account deficit of USD 50 million in March, relatively much lower as compared to deficit of USD 210 million in the previous month. Notwithstanding the above, the current account remained in surplus of USD 881 million during 8MFY21 vs deficit of USD 2,741 million in SPLY, mainly due to 24% and 111% increase in remittances and other current transfers respectively. During the rest of the fiscal year,



though we see increasing imports on account of rising domestic economic activity, we think current account balance will remain manageable due to stable remittances inflow. For full fiscal year, we project a CAD of less than 0.5% of GDP. Also, overall balance of payment position is expected to remain comfortable where we expect FX reserves accretion of USD 4-5 billion in FY21 on account of contained current account deficit and strong inflows under financial account.

Continuing with its recent trend, the PKR further appreciated by 3.3% against USD during March due to a comfortable balance of payments position. As per latest data, Real Effective Exchange Rate (REER) for the month of Feb'21 was 97.1. The dollar Index appreciated ~2.6% during Mar'21 whereas PKR witnessed an appreciation of ~4.7% against its trading partners' currencies during the month. Therefore, we don't see any significant PKR appreciation from current levels as the Real Effective Exchange Rate (REER) a comparative indicator of purchasing power viz-a-viz currencies of trading partners indicate that rupee is rightly priced. There may be some depreciation in the next financial year.

As per provisional fiscal numbers, FBR collected PKR 3.39 trillion during 9MFY21, exceeding the target of PKR 3.29 trillion. We foresee strong revenue collection during the remaining period of current fiscal year on account of higher growth in the manufacturing sector, the major revenue spinner. We believe FBR will manage to collect PKR4.7 trillion during the ongoing fiscal year. While, overall fiscal deficit is expected to be 7.5%, higher than the target deficit of 7.1% of GDP.

## **Fixed income Review for 9MFY21**

During 9MFY21, market expectation of further rate cut faded away. With the subtle change in inflation expectation the short term yields picked up, while long term yields had already started to the upward adjustment since May'20 MPS. As a result, the market preferred remaining on the shorter end, investing heavily in 3 to 6 month T-Bills and floater rate PIBs.

During the period under review, investment via T-bills remained on the higher side. The market participation was ~PKR 15.6 trillion in treasury bills' auctions against the maturity of PKR 9.5 trillion while the Government accepted PKR 9.8 trillion. A clear preference was observed in 3 months tenor which constituted ~65% of the total participation followed by 6 months and 12 months with the participation of 25% and 10% respectively. However, in the last 5 auctions, participation behavior has changed where participation in 6M T-bills increased to 38% (vs. 25% in 9 months cumulatively) despite the monetary tightening outlook. The shift was primarily because the government offered the noteworthy average spread of ~28 bps in 6M T-bills over 3M T-bills cut-offs during these auctions.

A strong demand was witnessed in floater rate PIBs (particularly in 3Y), a participation of PKR 2.5 trillion took place in the floater rate PIB auctions, out of which the government accepted PKR 1.34 trillion. The Government 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 as compared to the floater rate PIBs. The market participation was ~PKR 1.07 trillion in PIBs, out of which the government accepted ~PKR 457 billion.

Like what was observed in the conventional sovereign bond market, similar trends were evident in the case of GoP Ijara Sukuk. The market remained inclined towards variable rate Ijara sukuk. Total participation was PKR498 billion in six variable rate Ijara sukuk auctions and the government accepted PKR 321 billion. In contrast, only PKR 77.6 billion participation was witnessed in the fixed rate Ijara sukuk out of which, the government accepted PKR 53 billion.



Yield curve comparison is given below:

Tenors	PKRV as at March 31, 2021 (%)	PKRV as at June 30, 2020 (%)	Change (%)
3 Months	7.42	7.15	0.27
6 Months	7.77	7.09	0.68
1 Year	7.89	7.05	0.84
3 years	9.35	7.55	1.8
5 Years	9.86	8.14	1.72
10 Years	10.42	8.71	1.71

## Stock Market Review for 9MFY21

The benchmark KSE-100 index gained steam of positive momentum, closing 29.5% higher during the period under review. The notable performance of the index driven by 1) major decline in domestic COVID-19 infection and increase in recovery rates in the 1H FY21, 2) improvement in macro-economic indicators (trade balance, remittance and FX reserves), 3) significant decline in interest rates (625bps) which brought equities as the preferred assets class over other alternative assets, and 4) encouraging development on COVID vaccine.

Prevailing bullish mood of the investors even ignored a few negative developments during the period including rising political uncertainty prior to Senate elections and downward revision in RoE's of IPPs' ROE. Local participants led the rally with individuals mopping up shares worth USD 248 million, companies USD 117 million and insurance companies USD53 million, while foreigners continued to remain sellers offloading shares worth USD 295 million.

## Fund-wise performance is as follows:

### 1) UBL LIQUIDITY PLUS FUND (ULPF)

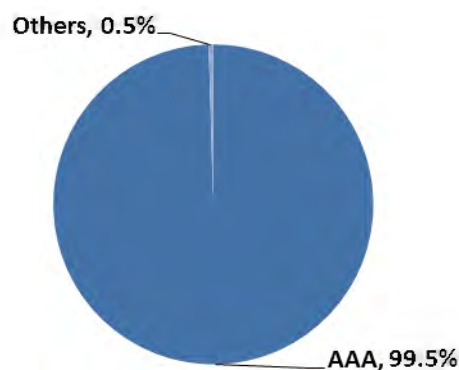
UBL Liquidity Plus Fund (ULPF) is an open end Money Market Fund with investment objective to provide attractive daily returns while maintaining comparatively high liquidity. ULPF yielded return of 6.84% per annum. During 9MFY21. Major exposure was maintained in cash at the end of March 31, 2020, thus maintaining high portfolio quality. The net assets of the fund were PKR 23,080 million at the end of 9MFY21. The Asset allocation was made as such to ensure high liquidity is kept intact. The weighted average maturity of the Fund was 3.7 day at the end 9MFY21.

	ULPF	Benchmark
<b>9MFY'21 Return:</b>	6.84%	6.69%
<b>Standard Deviation (12m Rolling):</b>	0.34%	1.01%
<b>Sharpe Ratio (12m Rolling):</b>	1.16	(0.22)



Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
Cash	3.1%	2.7%	90.1%
Placements with Banks	0.0%	0.0%	9.5%
T-Bills	75.3%	85.6%	0.0%
Placements with DFIs	8.1%	11.5%	0.0%
Bai-Muajjal	6.8%	0.0%	0.0%
Others	6.7%	0.2%	0.5%
Leverage	Nil	Nil	Nil

#### ULPF-Portfolio Quality



#### ULPF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>ULPF (p.a)</b>	6.99%	6.99%	7.82%	9.24%	7.90%	8.73%
<b>Benchmark</b>	6.70%	6.67%	7.20%	8.94%	7.45%	8.16%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 1,055.504 million for the nine months period ended March 31, 2021 which mainly includes markup / interest income on bank balances, placements and government securities. After accounting for the expenses of PKR 87.040 million, the Fund managed to earn a net income of PKR 968.464 million. The net assets of the Fund were PKR 23,079.504 million as at March 31, 2021 representing the net asset value of PKR 101.0384 per unit.

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



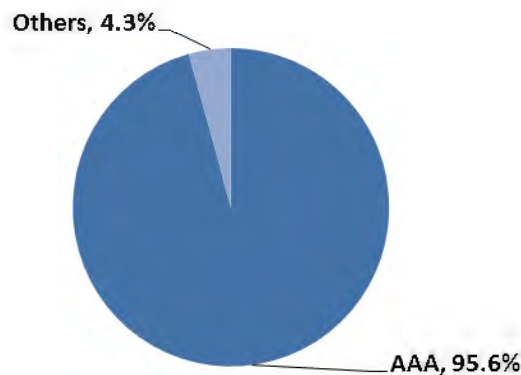
## 2) UBL MONEY MARKET FUND (UMMF)

The objective of UBL Money Market Fund is to generate competitive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors by investing a major chunk of the portfolio in short term government securities. During the period under review, UMMF generated a return of 6.19% per annum whereas its net assets were PKR 2,988 million at the end of 9MFY21. The Fund Manager maintained a high-quality liquid profile during the period with major allocation of 87.4% to cash and cash equivalents. The weighted average time to maturity of the Fund was 3.4 day at the end of 9MFY21.

	UMMF	Benchmark
<b>9MFY'21 Return:</b>	6.19%	6.69%
<b>Standard Deviation (12m Rolling):</b>	0.31%	1.01%
<b>Sharpe Ratio (12m Rolling):</b>	(0.94)	(0.22)

Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
Cash	4.1%	5.4%	87.5%
Placements with Banks	0.0%	0.0%	8.3%
T-Bills	77.6%	79.4%	0.0%
Placements with DFIs	7.8%	14.2%	0.0%
Bai-Muajjal	7.8%	0.0%	0.0%
Others	2.7%	0.9%	4.3%
Leverage	Nil	Nil	Nil

### UMMF - Portfolio Quality





## UMMF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>UMMF (p.a)</b>	6.34%	6.41%	7.14%	8.86%	7.39%	8.26%
<b>Benchmark</b>	6.70%	6.67%	7.20%	8.94%	7.49%	8.74%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 167.453 million for the nine months period ended March 31, 2021 which mainly includes markup / interest income on bank balances, placements and government securities. After accounting for the expenses of PKR 25.705 million, the Fund managed to earn a net income of PKR 141.748 million. The net assets of the Fund were PKR 2,987.736 million as at March 31, 2021 representing the net asset value of PKR 105.3619 per unit.

### 3) UBL CASH FUND (UCF)

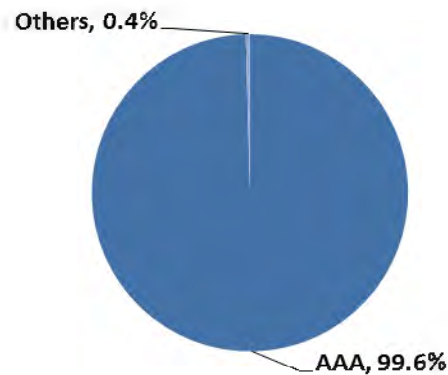
The objective of UBL Cash Fund (UCF) is to generate attractive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors. During the period under review, UCF generated a return of 7.02% p.a. whereas its net assets were PKR 3,758 million at the end of 9MFY21. The weighted average time to maturity of the fund was 3.7 day at the end of 9MFY21.

	UCF	Benchmark
<b>9MFY'21 Return:</b>	7.02%	6.69%
<b>Standard Deviation (12m Rolling):</b>	0.35%	0.51%
<b>Sharpe Ratio (12m Rolling):</b>	1.86	0.42

Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
Cash	1.1%	4.2%	90.3%
Placements with Banks	0.0%	0.0%	9.3%
T-Bills	77.7%	75.4%	0.0%
Placements with DFIs	14.4%	20.2%	0.0%
Bai-Muajjal	6.1%	0.0%	0.0%
Others	0.7%	0.3%	0.4%
Leverage	Nil	Nil	Nil



## UCF - Portfolio Quality



## UCF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UCF (p.a)	7.20%	7.20%	8.08%	-	-	10.13%
Benchmark	6.70%	6.67%	6.70%	-	-	7.59%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 124.957 million for the nine months period ended March 31, 2021 which mainly includes markup / interest income on bank balances, placements and government securities. After accounting for the expenses of PKR 7.217 million, the Fund managed to earn a net income of PKR 117.740 million. The net assets of the Fund were PKR 3,757.545 million as at March 31, 2021 representing the net asset value of PKR 105.2649 per unit.

## 4) UBL GOVERNMENT SECURITIES FUND (UGSF)

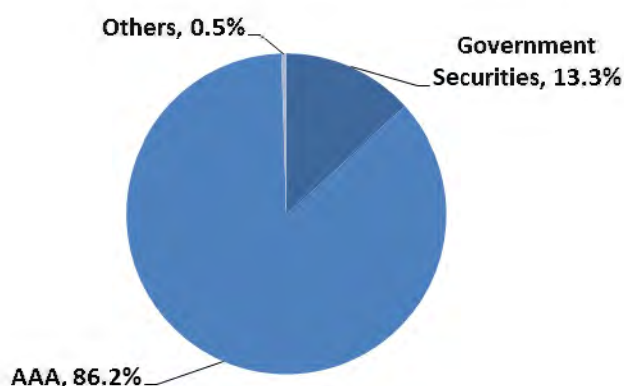
The objective of the Fund is to generate a competitive return with minimum risk, by investing primarily in Government Securities. UBL Government Securities Fund posted a return of 5.01% per annum whereas its net assets were PKR 2,646 million at the end of 9MFY21. The Fund has 86.2% exposure in Cash at the end of 9MFY21. The weighted average maturity of the Fund was 1.03 years at the end of 9MFY21.

	UGSF	Benchmark
9MFY'21 Return:	5.01%	7.20%
Standard Deviation (12m Rolling):	1.45%	0.72%
Sharpe Ratio (12m Rolling):	(0.04)	0.03



Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
Cash	1.5%	1.8%	86.2%
PIB - Floater	77.5%	79.8%	13.3%
PIB - Fixed	4.5%	2.0%	0.0%
T-Bills	15.1%	14.7%	0.0%
Others	1.4%	1.7%	0.5%
Leverage	Nil	Nil	Nil

#### UGSF - Portfolio Quality



#### UGSF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>UGSF (p.a)</b>	5.95%	5.37%	7.37%	9.08%	7.43%	9.18%
<b>Benchmark</b>	7.45%	7.32%	7.45%	9.70%	8.17%	8.38%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 233.446 million for the nine months period ended March 31, 2021 which mainly includes markup / interest income on bank balances, placements and government securities. After accounting for the expenses of PKR 54.681 million, the Fund managed to earn a net income of PKR 178.765 million. The net assets of the Fund were PKR 2,645.997 million as at March 31, 2021 representing the net asset value of PKR 105.7159 per unit.

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



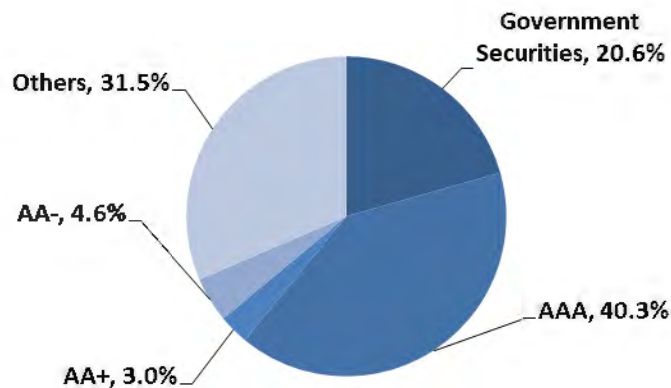
## 5) UBL GROWTH & INCOME FUND (UGIF)

UGIF is an open end Aggressive Fixed Income Fund, investing in medium to long term fixed income instruments as well as short tenor money market instruments and seeks to generate superior, long term, risk adjusted returns while preserving capital over the long-term. The fund has posted a return of 6.98% per annum during 9MFY21. Its fund size stood at PKR 1,379 million at end of Mar-21. The Fund manager had major exposure in Cash and PIBs, weighted average time to maturity of the fund was 1.86 years at the end of 9MFY21.

	UGIF	Benchmark
<b>9MFY'21 Return:</b>	6.98%	7.41%
<b>Standard Deviation (12m Rolling):</b>	1.37%	0.61%
<b>Sharpe Ratio (12m Rolling):</b>	1.03	0.20

Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
Cash	4.7%	31.6%	38.6%
Spread Transaction	20.7%	3.2%	29.6%
PIB - Floater	15.4%	14.0%	13.8%
Term Finance Certificates/ Sukuks	10.1%	3.6%	9.4%
T-Bills	39.6%	11.8%	6.9%
PIB - Fixed	7.8%	4.7%	0.0%
Others	1.8%	31.0%	1.9%
Leverage	Nil	Nil	Nil

### UGIF Portfolio Quality



### UGIF vs. Benchmark



#### Return vs Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>UGIF (p.a)</b>	6.41%	6.25%	8.84%	9.60%	8.36%	6.91%
<b>Benchmark</b>	7.72%	7.57%	7.56%	9.92%	8.44%	10.05%

Returns are annualized using the Morningstar Methodology

The Fund earned a net profit of PKR 67.189 million for the nine months period ended March 31, 2021. The net assets were PKR 1,378.885 million as at March 31, 2021 representing a net asset value of PKR 89.3777 per unit.

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

#### 6) UBL STOCK ADVANTAGE FUND (USF)

USF is an open-end Equity Fund, investing primarily in equities listed on the KSE. The Fund seeks to maximize total returns and outperform its benchmark by investing in a combination of securities offering long term capital gains and dividend yield potential. During the period under review, the Fund posted a return of 29.53%. The Fund manager maintained the exposure in local equity market of around 93.3% while exposure in cash stood at 2.3% at the end of March 31, 2020. The net assets of the fund were PKR 7,492 million as at March 31, 2021.

	USF	Benchmark
<b>9MFY'21 Return:</b>	25.16%	29.53%
<b>Standard Deviation (12m Rolling):</b>	18.41%	17.83%
<b>Sharpe Ratio (12m Rolling):</b>	2.34	2.47

#### Asset Allocation (% of Total Assets)

	Jan'21	Feb'21	Mar'21
Equities	94.8%	87.1%	93.3%
Cash	4.7%	12.5%	2.3%
Others	0.5%	0.4%	4.4%
Leverage	Nil	Nil	Nil

#### USF vs. Benchmark

##### Return vs Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>USF</b>	0.00%	7.19%	50.44%	1.63%	40.99%	456.78%
<b>Benchmark</b>	1.90%	9.90%	52.53%	-2.13%	31.61%	258.59%

Returns are on absolute basis



The Fund earned a net gain of PKR 1,493.328 million for the nine months period ended March 31, 2021 (including an unrealized gain of PKR 641.481 million on revaluation of investments) as compared to a net loss of PKR 835.928 million (including an unrealized loss of PKR 1,047.444 million on revaluation of investments) during the same period last year. The capital gain from the sale of securities amounted to PKR 826.654 million (March 31, 2021: capital gain amounting to PKR 104.579 million) and dividend income amounting to PKR 317.260 million (March 31, 2021: PKR 208.995 million). As at March 31, 2021, net assets of the Fund were PKR 7,492.436 million representing the net asset value of PKR 75.31 per unit.

## 7) UBL Dedicated Equity Fund (UDEF)

The investment objective of the Fund is to provide other 'Fund of Funds' schemes an avenue for investing in Equities. During the period under review, the Fund posted a return of 25.93% as compared to the benchmark return of 29.53%, the fund size stood at PKR 27 million at the end of March 31, 2020. The fund manager maintained the exposure in local equity market of around 86% at the end of 9MFY21.

	<b>UDEF</b>	<b>Benchmark</b>
<b>9MFY'21 Return:</b>	25.93%	29.53%
<b>Standard Deviation (12M Rolling):</b>	18.05%	17.83%
<b>Sharpe Ratio (12M Rolling):</b>	2.59	2.47

<b>Asset Allocation (% of Total Assets)</b>			
	<b>Jan'21</b>	<b>Feb'21</b>	<b>Mar'21</b>
Equities	87.4%	86.1%	86.1%
Cash	3.5%	4.0%	3.2%
Others	9.2%	9.9%	10.8%
Leverage	Nil	Nil	Nil

## **UDEF vs. Benchmark**

<b>Return vs Benchmark</b>						
	<b>3 Months</b>	<b>6 Months</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>Since Inception</b>
<b>UDEF</b>	0.44%	6.21%	54.14%	-	-	8.57%
<b>Benchmark</b>	1.90%	9.90%	52.53%	-	-	5.81%

Returns are on absolute basis

The Fund earned a net income of PKR 10.708 million nine months period ended March 31, 2021 (including an unrealized gain of PKR 3.136 million on revaluation of investments). As at March 31, 2021, net assets of the Fund were PKR 27.430 million representing the net asset value of PKR 108.5674 per unit.



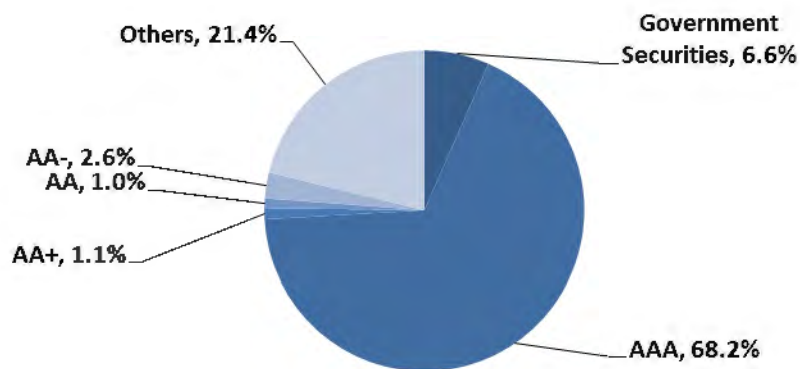
## 8) UBL INCOME OPPORTUNITY FUND (UIOF)

The objective of UBL Income Opportunity Fund is to provide a competitive rate of return to its investors by investing in quality TFCs / Sukuk, Government Securities, Bank Deposits, and short and long term debt instruments. The Fund posted a return of 6.30% per annum during 9MFY21. The weighted average maturity of the fund was 0.49 year at the end of Mar'21. The Fund's asset size stood at PKR 1,722 million as at March 31, 2020.

	UIOF	Benchmark
<b>9MFY'21 Return:</b>	6.30%	7.22%
<b>Standard Deviation (12m Rolling):</b>	1.75%	0.73%
<b>Sharpe Ratio (12m Rolling):</b>	0.87	0.05

Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
Cash	6.4%	14.5%	66.3%
Spread Transaction	19.9%	8.0%	20.2%
Term Finance Certificates/ Sukuks	4.5%	4.6%	5.7%
T-Bills	23.8%	6.9%	5.5%
PIB - Floater	21.0%	30.7%	1.1%
Others	24.5%	35.3%	1.2%
Leverage	Nil	Nil	Nil

### UIOF Portfolio Quality





## UIOF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>UIOF (p.a)</b>	7.15%	6.57%	8.95%	10.06%	8.14%	8.19%
<b>Benchmark</b>	7.46%	7.34%	7.47%	9.75%	8.24%	8.22%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 79.364 million for the nine months period ended March 31, 2021 which mainly includes markup / interest income on bank balances, govt. securities, TFCs and TDRs. After accounting for the expenses of PKR 18.679 million, the Fund managed to earn a net income of PKR 60.685 million. The net assets of the Fund were PKR 1,722.173 million as at March 31, 2021 representing the net asset value of PKR 115.2651 per unit.

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

## 9) UBL Asset Allocation Fund (UAAF)

The investment objective of the Fund is to earn competitive return by investing in various asset classes / instruments based on the market outlook. During the period under review, the Fund posted a return of 13.02%. The fund manager maintained the exposure in local equity market of around 38.1% while exposure in cash stood at 39% at the end of March 31, 2020. The net assets of the fund were PKR 1,040 million as at March 31, 2020.

	UAAF	Benchmark
<b>9MFY'21 Return:</b>	13.02%	15.29%
<b>Standard Deviation (12m Rolling):</b>	7.69%	7.18%
<b>Sharpe Ratio (12m Rolling):</b>	2.16	2.50

Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
Cash	10.4%	20.3%	39.0%
Equities	37.2%	38.6%	38.1%
Term Finance Certificates/ Sukuks	9.9%	10.0%	10.9%
PIB - Floater	16.7%	17.2%	9.4%
T-Bills	23.9%	12.0%	0.0%
Others	2.0%	1.9%	2.7%
Leverage	Nil	Nil	Nil



## UAAF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>UAAF</b>	0.83%	4.78%	24.03%	21.60%	48.98%	120.91%
<b>Benchmark</b>	2.07%	6.77%	25.37%	21.67%	54.94%	101.53%

Returns are on absolute basis

The Fund earned a net income of PKR 127.655 million for the nine months period ended March 31, 2021 (including an unrealized gain of PKR 41.962 million on revaluation of investments) as compared to a net gain of PKR 46.305 million (including an unrealized loss of PKR 60.705 million on revaluation of investments) during the same period last year. The capital gain from the sale of securities amounted to PKR 52.575 million (March 31, 2020: capital gain amounting to PKR 33.452 million) and dividend income amounting to PKR 20.484 million (March 31, 2020: PKR 22.262 million). As at March 31, 2021 net assets of the Fund were PKR 1,039.522 million representing the net asset value of PKR 154.0217 per unit.

## 10) UBL Financial Sector Fund (UFSF)

The objective is to provide investors long term capital appreciation by investing primarily in a mix of actively managed portfolio of listed equities that offer capital gains and dividends yield potential preferably in the Financial Sector. During the period under review, the Fund posted a return of 14.62%. The fund manager maintained the exposure in local equity market of around 91.4% while exposure in cash stood at 2.0% at the end of March 31, 2020. The net assets of the Fund were PKR 1,370 million as at March 31, 2020.

	UFSF	Benchmark
<b>9MFY'21 Return:</b>	14.62%	29.53%
<b>Standard Deviation (12m Rolling):</b>	17.96%	17.83%
<b>Sharpe Ratio (12m Rolling):</b>	0.82	2.47

Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
Equities	91.9%	94.8%	91.4%
Cash	7.9%	4.7%	2.0%
Others	0.3%	0.5%	6.6%
Leverage	Nil	Nil	Nil



## UFSF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>UFSF</b>	-3.78%	-0.51%	22.21%	-	-	-22.16%
<b>Benchmark</b>	1.90%	9.90%	52.53%	-	-	-4.24%

Returns are on absolute basis

The Fund earned a net income of PKR 37.012 million for the nine months period ended March 31, 2021 (including an unrealized loss of PKR 33.890 million on revaluation of investments)). As at March 31, 2021, net assets of the Fund were PKR 1,370.219 million representing the net asset value of PKR 77.8437 per unit.

## 11) UBL Financial Planning Fund (UFPF)

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

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

	UAPPP-I	Benchmark
<b>1QFY'21 Return:</b>	0.68%	0.95%
<b>Standard Deviation (12m Rolling):</b>	7.33%	7.03%
<b>Sharpe Ratio (12m Rolling):</b>	(1.32)	(1.23)

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

## UAPPP-I vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>UAPPP-I</b>	1.11%	-9.36%	1.52%	-	-	4.45%
<b>Benchmark</b>	1.60%	-6.32%	2.52%	-	-	7.21%

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



The Plan earned a net income of PKR 0.255 million for the nine months period ended March 31, 2021 (including an unrealized gain of PKR 0.388 million on revaluation of investments). The net assets of the Plan were PKR 41 million at the time of maturity.

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

The Plan was matured on November 30, 2020 and yielded return of 8.36% since inception. Major exposure was maintained in Money Market funds, thus maintaining high portfolio quality. The net assets of the Plan were PKR 195 million at the time of maturity.

	<b>UAPPP-II</b>	<b>Benchmark</b>
<b>1HFY'21 Return:</b>	2.30%	2.84%
<b>Standard Deviation (12m Rolling):</b>	5.79%	5.42%
<b>Sharpe Ratio (12m Rolling):</b>	(2.22)	(1.71)

<b>Asset Allocation (% of Total Assets)</b>			
	<b>Sep'20</b>	<b>Oct'20</b>	<b>Nov'20</b>
Money Market Funds	93.7%	93.8%	93.8%
Cash	6.1%	6.0%	6.0%
Others	0.2%	0.2%	0.2%
Leverage	Nil	Nil	Nil

#### **UAPPP-II vs. Benchmark**

	<b>Return vs Benchmark</b>					
	<b>3 Months</b>	<b>6 Months</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>Since Inception</b>
<b>UAPPP-II</b>	1.42%	2.80%	-3.43%	-	-	8.36%
<b>Benchmark</b>	1.67%	3.51%	0.16%	-	-	16.19%

Returns are on absolute basis | The figures are as at Nov 30, 2020, as the fund matured on that date

The Plan earned a net income of PKR 4.631 million for the nine months period ended March 31, 2021 (including an unrealized gain of PKR 4.758 million on revaluation of investments). The net assets of the Plan were PKR 195 million at the time of maturity.

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

The Plan yielded return of 4.29% during Mar'21 against benchmark return of 5.15%. Major exposure was maintained in Money Market funds. The net assets of the Plan were PKR 118mn as at the Mar'21.



	UAPPP-III	Benchmark
9MFY'21 Return:	4.29%	5.15%
Standard Deviation (12M Rolling):	0.46%	0.05%
Sharpe Ratio (12M Rolling):	(1.88)	0.41

Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
Money Market Funds	98.9%	98.7%	98.8%
Cash	0.0%	0.0%	0.0%
Others	1.0%	1.2%	1.2%
Leverage	Nil	Nil	Nil

#### UAPPP-III vs. Benchmark

	Return vs Benchmark					
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UAPPP-III	1.40%	2.95%	6.56%	-	-	5.75%
Benchmark	1.67%	3.38%	7.46%	-	-	8.96%

Returns are on absolute basis

The Plan earned a net income of PKR 5.993 million for the nine months period ended March 31, 2021 (including an unrealized gain of PKR 1.207 million on revaluation of investments)). As at March 31, 2021, net assets of the Plan were PKR 118.021 million representing the net asset value of PKR 105.6315 per unit.

## 12) UBL Special Savings Fund

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

The “UBL Special Savings Plan-I (USSP-I)” is an Allocation Plan under “UBL Special Savings Fund”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for thirty-six (36) Months from commencement of life of plan. USSP-I yield return of 3.77%. Major exposure was maintained in PIBs at the end of Mar'21, thus maintaining high portfolio quality. The net assets of the Fund were PKR 291 million as at the March 31, 2020.

	USSP-I	Benchmark
9MFY'21 Return:	3.77%	7.20%
Standard Deviation (12M Rolling):	2.28%	0.72%
Sharpe Ratio (12M Rolling):	0.52	0.03



Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
PIB - Fixed*	97.1%	85.4%	86.5%
T-Bills*	0.0%	11.3%	11.5%
Cash	2.3%	2.3%	0.5%
Others	0.6%	1.0%	1.6%
Leverage	Nil	Nil	Nil

#### USSP-I vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>USSP-I (p.a)</b>	2.79%	4.32%	8.62%	-	-	11.66%
<b>Benchmark</b>	7.45%	7.32%	7.45%	-	-	10.26%

Returns are annualized using the Morningstar Methodology

The Plan earned total income of PKR 28.862 million for the nine months period ended March 31, 2021. After accounting for the expenses of PKR 4.853 million, the Plan managed to earn a net income of PKR 24.009 million. As at March 31, 2021, net assets of the Plan were PKR 290.751 million representing a net asset value of PKR 105.6652 per unit.

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

The “UBL Special Savings Plan-II (USSP-II)” is an Allocation Plan under “UBL Special Savings Fund”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for thirty-six (36) Months from commencement of life of plan. USSP-II yielded return of 4.39%. Major exposure was maintained in PIBs at the end of Mar’21. The net assets of the Plan were PKR 638 million as at March 31, 2021.

	USSP-II	Benchmark
<b>9MFY'21 Return:</b>	4.39%	7.20%
<b>Standard Deviation (12M Rolling):</b>	2.21%	0.72%
<b>Sharpe Ratio (12M Rolling):</b>	0.81	0.03



Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
PIB - Fixed*	95.7%	96.5%	96.5%
Cash	3.8%	2.5%	1.9%
Others	0.5%	1.0%	1.6%
Leverage	Nil	Nil	Nil

#### USSP-II vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USSP-II (p.a)	3.82%	4.99%	9.23%	-	-	12.34%
Benchmark	7.45%	7.32%	7.45%	-	-	10.26%

Returns are annualized using the Morningstar Methodology

The Plan earned total income of PKR 60.209 million for the nine months period ended March 31, 2021. After accounting for the expenses of PKR 8.919 million, the Plan managed to earn a net income of PKR 51.290 million. As at March 31, 2021, net assets of the Fund were PKR 637.685 million representing the net asset value of PKR 105.2354 per unit.

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

The “UBL Special Savings Plan-III (USSP-III)” is an Allocation Plan under “UBL Special Savings Fund”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for thirty-six (36) Months from commencement of life of plan. USSP-III yielded return of 2.51%. Major exposure was in PIBs at the end of Mar'21. The net assets of the Plan were PKR 66 million as at the March 31, 2021.

	USSP-III	Benchmark
9MFY'21 Return:	2.51%	7.20%
Standard Deviation (12M Rolling):	2.77%	0.72%
Sharpe Ratio (12M Rolling):	0.17	0.03

Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
PIB - Fixed*	96.1%	63.0%	64.5%
T-Bills*	0.0%	28.0%	28.8%
Cash	3.3%	8.1%	5.4%
Others	0.6%	0.9%	1.3%
Leverage	Nil	Nil	Nil



#### USSP-III vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>USSP-III (p.a)</b>	-0.30%	3.08%	7.90%	-	-	13.40%
<b>Benchmark</b>	7.45%	7.32%	7.45%	-	-	10.21%

Returns are annualized using the Morningstar Methodology

The Plan earned total income of PKR 9.916 million for the nine months period ended March 31, 2021. After accounting for the expenses of PKR 1.426 million, the Plan managed to earn a net income of PKR 8.490 million. As at March 31, 2021, net assets of the Plan were PKR 66.155 million representing the net asset value of PKR 107.9756 per unit.

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

The “UBL Special Savings Plan-IV (USSP-IV)” is an Allocation Plan under “UBL Special Savings Fund”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for twenty-four (24) Months from commencement of life of plan. USSP-IV yielded return of 4.56%. Major exposure was maintained in PIBs at the end of Mar’21, thus maintaining high portfolio quality. The net assets of the Plan were PKR 178 million as at the March 31, 2021.

	USSP-IV	Benchmark
<b>9MFY’21 Return:</b>	4.56%	7.20%
<b>Standard Deviation (12M Rolling):</b>	1.65%	0.72%
<b>Sharpe Ratio (12M Rolling):</b>	0.85	0.03

Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
PIB - Fixed*	95.3%	98.8%	96.4%
Cash	4.3%	0.2%	2.1%
Others	0.4%	1.0%	1.5%
Leverage	Nil	Nil	Nil



#### USSP-IV vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>USSP-IV (p.a)</b>	4.59%	4.75%	8.83%	-	-	12.52%
<b>Benchmark</b>	7.45%	7.32%	7.45%	-	-	10.11%

Returns are annualized using the Morningstar Methodology

The Plan earned total income of PKR 18.105 million for the nine months period ended March 31, 2021. After accounting for the expenses of PKR 3.461 million, the Plan managed to earn a net income of PKR 14.644 million. As at March 31, 2021, net assets of the Plan were PKR 178.208 million representing the net asset value of PKR 104.6067 per unit.

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

The “UBL Special Savings Plan V (USSP-V)” is an Allocation Plan under “UBL Special Savings Fund”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for thirty-six (36) Months from commencement of life of plan. USSP-V yielded return of 6.46%. The net assets of the Plan were PKR 28 million as at March 31, 2021. Major exposure was maintained in Cash at the end of Mar’21.

	USSP-V	Benchmark
<b>9MFY’21 Return:</b>	6.46%	7.20%
<b>Standard Deviation (12m Rolling):</b>	1.12%	0.72%
<b>Sharpe Ratio (12m Rolling):</b>	1.34	0.03

Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
Cash	0.9%	2.9%	96.6%
PIB - Fixed*	11.9%	22.1%	0.0%
PIB - Floater*	50.5%	72.7%	0.0%
T-Bills*	35.7%	0.0%	0.0%
Others	1.1%	2.3%	3.4%
Leverage	Nil	Nil	Nil



#### USSP-V vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>USSP-V (p.a)</b>	6.50%	6.76%	8.93%	-	-	11.56%
<b>Benchmark</b>	7.45%	7.32%	7.45%	-	-	9.50%

Returns are annualized using the Morningstar Methodology

The Plan earned total income of PKR 167.348 million for the nine months period ended March 31, 2021. After accounting for the expenses of PKR 8.537 million, the Plan managed to earn a net income of PKR 158.811 million. As at March 31, 2021, net assets of the Plan were PKR 28.400 million representing the net asset value of PKR 100.6415 per unit.

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

The “UBL Special Savings Plan VI (USSP-VI)” is an Allocation Plan under “UBL Special Savings Fund”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for twenty-four (24) Months from commencement of life of plan. USSP-VI yielded return of 5.44%. The net assets for the Plan were PKR 132 million as at 31 Mar’21. Major exposure was maintained in PIBs at the end of Mar’21, thus maintaining high portfolio quality.

	USSP-VI	Benchmark
<b>9MFY’21 Return:</b>	5.44%	7.20%
<b>Standard Deviation (12m Rolling):</b>	2.74%	0.72%
<b>Sharpe Ratio (12m Rolling):</b>	0.98	0.03

Asset Allocation (% of Total Assets)			
	Jan’21	Feb’21	Mar’21
PIB - Fixed*	88.4%	91.7%	92.3%
Cash	10.4%	6.5%	6.6%
Others	1.2%	1.8%	1.2%
Leverage	Nil	Nil	Nil

#### USSP-VI vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>USSP-VI (p.a)</b>	5.35%	5.93%	10.11%	-	-	11.94%
<b>Benchmark</b>	7.45%	7.32%	7.45%	-	-	9.78%

Returns are annualized using the Morningstar Methodology



The Plan earned total income of PKR 11.731 million for the nine months period ended March 31, 2021. After accounting for the expenses of PKR 1.592 million, the Plan managed to earn a net income of PKR 10.139 million. As at March 31, 2021, net assets of the Plan were PKR 131.513 million representing the net asset value of PKR 102.3575 per unit.

### 13) UBL Pakistan Enterprise Exchange Traded Fund (UBLP-ETF)

The objective of the newly launched UBL Pakistan Enterprise Exchange Traded Fund (UBLP-ETF) is to track the performance of the benchmark index in order to provide long- term capital appreciation and dividend yields to its investors. During the period under review, the Fund posted a return of 18.64%. The fund manager maintained the exposure in local equity market of around 94.2% while exposure in cash stood at 1.2% at the end of March 31, 2020. The net assets of the Fund were PKR 41million as at Mar, 2021.

Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
Equities	94.9%	96.9%	94.2%
Cash	4.1%	1.9%	1.2%
Others	1.0%	1.2%	4.6%
Leverage	Nil	Nil	Nil

	UBLP-ETF	Benchmark
9MFY'21 Return:	18.64%	20.44%
Standard Deviation (12m Rolling):	17.48%	17.83%
Sharpe Ratio (12m Rolling):	1.28	1.34

#### UBLP-ETF vs. Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UBLP-ETF	0.05%	4.91%	29.75%	-	-	25.99%
Benchmark	0.47%	5.98%	31.94%	-	-	28.30%

Returns are on absolute basis

The Fund earned a net income of PKR 1.202 million for the nine months period ended March 31, 2021 (including dividend income of PKR 2.674 million). As at March 31, 2021, net assets of the Fund were PKR 40.906 million representing the net asset value of PKR 13.6811 per unit.



## 14) UBL Special Savings Fund II

### a) UBL Special Savings Fund-II (UBL Special Savings Plan – VIII)

The “UBL Special Savings Plan-VIII (USSP-VIII)” is an Allocation Plan under “UBL Special Savings Fund - II”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for thirty (30) Months & beyond from commencement of life of plan. USSP-VIII yielded return of 3.11%. The net assets for the Plan were PKR 141million as at 31 Mar’21. Major exposure was maintained in PIBs at the end of Mar’21, thus maintaining high portfolio quality.

	USSP-VIII	Benchmark
9MFY’21 Return:	3.11%	7.20%
Standard Deviation (12M Rolling):	3.71%	0.72%
Sharpe Ratio (12M Rolling):	0.09	0.03

Asset Allocation (% of Total Assets)			
	Jan'21	Feb'21	Mar'21
PIB - Fixed*	57.1%	57.3%	57.1%
T-Bills*	38.3%	33.9%	33.9%
Cash	1.5%	5.3%	7.3%
Others	3.0%	3.4%	1.7%
Leverage	Nil	Nil	Nil

### USSP-VIII vs Benchmark

Return vs Benchmark						
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USSP-VIII (p.a)	4.59%	5.45%	7.78%	-	-	8.33%
Benchmark	7.45%	7.32%	7.45%	-	-	8.09%

Returns are annualized using the Morningstar Methodology

The Plan earned total income of PKR 8.052 million for the nine months period ended March 31, 2021. After accounting for the expenses of PKR 2.252 million, the Plan managed to earn a net income of PKR 5.800 million. As at March 31, 2021, net assets of the Plan were PKR 140.920 million representing the net asset value of PKR 102.9837 per unit.

### Future Outlook

From fundamental perspective, we have positive outlook on the equity market due to undemanding valuations and high earnings growth. Despite a hike in 10Yr PIB rates by 44bps in 1QCY21, the earnings yield differential from



10Y PIB yield is still 4.28% (14.70% vs. 10.42%), much higher than the average yield difference of 1.1% over the last 15 years. Large cap stocks in the banking, oil exploration, fertilizers and power sectors have underperformed the market and this in our opinion could drive the next leg of stock market performance. Moreover, market is currently trading at P/B of 1.1x as compare to its historical average P/B of 1.8x. In addition to this, market is also offering attractive DY of 7.1% as compared to average DY of 2.52% of regional Peers.

### **Acknowledgements**

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

### **FOR & ON BEHALF OF THE BOARD**

SD  
**Yasir Qadri**  
**CHIEF EXECUTIVE**

SD  
**Azhar Hamid**  
**CHARIMAN**

**Karachi, Dated: 28 April 2021**

# ULPF

## UBL Liquidity Plus Fund

### INVESTMENT OBJECTIVE

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

<b>Management Company</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>Auditor</b>	Yousuf Adil, Chartered Accountants
<b>Bankers</b>	United Bank Limited Bank Alfalah Limited MCB Bank Limited Faysal Bank Limited Samba Bank Limited Allied Bank Limited Habib Bank Limited Sindh Bank Limited Zarai Taraqiati Bank Ltd Habib Metropolitan Bank Limited Askari Bank Limited National Bank Of Pakistan Meezan Bank Limited
<b>Management Co. Rating</b>	AM1 (VIS)
<b>Fund Rating</b>	AA+(f)

**UBL LIQUIDITY PLUS FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2021**

	(Un-audited) March 31, 2021	(Audited) June 30, 2020
Note	----- (Rupees in '000) -----	
4	20,943,087	15,825,752
5	2,200,000	650,000
6	-	3,120,183
	101,006	37,341
	1,307	6,298
7	4,414	1,994
	23,249,814	19,641,568
8	11,287	7,672
9	1,338	746
10	2,903	1,954
11	154,782	165,915
	170,310	176,287
	23,079,504	19,465,281
	23,079,504	19,465,281
12	----- (Number of units) -----	
	228,423,094	192,766,885
	----- (Rupees) -----	
	101.0384	100.9783
	100.0000	100.0000

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

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

SD  
**Chief Executive Officer**

SD  
**Chief Financial Officer**

SD  
**Director**

**UBL LIQUIDITY PLUS FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2021**

		Nine months period ended		Quarter ended	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Note		(Rupees in '000)			
<b>INCOME</b>					
Financial income		1,060,257	936,000	398,759	304,453
(Loss) / Gain on sale of investments - net		(5,330)	2,879	(1,917)	7,848
Unrealized gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net		-	4,269	-	4,318
Other income		577	462	210	316
<b>Total income</b>		<b>1,055,504</b>	<b>943,610</b>	<b>397,052</b>	<b>316,935</b>
<b>EXPENSES</b>					
Remuneration of UBL Fund Managers Limited - Management Company	8.1	31,499	51,595	12,308	15,446
Sindh sales tax on remuneration of Management Company		4,095	6,707	1,600	2,008
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9	10,649	4,992	3,935	1,654
Annual fee of Securities and Exchange Commission of Pakistan	10	2,904	1,359	1,072	450
Bank charges		424	453	257	113
Auditors' remuneration		514	571	136	183
Brokerage and settlement expenses		1,577	954	514	333
Allocated expenses	8.3	15,640	5,241	6,239	2,251
Allocated selling and marketing expenses		-	7,447	-	1,168
Fees and subscription charges		204	204	67	67
Other expenses		158	126	50	32
<b>Total expenses</b>		<b>67,664</b>	<b>79,649</b>	<b>26,178</b>	<b>23,705</b>
<b>Net operating income for the period</b>		<b>987,840</b>	<b>863,961</b>	<b>370,874</b>	<b>293,230</b>
Provision for Sindh Workers' Welfare Fund (SWWF)	11.2	(19,376)	(16,946)	(7,273)	(5,749)
<b>Net income for the period before taxation</b>		<b>968,464</b>	<b>847,015</b>	<b>363,601</b>	<b>287,481</b>
Taxation	13	-	-	-	-
<b>Net income for the period after taxation</b>		<b>968,464</b>	<b>847,015</b>	<b>363,601</b>	<b>287,481</b>
<b>Allocation of net income for the period</b>					
- Net income for the period after taxation		968,464	847,015	363,601	287,481
- Income already paid on units redeemed		(65,258)	(46,369)	(23,790)	(18,358)
<b>Net income for the period available for distribution</b>		<b>903,206</b>	<b>800,646</b>	<b>339,811</b>	<b>269,123</b>
<b>Net income for the period available for distribution</b>					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		903,206	800,646	339,811	269,123
		<b>903,206</b>	<b>800,646</b>	<b>339,811</b>	<b>269,123</b>
<b>Earnings per unit</b>	14				

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

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

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL LIQUIDITY PLUS FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2021**

	<u>Nine months period ended</u>		<u>Quarter ended</u>	
	<b>March 31,</b>	March 31,	<b>March 31,</b>	March 31,
	<b>2021</b>	2020	<b>2021</b>	2020
	<u>----- (Rupees in '000) -----</u>			
<b>Net income for the period after taxation</b>	<b>968,464</b>	847,015	<b>363,601</b>	287,481
<b>Other comprehensive income</b>				
Items that may be reclassified subsequently to income statement	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>968,464</b>	847,015	<b>363,601</b>	287,481

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

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

SD  
 Chief Executive Officer

SD  
 Chief Financial Officer

SD  
 Director

**UBL LIQUIDITY PLUS FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	Nine months period ended					
	March 31, 2020			March 31, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees. in '000)					
<b>Net assets at the beginning of the period</b>	19,328,240	137,041	19,465,281	6,731,381	105,945	6,837,326
Amount received on issuance of 592,508,442 units (2020: 260,883,165 units)						
- Capital value	59,830,495	-	59,830,495	26,293,819	-	26,293,819
- Element of income	86,015	-	86,015	50,711	-	50,711
<b>Total amount received on issuance of units</b>	59,916,510	-	59,916,510	26,344,530	-	26,344,530
Amount paid on redemption of 556,852,233 units (2020: 231,596,616 units)						
- Capital value	(56,229,992)	-	(56,229,992)	(23,347,060)	-	(23,347,060)
- Element of income	(3,970)	(65,258)	(69,228)	(6,677)	(46,369)	(53,046)
<b>Total amount paid on redemption of units</b>	(56,233,962)	(65,258)	(56,299,220)	(23,353,737)	(46,369)	(23,400,106)
Total comprehensive income for the period	-	968,464	968,464	-	847,015	847,015
Interim distributions made during the period (note 18)	(81,876)	(889,655)	(971,531)	(45,350)	(792,553)	(837,903)
<b>Net income for the period less distribution</b>	(81,876)	78,809	(3,067)	(45,350)	54,462	9,112
<b>Net assets at the end of the period</b>	<b>22,928,912</b>	<b>150,592</b>	<b>23,079,504</b>	<b>9,676,824</b>	<b>114,038</b>	<b>9,790,862</b>
<b>Undistributed income brought forward comprising of:</b>						
- Realised		137,041	137,041		105,945	105,945
- Unrealised		-	-		-	-
Total undistributed income brought forward		137,041	137,041		105,945	105,945
<b>Accounting income available for distribution</b>						
- Related to capital gain		-	-		-	-
- Excluding capital gain	903,206	903,206	903,206	800,646	800,646	800,646
<b>Distribution during the period:</b>						
Interim distributions during the period						
cash dividend	(889,655)	(889,655)	(889,655)	(792,553)	(792,553)	(792,553)
<b>Undistributed income carried forward - net</b>	<b>150,592</b>	<b>150,592</b>	<b>150,592</b>	<b>114,038</b>	<b>114,038</b>	<b>114,038</b>
<b>Undistributed income carried forward comprising of:</b>						
- Realised	150,592	150,592	150,592	109,769	109,769	109,769
- Unrealised	-	-	-	4,269	4,269	4,269
	150,592	150,592	150,592	114,038	114,038	114,038
	(Rupees)					
<b>Net assets value per unit at the beginning of the period</b>			100.9783			100.7804
<b>Net assets value per unit at the end of the period</b>			101.0384			100.8502

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

**FOR UBL FUND MANAGERS LIMITED**  
(Management Company)

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

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

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

**UBL LIQUIDITY PLUS FUND**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	<b>Nine months period ended</b>	
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
	<b>------(Rupees in '000)-----</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	968,464	847,015
<b>Adjustments for:</b>		
Financial income	(1,060,834)	(936,462)
(Loss) / Gain on sale of investments - net	5,330	(2,879)
Unrealized gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net	-	(4,269)
Provision for Sindh Workers' Welfare Fund (SWWF)	19,376	16,946
	<b>(1,036,128)</b>	<b>(926,664)</b>
<b>Cash used in operations before working capital changes</b>	<b>(67,664)</b>	<b>(79,649)</b>
<b>Decrease / (increase) in assets</b>		
Investments - net	3,114,853	(1,341,276)
Security deposits, prepayments and other receivables	4,991	46,312
Advance tax	(2,420)	-
	<b>3,117,424</b>	<b>(1,294,964)</b>
<b>Increase / (decrease) in liabilities</b>		
Payable to UBL Fund Managers Limited - Management Company	3,615	3,326
Payable to Central Depository Company of Pakistan Limited - Trustee	592	31
Payable to Securities and Exchange Commission of Pakistan	949	(7,552)
Accrued expenses and other liabilities	(30,509)	1,829
	<b>(25,353)</b>	<b>(2,366)</b>
<b>Cash generated from / (used in) operations</b>	<b>3,024,407</b>	<b>(1,376,979)</b>
Mark-up received on bank balances and investments	997,169	931,443
<b>Net cash generated from / (used in) operating activities</b>	<b>4,021,576</b>	<b>(445,536)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from issuance of units	59,916,510	26,344,530
Payments against redemption of units	(56,299,220)	(23,400,106)
Dividend paid	(971,531)	(837,903)
<b>Net cash generated from financing activities</b>	<b>2,645,759</b>	<b>2,106,521</b>
<b>Net increase increase in cash and cash equivalents during the period</b>	<b>6,667,335</b>	<b>1,660,985</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>16,475,752</b>	<b>6,836,231</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>23,143,087</b>	<b>8,497,216</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Bank balances	20,943,087	8,497,216
Placements, Commercial Papers and Term Deposit Receipts	2,200,000	-
	<b>23,143,087</b>	<b>8,497,216</b>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

**FOR UBL FUND MANAGERS LIMITED**  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

## **UBL LIQUIDITY PLUS FUND**

### **NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

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

- 1.1** UBL Liquidity Plus Fund (the "Fund") was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the management company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 07, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 11, 2009 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-ended mutual fund. The Fund commenced its operations from June 21, 2009.
- 1.2** The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.3** The Fund is an open-end mutual fund categorised as money market scheme and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.4** The investment objective of the Fund is to seek and provide attractive daily returns while maintaining comparatively high liquidity by investing in diversified portfolio of low risk assets.
- 1.5** VIS Credit Rating Company has reaffirmed management quality rating of "AM1" (stable outlook) to the Management Company on December 31, 2020 and assigned a stability rating of "AA+(f)" to the Fund as on January 06, 2021.

#### **2. STATEMENT OF COMPLIANCE**

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2** The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2020.
- 2.3** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

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

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

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.

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

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

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

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

		(Un-audited) March 31, 2020	(Audited) June 30, 2020
	Note	-----Rupees in '000-----	
<b>4. BANK BALANCES</b>			
- Current account		15,012	14
- Profit and loss sharing accounts	4.1	<u>20,928,075</u>	<u>15,825,738</u>
		<u>20,943,087</u>	<u>15,825,752</u>

4.1 Mark-up rates on these savings accounts range between 4.5% to 8% per annum (June 30, 2020: 6.5% to 14.40% per annum). These include an amount held by a related party, United Bank Limited, amounting to Rs. 23.94 million (June 30, 2020: Rs. 19.17 million) on which return is earned at 5.5% (June 30, 2020: 6.5%) per annum.

## 5. PLACEMENTS, COMMERCIAL PAPERS AND TERM DEPOSIT RECEIPTS

Particulars	Note	As at July 1, 2020	Purchased during the period	Matured during the period	As at March 31, 2021	Market value as a percentage of net assets of the Fund
-----Rupees in '000-----						-----%
Term Deposits Receipts	5.1	-	2,200,000	-	2,200,000	9.53
Letter of Placements	5.2	650,000	39,986,000	40,636,000	-	0.00
<b>Total as at March 31, 2020 (Un-audited)</b>		<b>650,000</b>	<b>42,186,000</b>	<b>40,636,000</b>	<b>2,200,000</b>	<b>9.53</b>
Placements, commercial papers, certificate of investments and term deposit receipts						
Total as at June 30, 2020 (Audited)		850,000	28,016,612	28,216,612	650,000	3.34

5.1. Term Deposit Receipt (TDR) having face value of Rs. 2,200 million carrying interest rate at 7.7% per annum.

5.2. Letter of Placements (LOPs) carrying interest rates ranging from 6.85% to 7.70% were acquired and matured during the period.

## 6. INVESTMENTS - NET

### Government securities classified as financial asset at fair value

Name of security	Note	As at July 1, 2020	Purchased during the period	Sold / matured during the period	As at March 31, 2021	Total carrying value as at March 31, 2020	Total market value as at March 31, 2021	Appreciation / (diminution) as at March 31, 2021	Market value as a percentage of total investment of the Fund	Market value as a percentage of net assets of the Fund
-----Number of holdings-----						-----Rupees in '000-----			-----%	
Market Treasury Bills - 3 months	6.1	-	1,344,012	1,344,012	-	-	-	-	0.00%	0.00%
Market Treasury Bills - 6 months	6.1	30,580	241,295	271,875	-	-	-	-	0.00%	0.00%
Market Treasury Bills - 12 months	6.1	1,163	403,405	404,568	-	-	-	-	0.00%	0.00%
<b>Total as at March 31, 2021 (Un-audited)</b>						<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
Total as at June 30, 2020 (Audited)		-	907,212	875,469	31,743	3,118,947	3,120,183	1,235	100%	16.03%

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

## 7. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Fund also obtained exemption from section 150A of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 151 of the ITO, 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

## 8. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

	Note	March 31, 2021 (Un-audited) ----- (Rupees in 000) -----	June 30, 2020 (Audited) -----
Remuneration payable to the Management Company	8.1	4,336	2,146
Sindh sales tax payable on remuneration of the Management Company	8.2	564	279
Sales load and conversion charges payable		161	152
Selling and marketing expenses payable		-	2,954
Allocated expenses payable	8.3	6,226	2,141
		<u>11,287</u>	<u>7,672</u>

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

The remuneration is payable to the Management Company on monthly basis in arrears. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the following rates during the nine months period ended March 31, 2021.

	Management Company remuneration as a % of gross earnings	Min remuneration (as a % per annum of the average daily net assets)	Max remuneration (as a % per annum of the avg daily net assets)
From July 01, 2020 to September 24, 2020	2.50%	0.15%	1.25%
From September 25, 2020 to March 31, 2021	3.10%	0.15%	1.25%

- 8.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

- 8.3** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion (duly authorised by the Board of Directors) has charged allocated expenses at the rate upto 0.17% per annum of daily net assets of the Fund, While keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations

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

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
Note		----- (Rupees in 000) -----	-----
Remuneration payable to the Trustee (inclusive of SST)	9.1	1,338	746
		<u>1,338</u>	<u>746</u>

- 9.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.065% (June 30, 2020: 0.065%) per annum of average daily net assets of the Fund during the period. The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

## 10. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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

## 11 ACCRUED EXPENSES AND OTHER LIABILITIES

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
		----- (Rupees in 000) -----	-----
Auditors' remuneration payable		523	537
Brokerage expense payable		830	1,480
Payable against legal charges		43	98
Capital gains tax payable		3,358	3,123
Zakat deducted at source payable		1,124	772
Withholding tax payable		8,937	1
Provision for indirect duties and taxes	11.1	55,390	55,390
Provision for Sindh Workers' Welfare Fund	11.2	75,276	55,900
Dividend payable		7,319	147
Other payable		1,982	48,467
		<u>154,782</u>	<u>165,915</u>

### 11.1 Provision for indirect taxes and duties

This includes provision for Federal Excise Duty (FED) as at March 31, 2021 amounting to Rs. 55.39 million (June 30, 2020: Rs. 55.39 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 55.39 million. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 0.2425 (June 30, 2020: Re. 0.2873).

## **11.2 Provision for Workers' Welfare Fund (WWF)**

This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020. The Management Company, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re 0.3295 (June 30, 2020: Re. 0.2900).

## **12. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

## **13. TAXATION**

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## **14. EARNINGS PER UNIT**

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

## **15. TOTAL EXPENSE RATIO**

The annualised total expense ratio (TER) of the Fund based on the current period results is 0.60% (March 31, 2020: 1.42%) which includes 0.19% (March 31, 2020: 0.38%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

## **16. FAIR VALUE OF FINANCIAL INSTRUMENTS**

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

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

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

The table below provides information on financial assets or liabilities carried at fair values, by valuation methods as at June 30, 2020.

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

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

## **17. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES**

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

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

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

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

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

	Management Company	Associated Companies and others*	Trustee	Funds under Common Management	Directors and Key Executives**	Other Connected persons / related parties***
<b>Transactions during the period</b>						
	----- Nine months period ended March 31, 2021 -----					
	(Units in '000)					
Units issued	71,133	79	151	-	20	104,764
Units redeemed	64,724	79	-	-	21	70,450
	----- (Rupees in '000) -----					
Value of units issued	7,192,067	7,977	15,213	-	2,054	10,594,939
Value of units redeemed	6,540,381	7,986	-	-	2,156	7,122,235
Mark-up on PLS accounts	-	1,005	-	-	-	-
Bank and other charges	-	35	-	-	-	-
Purchase of securities	-	4,407,153	-	8,804,209	-	-
Sale of securities	-	2,557,849	-	1,958,098	-	-
Remuneration (inclusive of SST)	35,594	-	10,649	-	-	-
Allocated selling and marketing expenses	-	-	-	-	-	-
Allocated expense	15,640	-	-	-	-	-
Dividend paid	54,631	19	17,898	-	116	238,362
	----- As at March 31, 2021 -----					
	(Units in '000)					
Units held	15,430	-	3,687	-	24	60,107
	----- (Rupees in '000) -----					
Value of units held	1,559,047	-	372,512	-	2,398	6,073,152
Bank Balances	-	23,941	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration (inclusive of SST)	4,900	-	1,338	-	-	-
Allocated expenses payable	6,226	-	-	-	-	-
Allocated selling and marketing expenses payable	-	-	-	-	-	-
Other payable	161	-	-	-	-	-
Mark-up receivable	-	280	-	-	-	-

	Management Company	Associated Companies and others*	Trustee	Funds under Common Management	Directors and Key Executives**	Other Connected persons / related parties***
<b>Transactions during the period</b>						
	----- Nine months period ended March 31, 2020 -----					
	(Units in '000)					
Units issued	90,069	36	2,348	-	97	50,759
Units redeemed	85,478	36	4	-	212	22,826
	----- (Rupees in '000) -----					
Value of units issued	9,094,167	3,688	237,229	-	9,778	5,123,563
Value of units redeemed	8,638,366	3,686	377	-	21,329	2,302,188
Mark-up on PLS accounts	-	1,385	-	-	-	-
Bank and other charges	-	84	-	-	-	-
Purchase of securities	-	-	-	4,898,358	-	-
Sale of securities	-	5,140,148	-	2,195,625	-	-
Remuneration (inclusive of SST)	58,303	-	4,992	-	-	-
Allocated Selling and marketing Expense	7,447	-	-	-	-	-
Allocated expense	5,241	-	-	-	-	-
Custody fee	-	-	4	-	-	-
Dividend paid	41,090	38	7,961	-	1,004	240,250
	----- As at June 30, 2020 -----					
	(Units in '000)					
Units held	9,021	-	3,536	-	35	45,620
	----- (Rupees in '000) -----					
Value of units held	910,925	-	357,059	-	3,534	4,606,630
Bank Balances	-	19,172	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration (inclusive of SST)	2,425	-	746	-	-	-
Allocated expenses payable	2,141	-	-	-	-	-
Allocated selling and marketing expenses payable	2,954	-	-	-	-	-
Conversion payable	135	-	-	-	-	-
Other payable	17	-	-	-	-	-
Mark-up receivable	-	33	-	-	-	-

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

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

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

18 INTERIM DISTRIBUTIONS MADE DURING THE PERIOD

	Rate per unit	Declaration time	Cash Distribution		
			Capital Value	Undistributed Income	Total
			-----Rupees in '000-----		
July 2020 to March 2021	-----For the nine months period ended March 31, 2021-----				
For the month of July 2020	0.1156	July 05, 2020	(1,032)	(19,615)	(20,647)
For the month of July 2020	0.2260	July 19, 2020	(5,371)	(45,356)	(50,727)
For the month of August 2020	0.1692	August 02, 2020	(1,196)	(24,702)	(25,898)
For the month of August 2020	0.2448	August 16, 2020	(2,706)	(35,041)	(37,747)
For the month of September 2020	0.2754	September 1, 2020	(12,121)	(32,844)	(44,965)
For the month of September 2020	0.2207	September 13, 2020	(1,154)	(34,943)	(36,097)
For the month of September 2020	0.2632	September 27, 2020	(1,783)	(41,759)	(43,542)
For the month of October 2020	0.2762	October 11, 2020	(3,451)	(46,703)	(50,154)
For the month of October 2020	0.2714	October 25, 2020	(3,113)	(48,041)	(51,154)
For the month of November 2020	0.2541	November 8, 2020	(2,709)	(43,435)	(46,144)
For the month of November 2020	0.2520	November 22, 2020	(3,057)	(47,148)	(50,205)
For the month of December 2020	0.2532	December 6, 2020	(4,031)	(47,525)	(51,556)
For the month of December 2020	0.2589	December 20, 2020	(5,273)	(51,840)	(57,113)
For the month of January 2021	0.2755	January 03, 2021	(6,794)	(58,849)	(65,643)
For the month of January 2021	0.2707	January 17, 2021	(4,803)	(57,893)	(62,696)
For the month of January 2021	0.2487	January 31, 2021	(5,079)	(52,220)	(57,299)
For the month of February 2021	0.2541	February 14, 2021	(2,442)	(49,785)	(52,227)
For the month of February 2021	0.2544	February 28, 2021	(4,949)	(46,150)	(51,099)
For the month of March 2021	0.2569	March 14, 2021	(4,176)	(49,659)	(53,835)
For the month of March 2021	0.2809	March 28, 2021	(6,636)	(56,147)	(62,783)
			(81,876)	(889,655)	(971,531)

	Rate per unit	Declaration time	Cash Distribution		
			Capital Value	Undistributed Income	Total
			-----Rupees in '000-----		
July 2019 to March 2020	-----For the nine months period ended March 31, 2020-----				
For the month of July 2019	0.4494	July 14, 2019	(3,064)	(29,356)	(32,420)
For the month of July 2019	0.4500	July 28, 2019	(214)	(32,686)	(32,900)
For the month of August 2019	0.6064	August 15, 2019	(1,798)	(52,396)	(54,194)
For the month of August 2019	0.4712	August 29, 2019	(2,938)	(43,393)	(46,331)
For the month of September 2019	0.5675	September 15, 2019	(6,673)	(56,033)	(62,706)
For the month of September 2019	0.5009	September 29, 2019	(3,041)	(50,834)	(53,875)
For the month of October 2019	0.5173	October 13, 2019	(806)	(48,876)	(49,682)
For the month of October 2019	0.4849	October 27, 2019	(1,018)	(41,355)	(42,373)
For the month of November 2019	0.4459	November 10, 2019	(715)	(38,627)	(39,342)
For the month of November 2019	0.4592	November 24, 2019	(394)	(34,734)	(35,128)
For the month of December 2019	0.4805	December 8, 2019	(3,085)	(36,630)	(39,715)
For the month of December 2019	0.4946	December 22, 2019	(1,359)	(37,584)	(38,943)
For the month of January 2020	0.4883	January 05, 2020	(5,674)	(40,638)	(46,312)
For the month of January 2020	0.4729	January 19, 2020	(1,365)	(43,925)	(45,290)
For the month of January 2020	0.3672	January 30, 2020	(1,406)	(31,397)	(32,803)
For the month of February 2020	0.4691	February 13, 2020	(1,931)	(36,086)	(38,017)
For the month of February 2020	0.4775	February 27, 2020	(1,726)	(36,464)	(38,190)
For the month of March 2020	0.5000	March 12, 2020	(4,596)	(39,674)	(44,270)
For the month of March 2020	0.6777	March 29, 2020	(3,547)	(61,865)	(65,412)
			(45,350)	(792,553)	(837,903)

## **19 IMPACT OF COVID-19**

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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

## **20. GENERAL**

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

## **21. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

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

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

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

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

**UMMF**  
**UBL Money Market Fund**

**INVESTMENT OBJECTIVE**

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

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shakra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: <a href="http://www.ublfunds.com.pk">www.ublfunds.com.pk</a> )
Auditor	A.F.FERGUSON & Co.
Bankers	United Bank Limited Bank Alfalah Limited MCB Bank Limited Faysal Bank Limited Samba Bank Limited Allied Bank Limited Habib Bank Limited Sindh Bank Limited Zarai Taraqati Bank Ltd Habib Metropolitan Bank Limited
Management Co.Rating	AM1 (VIS)
Fund Rating	AA+(f) (VIS)

**UBL MONEY MARKET FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2021**

		(Un-Audited) March 31, 2021 (Rupees in '000)	(Audited) June 30, 2020
	<i>Note</i>		
<b>Assets</b>			
Bank balances	4	2,650,358	5,111,249
Placements and term deposit receipt	5	250,000	-
Investments	6	-	-
Profit receivable		18,174	27,607
Deposit, prepayments and other receivables		110,012	626
Advance tax	7	1,659	1,650
<b>Total assets</b>		<b>3,030,203</b>	<b>5,141,132</b>
<b>Liabilities</b>			
Payable to UBL Fund Managers Limited - Management Company	8	5,116	8,637
Payable to Central Depository Company of Pakistan Limited - Trustee	9	188	324
Payable to Securities and Exchange Commission of Pakistan	10	476	897
Accrued expenses and other liabilities	11	36,687	81,493
<b>Total liabilities</b>		<b>42,467</b>	<b>91,351</b>
<b>Net assets</b>		<b>2,987,736</b>	<b>5,049,781</b>
<b>Unit holders' fund</b> (as per the statement attached)		<b>2,987,736</b>	<b>5,049,781</b>
<b>Contingencies And Commitments</b>	12.		
		(Number of Units)	
<b>Number of units in issue</b> (face value of units is Rs. 100 each)		<b>28,356,884</b>	<b>50,139,708</b>
		(Rupees)	
<b>Net asset value per unit</b>		<b>105.3619</b>	<b>100.7142</b>

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

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

**SD**  
**Chief Executive Officer**

**SD**  
**Chief Financial Officer**

**SD**  
**Director**

**UBL MONEY MARKET FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2021**

	Note	Nine Months Period Ended		Quarter ended	
		March 31	March 31	March 31	March 31
		2021	2020	2021	2020
		(Rupees in '000)	(Rupees in '000)	(Rupees in '000)	(Rupees in '000)
<b>Income</b>					
Financial income		170,346	440,314	50,519	146,460
Capital (loss) / gain on sale of investments - net		(2,923)	(2,129)	(538)	1,312
Net unrealised gain / (loss) on revaluation of investments classified as 'at fair value through profit or loss'		-	5,065	-	5,092
Other Income		30	657	30	625
<b>Total income</b>		<b>167,453</b>	<b>443,906</b>	<b>50,011</b>	<b>153,488</b>
<b>Expenses</b>					
Remuneration of UBL Fund Managers Limited - Management Company		8,479	24,525	2,501	7,492
Sindh Sales Tax on the Management Company's remuneration		1,102	3,188	325	974
Allocation of expenses relating to the Fund	8.4	2,632	3,244	936	1,106
Marketing & Selling Expense	8.3	7,141	7,357	2,054	3,318
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,748	2,383	503	812
Annual fee of Securities and Exchange Commission of Pakistan		476	649	137	221
Bank charges		129	306	53	76
Auditors' remuneration		543	544	115	185
Annual rating fee		161	161	53	62
Annual listing fee		21	21	7	7
Legal and professional charges		169	104	74	23
Brokerage expenses / Settlement expenses		267	458	53	120
Other expenses		-	-	-	-
<b>Total operating expenses</b>		<b>22,868</b>	<b>42,940</b>	<b>6,811</b>	<b>14,396</b>
<b>Net income from operating activities</b>		<b>144,585</b>	<b>400,966</b>	<b>43,200</b>	<b>139,092</b>
Provision for Sindh Workers' Welfare Fund	11.2	(2,837)	(7,866)	(848)	(2,728)
<b>Net income for the period before taxation</b>		<b>141,748</b>	<b>393,100</b>	<b>42,352</b>	<b>136,364</b>
Taxation	14	-	-	-	-
<b>Net income for the period after taxation</b>		<b>141,748</b>	<b>393,100</b>	<b>42,352</b>	<b>136,364</b>
<b>Allocation of net income for the Period after taxation</b>					
Net income for the period after taxation		141,748	393,100	42,352	136,364
Income already paid on units redeemed		(50,606)	(161,200)	(15,788)	(59,498)
<b>Accounting income available for distribution</b>		<b>91,142</b>	<b>231,900</b>	<b>26,564</b>	<b>76,866</b>
<b>Accounting income available for distribution</b>					
- Relating to capital gains		-	2,903	-	-
- Excluding capital gains		91,142	228,997	26,564	73,963
		<b>91,142</b>	<b>231,900</b>	<b>26,564</b>	<b>76,866</b>
<b>Earnings per unit</b>	15				

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

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

**SD**  
**Chief Executive Officer**

**SD**  
**Chief Financial Officer**

**SD**  
**Director**

**UBL MONEY MARKET FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2021**

	<b>Nine Months Period Ended</b>		<b>Quarter ended</b>	
	<b>March 31</b>	<b>March 31</b>	<b>March 31</b>	<b>March 31</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>(Rupees in '000)</b>		<b>(Rupees in '000)</b>	
<b>Net income for the quarter after taxation</b>	<b>141,748</b>	393,100	<b>42,352</b>	136,364
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>141,748</b>	393,100	<b>42,352</b>	136,364

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

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

**SD**  
**Chief Executive Officer**

**SD**  
**Chief Financial Officer**

**SD**  
**Director**

**UBL MONEY MARKET FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	Nine Months Period Ended					
	March 31 2021			March 31 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
<b>Net assets at beginning of the Period</b>	5,037,666	12,115	5,049,781	2,714,135	11,296	2,725,431
<b>Issuance of 45,690,293 units (2020: 100,292,904 units)</b>						
- Capital value	4,811,264	-	4,811,264	10,097,159	-	10,097,159
- Element of income	(104,801)	-	(104,801)	354,582	-	354,582
<b>Total amount received on issuance of units</b>	4,706,463	-	4,706,463	10,451,741	-	10,451,741
<b>Redemption of 67,473,117 units (2020: 86,009,344 units)</b>						
- Capital value	(6,795,502)	-	(6,795,502)	(8,659,137)	-	(8,659,137)
- Element of loss	(64,149)	(50,606)	(114,754)	(190,423)	(161,200)	(351,623)
<b>Total amount paid on redemption of units</b>	(6,859,650)	(50,606)	(6,910,256)	(8,849,560)	(161,200)	(9,010,760)
<b>Total comprehensive income for the period</b>	-	141,748	141,748	-	393,100	393,100
<b>Net assets at end of the period</b>	2,884,479	103,257	2,987,736	4,316,316	243,196	4,559,512
<b>Undistributed income brought forward:</b>						
- Realised income		12,115	12,115		11,296	11,296
- Unrealised income		-	-		-	-
		12,115	12,115		11,296	11,296
<b>Accounting income available for distribution</b>						
- Relating to capital gains	-	-	-	2,903	2,903	2,903
- Excluding capital gains	91,142	91,142	91,142	228,997	228,997	228,997
	91,142	91,142	91,142	231,900	231,900	231,900
<b>Undistributed income carried forward</b>		103,257	103,257		243,196	243,196
<b>Undistributed income carried forward comprise of:</b>						
- Realised income		103,257	103,257		243,196	243,196
- Unrealised income		-	-		-	-
		103,257	103,257		243,196	243,196
				(Rupees)		(Rupees)
<b>Net assets value per unit at beginning of the Period</b>			100.7142			100.6767
<b>Net assets value per unit at end of the Period</b>			105.3619			110.2538

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL MONEY MARKET FUND**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	<b>Nine Months Period Ended</b>	
	<b>March 31</b>	<b>March 31</b>
	<b>2021</b>	<b>2020</b>
	<b>(Rupees in '000)</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the quarter before taxation	141,748	393,100
<b>Adjustments for non-cash and other items:</b>		
Financial income	(170,346)	(440,314)
Capital loss on sale of investments	2,923	2,129
Net unrealised loss on revaluation of investments classified as 'at fair value through profit or loss'	-	(5,065)
Provision for Sindh Workers' Welfare Fund	2,837	7,866
	<b>(164,586)</b>	<b>(435,384)</b>
<b>Net cash generated from operations before working capital changes</b>	<b>(22,838)</b>	<b>(42,284)</b>
<b>Working capital changes</b>		
<i>(Increase) / decrease in assets</i>		
Investments	(2,923)	(1,362,447)
Deposit, prepayments and other receivables	(109,386)	239
Advance tax	(9)	(6)
	<b>(112,318)</b>	<b>(1,362,214)</b>
<i>(Decrease) / increase in liabilities</i>		
Payable to UBL Fund Managers Limited - Management Company	(3,521)	5,407
Payable to Central Depository Company of Pakistan Limited - Trustee	(136)	54
Payable to Securities and Exchange Commission of Pakistan	(421)	(765)
Accrued expenses and other payables	(47,643)	243,897
	<b>(51,721)</b>	<b>248,592</b>
Profit received	179,779	425,061
<b>Net cash flows generated from operating activities</b>	<b>(7,098)</b>	<b>(730,845)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of units	4,706,463	10,451,741
Payments on redemption of units	(6,910,256)	(9,010,760)
Cash distribution to unit holders	-	-
<b>Net cash flows (used in) / generated from financing activities</b>	<b>(2,203,793)</b>	<b>1,440,981</b>
<b>Net increase in cash and cash equivalents</b>	<b>(2,210,891)</b>	<b>710,136</b>
Cash and cash equivalents at beginning of the period	5,111,249	2,728,715
<b>Cash and cash equivalents at end of the period</b>	<b>2,900,358</b>	<b>3,438,851</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Bank balances	2,650,358	3,438,851
Term deposit receipt	250,000	-
<b>Cash and cash equivalents at end of the period</b>	<b>2,900,358</b>	<b>3,438,851</b>

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

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

**SD**  
**Chief Executive Officer**

**SD**  
**Chief Financial Officer**

**SD**  
**Director**

**UBL MONEY MARKET FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 UBL Money Market Fund (the Fund) was established under the Trust Deed executed between UBL Fund Managers Limited (wholly owned subsidiary company of United Bank Limited) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on August 10, 2010 and was approved by the Securities and Exchange Commission of Pakistan (the SECP) in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from October 14, 2010.
- 1.2 The Management Company of the Fund has been licensed to act as an asset management company by the SECP under the NBFC Rules. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.3 The Fund has been categorised as an open ended 'Money Market Fund' by the Board of Directors pursuant to the provisions contained in Circular 7 of 2009 dated March 6, 2009 issued by the SECP and is listed on the Pakistan Stock Exchange Limited. The units of the Fund are offered for subscription on a continuous basis to general public. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.
- 1.4 The Management Company Limited has been assigned a quality rating of AM1 by VIS Credit Rating Company dated December 31, 2020.
- 1.5 The title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.6 VIS Credit Rating Company has upgraded stability rating of "AA+(f)" to the Fund as at January 07, 2021.

**2 STATEMENT OF COMPLIANCE**

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984;
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2020.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

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

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

**3.2** The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.

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

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

**3.4 Standards, interpretations and amendments to the published accounting and reporting standards that**

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

4	BANK BALANCES	Note	(Un-audited)	(Audited)
			30 March 2021 (Rupees in '000)	30 June 2020
	In current accounts		2,650,303	5,111,240
	In saving accounts	4.1	55	9
			<u>2,650,358</u>	<u>5,111,249</u>

4.1 The rates of return on these balances range from 5.5% to 8.0% (June 30, 2020: 6.5% to 13.57%) per annum. These include an amount held by a related party (United Bank Limited) amounting to Rs.14.145 million (June 30, 2020: Rs. 22.91 million) on which return is earned at 5.5% per annum (June 30, 2020: 6.75% to 11.75%).

5	PLACEMENTS AND TERM DEPOSIT RECEIPTS	(Un-audited)	(Audited)
		31 March 2021 (Rupees in '000)	30 June 2020
	Term Deposit Receipt	250,000	-
	Letter of placement	-	-
		<u>250,000</u>	<u>-</u>

6	INVESTMENTS	(Un-audited)	(Audited)
		31 March 2021 (Rupees in '000)	30 June 2020
	Designated at fair value through profit or loss - Government Securities		
	- Market Treasury Bills	6.1	-
		<u>-</u>	<u>-</u>

6.1 **Market Treasury Bills -**

	As at 01 July 2020	Purchased During the Period	Sold / matured during the Period	As at 31 March 2021	Total carrying value as at March 31, 2021	Market Value value as at March 2021	Appreciation / (diminution) as at March 31, 2021	Percentage of total investment	Percentage of net assets
	----- (Number of holdings) -----				----- (Rupees in '000) -----				
Treasury Bills - 3 months	-	140,425	140,425	-	-	-	-	0%	0%
Treasury Bills - 6 months	-	39,330	39,330	-	-	-	-	0%	0%
Treasury Bills - 12 months	-	65,950	65,950	-	-	-	-	0%	0%
				-					
				-					
Total as of March 31, 2021	-	245,705	245,705	-	-	-	-	0%	0%
Total as of June 30, 2020					-	-			

## 7 ADVANCE INCOME TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Fund also obtained exemption from section 150A of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the ITO, 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

		December 31, 2020 (Un-audited)	June 30, 2020 (Audited)
	Note	(Rupees in 000)	(Rupees in 000)
<b>8 PAYABLE TO UBL FUND MANAGERS LIMITED - THE MANAGEMENT COMPANY</b>			
Remuneration payable to the Management Company	8.1	921	1,826
Sindh sales tax payable on remuneration of the Management Company	8.2	120	237
Sales load and conversion charges payable		1,072	1,996
Selling and marketing expenses payable	8.3	2,051	3,722
Allocated expenses payable	8.4	935	856
Others payable Management Company		17	-
		<b>5,116</b>	<b>8,637</b>

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

Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 5% of Gross income (0.15% Floor and Cap. 1%). The remuneration is payable to the Management Company monthly in arrears.

8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

8.3 In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rate of 3% of net assets.

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

From Jul 1, 2020 to Jul 7, 2020	From Jul 8, 2020 to Aug 7, 2020	From Mar 11, 2021 to Mar 31, 2021
0.1% of AUMs	0.1% of AUMs	0.25% of AUMs

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	(Rupees in 000)	(Rupees in 000)
<b>9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE</b>			
Remuneration payable to the Trustee	9.1	166	287
Sindh sales tax on Trustee remuneration	9.2	22	37
		<b>188</b>	<b>324</b>

- 9.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.065% (June 30, 2020: 0.065%) per annum of average daily net assets of the Fund during the period.
- 9.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
		----- (Rupees in 000) -----	
<b>10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>			
Annual fee payable	10.1	<u>476</u>	<u>897</u>

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

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in 000) -----	
<b>11. ACCRUED EXPENSES AND</b>			
Auditors' remuneration payable		537	677
Printing charges payable		10	-
Withholding tax payable		50	32,729
Capital gain tax payable		2,065	14,412
Annual listing fee payable		2	-
Legal and professional charges payable		69	-
Sales load payable		3,137	4,733
Brokerage payable		252	469
Zakat deducted at source		566	563
Provision for Federal Excise Duty	11.1	9,499	9,499
Provision for Sindh Workers' Welfare Fund	11.2	18,673	15,836
Other payables		<u>1,827</u>	-
		<u>36,687</u>	<u>78,918</u>

- 11.1 This includes provision for Federal Excise Duty (FED) as at March 31, 2021 amounting to Rs. 9.499 million (June 30, 2020: Rs. 9.499 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 0.3350 (June 30, 2020: Re. 0.1894).

- 11.2 This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re 0.6585 (June 30, 2020: Re. 0.3158).

## 12. CONTINGENCIES AND COMMITMENTS

During the current period, UBL Money Market Fund (UMMF) has received a notice of tax demand for the tax year 2018 from the Additional Commissioner (Inland) Revenue (ACIR), whereby the ACIR has raised objection on claiming of "income already paid on units redeemed" as part of distribution and has thereby challenged the distribution of 90 percent of income and the Fund's eligibility for exemption from tax. The ACIR is of the view that the amount of "Cash Dividend" paid can only be treated as part of distribution and according to his view the amount of "income already paid on units redeemed" is not a "Cash Dividend". The ACIR has raised a tax demand of Rs 16.410 million on the Fund in respect of the tax year 2018. The Management Company has filed an appeal with the Commissioner (Inland) Revenue Appeals against the demand raised by ACIR and has also obtained a stay order against the demand from the Honorable High Court of Sindh till the time the decision on appeal is issued. The Management Company has submitted its response against the show cause notice. Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

### **13. TOTAL EXPENSE RATIO**

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.08% (March 31, 2020: 1.57%) which includes 0.20% (March 31, 2020: 0.37%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

### **14. TAXATION**

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

### **15. EARNINGS PER UNIT**

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

### **16. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS**

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

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

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

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

Details of transactions with related parties / connected persons during the period and balances held with them at the quarter year ended March 31, 2021 are as follows:

## 16.1 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
----- (Transactions during the Period ended 31 March 2021) -----						
----- (Rupees in '000) -----						
Units issued	19	16	-	-	2,431	-
Units redeemed	2,009	11,343	-	43,251	296,497	-
Profit on saving accounts	-	609	-	-	-	-
Bank charges	-	44	-	-	-	-
Purchase of securities	-	659,846	-	367,988	-	-
Sale of securities	-	199,824	-	2,173,357	-	-
Listing Fee	-	-	-	-	-	-
Remuneration	8,479	-	1,547	-	-	-
Sindh Sales tax on remuneration	1,102	-	201	-	-	-
Selling & Marketing Expense	7,141	-	-	-	-	-
Allocation of expenses relating to the Fund	2,632	-	-	-	-	-
----- (Balances held as at 31 March 2021) -----						
----- (Rupees in '000) -----						
Units held (in units '000)	-	-	-	1,113	75	-
Units held (in rupees '000)	-	-	-	117,271	7,947	-
Bank balances	-	14,414	-	-	-	-
Remuneration payable	1,041	-	-	-	-	-
Sales load and other payable	992	-	-	-	-	-
Payable against allocated expenses	935	-	-	-	-	-
Selling and Marketing expense payable	2,051	-	-	-	-	-
Conversion Charges Payable	80	-	-	-	-	-
Other Payable	17	-	-	-	-	-
Profit receivable	-	272	-	-	-	-
----- (Transactions during the Period ended 31 March 2020) -----						
----- (Rupees in '000) -----						
Units issued	1,301,530	2,100	-	305,253	102,698	-
Units redeemed	1,310,401	2,113	-	423,994	91,361	-
Profit on saving accounts	-	1,034	-	-	-	-
Bank charges	-	78	-	-	-	-
Purchase of securities	-	362,825	-	2,184,304	-	-
Sale of securities	-	2,370,923	-	1,989,864	-	-
Listing Fee	-	21	-	-	-	-
Remuneration Payable	24,525	-	723	-	-	-
Sindh Sales tax on remuneration	3,188	-	94	-	-	-
Selling & Marketing Expense	7,357	-	-	-	-	-
Allocation of expenses relating to the Fund	3,244	-	-	-	-	-
----- (Balances held as at 30 June 2020) -----						
----- (Rupees in '000) -----						
Units held (in units '000)	-	96	-	4,021	494	-
Units held (in rupees '000)	-	9,694	-	404,948	49,776	-
Bank balances	-	26,265	-	-	-	-
Listing Fee Payable	-	-	-	-	-	-
Remuneration payable	2,063	-	324	-	-	-
Sales load and other payable	1,996	-	-	-	-	-
Payable against allocated expenses	856	-	-	-	-	-
Selling and Marketing expense payable	3,722	-	-	-	-	-
Conversion Charges Payable	-	-	-	-	-	-
Other Payable	-	-	-	-	-	-
Profit receivable	-	215	-	-	-	-
Deposit	-	-	100	-	-	-

## 17. FAIR VALUE MEASUREMENT

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

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

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

### 17.1 Fair value hierarchy

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

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

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

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

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

## 18. COVID – 19

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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

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.

## 19. GENERAL

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

## 20. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

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

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

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

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

# UCF

## UBL Cash Fund

### INVESTMENT OBJECTIVE

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

<b>Management Company</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>Auditor</b>	Yousuf Adil & Co. , Chartered Accountants
<b>Bankers</b>	United Bank Limited Samba Bank Limited Allied Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited
<b>Management Co.Rating</b>	AM1 (VIS)
<b>Fund Rating</b>	AA+(f) (PACRA)

**UBL CASH FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2021**

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
Note		------(Rupees in '000)-----	
<b>ASSETS</b>			
	4	<b>3,400,312</b>	1,679,874
Bank balances			
Investments	5	-	-
Placements and Term Deposit Reciepts	6	<b>350,000</b>	150,000
Mark-up receivable		<b>12,174</b>	7,773
Advance Income tax	10	<b>834</b>	834
Prepayments and Other receivables		<b>2,757</b>	69
<b>Total assets</b>		<b>3,766,077</b>	1,838,550
<b>LIABILITIES</b>			
	7	<b>1,841</b>	3,169
Payable to UBL Fund Managers Limited - Management Company			
Payable to Central Depository Company of Pakistan Limited - Trustee	8	<b>231</b>	152
Payable to the Securities and Exchange Commission of Pakistan	9	<b>341</b>	188
Accrued expenses and other liabilities	11	<b>6,119</b>	15,737
<b>Total liabilities</b>		<b>8,532</b>	19,247
<b>Net Assets</b>		<b>3,757,545</b>	1,819,304
<b>Unit Holders' Fund</b> (as per statement attached)		<b>3,757,545</b>	1,819,304
<b>CONTINGENCIES AND COMMITMENTS</b>			
	12		
		<b>(Number of units)</b>	
<b>Number of Units in Issue</b>		<b>35,696,092</b>	18,185,582
		------(Rupees)-----	
<b>Net Asset Value Per Unit</b>		<b>105.2649</b>	100.0410
<b>Face Value per Unit</b>		<b>100.0000</b>	100.0000

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

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

SD	SD	SD
_____ Chief Executive Officer	_____ Chief Financial Officer	_____ Director

**UBL CASH FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

For The Period		Quarter ended	
From July 1, 2020 to March 31, 2021	from Sept 23, 2019 to Mar 31, 2020	March 31, 2021	March 31, 2020

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

**INCOME**

Financial income  
(Loss) / Gain on sale of investments - net  
Unrealized gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net  
Other Income  
**Total income**

125,722	43,299	65,698	30,916
(777)	1,166	(53)	1,431
-	397	-	397
12	-	3	-
124,957	44,862	65,648	32,744

**EXPENSES**

Remuneration of Central Depository Company of Pakistan Limited - Trustee  
Allocated expenses  
Annual fee of Securities and Exchange Commission of Pakistan  
Brokerage, settlement and other expenses  
Listing fee  
**Total expenses**

1,248	235	655	170
3,048	135	1,532	135
341	64	179	46
200	104	101	80
25	17	7	9
4,862	555	2,474	440

**Net operating income for the period**

120,095	44,307	63,174	32,304
---------	--------	--------	--------

Provision for Sindh Workers' Welfare Fund (SWWF)

11.1 (2,355) (869) (1,238) (634)

**Net income for the period before taxation**

117,740	43,438	61,936	31,670
---------	--------	--------	--------

Taxation

14 - - - -

**Net income for the period after taxation**

117,740	43,438	61,936	31,670
---------	--------	--------	--------

**Allocation of net income for the period**

- Net income for the period after taxation  
- Income already paid on units redeemed

117,740	43,438	61,936	31,670
(39,456)	(10,131)	(28,509)	(6,230)

**Net income for the period available for distribution**

78,284	33,307	33,427	25,440
--------	--------	--------	--------

Net income for the period available for distribution

- Relating to capital gains  
- Excluding capital gains

-	-	-	-
78,284	33,307	33,427	25,440

78,284	33,307	33,427	25,440
--------	--------	--------	--------

**Earnings per unit**

15

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

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL CASH FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

For The Period		Quarter ended	
From July 1, 2020 to March 31, 2021	from Sept 23, 2019 to Mar 31, 2020	March 31, 2021	March 31, 2020

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

<b>Net income for the period after taxation</b>	<b>117,740</b>	<b>43,438</b>	<b>61,936</b>	<b>31,670</b>
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>117,740</b>	<b>43,438</b>	<b>61,936</b>	<b>31,670</b>

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

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

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

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

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

**UBL CASH FUND**
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)  
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	For The Period			For the period from Sept 23, 2019 to		
	From July 1, 2020 to March 31, 2021			31 March 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	------(Rupees. in '000)-----					
<b>Net assets at beginning of the period</b>	1,951,978	(132,674)	1,819,304	-	-	-
<b>Amount received on issuance of 119,283,309 units</b> (2020: Amount received on issuance of 27,291,962 units)						
- Capital value	11,933,222	-	11,933,222	2,729,196	-	2,729,196
- Element of Income	425,304	-	425,304	125,340	-	125,340
<b>Total amount received on redemption of units</b>	12,358,526	-	12,358,526	2,854,536	-	2,854,536
<b>Amount paid on Redemption of 101,772,799 units</b> (2020 : Amount paid on Redemption of 8,160,198 units)						
- Capital value	(10,181,451)	-	(10,181,451)	(816,020)	-	(816,020)
- Element of income	(317,118)	(39,456)	(356,574)	(25,743)	(10,131)	(35,874)
<b>Total amount paid on issuance of units</b>	(10,498,569)	(39,456)	(10,538,025)	(841,763)	(10,131)	(851,894)
Total comprehensive income for the period	-	117,740	117,740	-	43,438	43,438
Interim Distribution:						
2020: NIL (2020: Re. 0.4228 per unit paid on September 29, 2019)	-	-	-	-	(423)	(423)
<b>Net income loss for the period less distribution</b>	-	117,740	117,740	-	43,015	43,015
<b>Net assets at end of the period</b>	3,811,935	(54,390)	3,757,545	2,012,773	32,884	2,045,657
<b>Undistributed income brought forward comprising of:</b>						
- Realised	-	(132,674)	(132,674)	-	-	-
- Unrealised	-	-	-	-	-	-
	-	(132,674)	(132,674)	-	-	-
<b>Accounting income available for distribution</b>						
- Related to capital gain	-	-	-	-	-	-
- Excluding capital gain	-	78,284	78,284	-	33,307	33,307
	-	78,284	78,284	-	33,307	33,307
<b>Distribution during the period:</b>						
2020: NIL (2020: Re. 0.4228 per unit paid on September 29, 2019)	-	-	-	-	(423)	(423)
<b>Undistributed income carried forward - net</b>		(54,390)			32,884	32,884
<b>Undistributed income carried forward comprising of:</b>						
- Realised	-	(54,390)	(54,390)	-	32,884	32,884
- Unrealised	-	-	-	-	-	-
	-	(54,390)	(54,390)	-	32,884	32,884
	------(Rupees)-----					
<b>Net assets value per unit at the beginning of the period</b>			100.0410			100.0000
<b>Net assets value per unit at the end of the period</b>			105.2649			106.9247

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

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL CASH FUND**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	For The Period	
	From July 1, 2020 to March 31, 2021	from Sept 23, 2019 to Mar 31, 2020
------(Rupees in '000)-----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	117,740	43,438
<b>Adjustments for:</b>		
Financial income	(125,722)	(43,299)
(Loss) / Gain on sale of investments - net	777	(1,166)
Unrealized gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net	-	(397)
Provision for Sindh Workers' Welfare Fund (SWWF)	2,355	869
	<u>(122,590)</u>	<u>(43,993)</u>
<b>Cash used in operations before working capital changes</b>	<b>(4,850)</b>	<b>(555)</b>
<b>Increase in assets</b>		
Investment - net	(777)	(354,669)
Placements and Term Deposit Receipts	(200,000)	-
Prepayments and Other receivables	(2,688)	(23)
	<u>(203,465)</u>	<u>(354,692)</u>
<b>(Decrease) / Increase in liabilities</b>		
Payable to UBL Fund Managers Limited - Management Company	(1,328)	900
Payable to Central Depository Company of Pakistan Limited - Trustee	79	95
Payable to the Securities and Exchange Commission of Pakistan	153	64
Accrued expenses and other liabilities	(11,973)	299
	<u>(13,069)</u>	<u>1,358</u>
<b>Cash used in operations</b>	<b>(221,384)</b>	<b>(353,889)</b>
Mark-up received on bank balances	121,321	27,509
<b>Net cash generated from / (used in) operating activities</b>	<b>(100,063)</b>	<b>(326,380)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net receipts from issuance of units	12,358,526	2,854,536
Net payments against redemption of units	(10,538,025)	(851,894)
Dividend paid	-	(423)
<b>Net cash generated from financing activities</b>	<b>1,820,501</b>	<b>2,002,219</b>
<b>Net increase in cash and cash equivalents during the period</b>	<b>1,720,438</b>	<b>1,675,839</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,679,874</b>	<b>-</b>
TDR	350,000	-
<b>Cash and cash equivalents at the end of the period</b>	<b>3,750,312</b>	<b>1,675,839</b>

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

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

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

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

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

**UBL CASH FUND**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

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

- 1.1 UBL Cash Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-ended mutual fund. It was constituted under the Trust Deed dated May 07, 2009 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 4th floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.
- 1.3 The Fund is an open ended mutual fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.
- 1.4 The principal activity of the Fund is to generate attractive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors.
- 1.5 Title to the assets of the Fund are held in the name of the CDC as the Trustee of the Fund.
- 1.6 VIS Credit Rating Company Limited has reaffirmed management quality rating of "AM1" (stable outlook) to the Management Company as on December 31, 2020. Pakistan Credit Rating Agency Limited has assigned a stability rating of "AA+(f)" to the Fund as on April 02, 2021.

**2 Statement of compliance**

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2020.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

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

- 3.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.
- 3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.

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

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

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

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

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
4.	<b>BANK BALANCES</b>	Note	----- (Rupees in '000) -----
	<b>In local currency:</b>		
	- Profit and loss sharing accounts	4.1	<u>3,400,312</u> <u>1,679,874</u>

4.1 The rates of return on these balances range from 5.5% to 8.0% (June 30, 2020: 6.74% to 9.54%) per annum.

### 5. INVESTMENTS - NET

Government securities designated at fair value through profit or loss

Name of security	As at 1st July 2020	Purchased during the period	Sold / Matured during the period	As at March 31, 2021	Total carrying value as at March 31, 2021	Total market value as at March 31, 2021	Unrealized Gain
		----- No. of holdings -----				----- (Rupees in '000) -----	
Market Treasury Bills - 3 months	5.1	-	205,290	205,290	-	-	-
Market Treasury Bills - 6 months	5.1	-	34,900	34,900	-	-	-
Market Treasury Bills - 1 year	5.1	-	46,190	46,190	-	-	-
<b>Total as at March 31, 2021 (unaudited)</b>			<u>286,380</u>	<u>286,380</u>	-	-	-

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

	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
6. <b>PLACEMENTS / TDR</b>	----- (Rupees in 000) -----	----- (Rupees in 000) -----
Financial assets at amortised cost		
- Letter of Placements	<u>350,000</u>	<u>150,000</u>
	<u>350,000</u>	<u>150,000</u>

### 7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	----- (Rupees in 000) -----	----- (Rupees in 000) -----
Allocated expenses payable	<u>1532</u>	<u>876</u>
Back End Load Payable to Management Company	<u>309</u>	<u>2,293</u>
	<u>1841</u>	<u>3,169</u>

7.1 As per the offering document of the Fund, the Management Company had decided to temporarily waive its Management Fee on the Fund fully for 12 months from the close of IPO period (i.e., September 23, 2019). During the current period, the Management Company has extended the temporarily waiver of its Management Fee on the Fund fully for another twelve (12) months until September 17, 2021 wide the third supplement to the offering document of the Fund dated September 19, 2020.

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

From Jul 1, 2020 to Dec 14, 2020	From Dec 14, 2020 to Mar 11, 2021	From Mar 11, 2021 to Mar 31, 2021
0.20%	0.15%	0.24%

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

		<b>March 31, 2021 (Un-audited)</b>	<b>June 30, 2020 (Audited)</b>
		<b>----- (Rupees in 000) -----</b>	
Remuneration payable to the Trustee	8.1	204	135
Sindh sales tax on Trustee remuneration	8.2	27	17
		<b>231</b>	<b>17</b>

8.1. The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.065% (June 30, 2020: 0.065) per annum of average daily net assets of the Fund during the period.

8.2. The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

**9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

		<b>March 31, 2021 (Un-audited)</b>	<b>June 30, 2020 (Audited)</b>
		<b>----- (Rupees in 000) -----</b>	
Annual fee payable	9.1	341	188

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

**10. ADVANCE TAX**

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Fund also obtained exemption from section 150A of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the ITO, 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
<b>11</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
		----- (Rupees in 000) -----	
	Auditors' remuneration payable	-	-
	Withholding tax payable	655	6,223
	Capital gain tax payable	655	6,799
	Annual listing fee payable	30	26
	Legal and professional charges payable	4	4
	Brokerage payable	110	207
	Provision for Sindh Workers' Welfare Fund	10.1 4,547	2,191
	Other payables	119	291
		<b>6,119</b>	<b>15,741</b>

- 11.1** This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re 0.0660 (June 30, 2020: Re. 0.12).

## **12. CONTINGENCIES AND COMMITMENTS**

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

## **13 TOTAL EXPENSE RATIO**

The annualised total expense ratio of the Fund based on the current period results is 0.42% (March 31, 2020: 0.34) which includes 0.17% (March 31, 2020: 0.23%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

## **14. TAXATION**

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## **15. EARNINGS PER UNIT**

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

## **16. FAIR VALUE OF FINANCIAL INSTRUMENTS**

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

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

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

#### 16.1 **FAIR VALUE HIERARCHY**

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

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

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

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

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

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

ASSETS	As at March 31, 2021			
	Fair Value			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets measured at fair value		-	-	-

ASSETS	As at June 30, 2020			
	Fair Value			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets measured at fair value		-	-	-

## 17. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 17.1** Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (the Management Company), the Central Depository Company of Pakistan Limited as trustee and custodian of the Fund, the directors and officers of the Management Company, and unit holders holding 10% or more of the Fund's net assets.
- 17.2** Transactions with the connected persons are carried out in the normal course of business, at agreed terms.
- 17.3** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations.
- 17.4** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.
- 17.5** Details of transactions with related parties / connected persons and balances with them at the period end, other than those which have been specifically disclosed elsewhere in this condensed interim financial information are as follows:

	Management Company	Associated Companies and others*	Trustee	Funds under Common Management	Other Connected persons / related parties**
<b><u>Transactions during the period</u></b>	<b>March 31, 2021</b>				
	<b>(Units in '000)</b>				
Units issued	53,206	-	-	-	21,919
Units redeemed	53,206	-	-	-	3,056
	<b>(Rupees in '000)</b>				
Value of units issued	5,535,557	-	-	-	2,272,696
Value of units redeemed	5,542,159	-	-	-	319,386
Mark-up on PLS accounts	-	459	-	-	-
Bank and other charges	-	6	-	-	-
Remuneration (inclusive of SST)	-	-	1,248	-	-
Allocated Expenses	3,048	-	-	-	-
Dividend paid	-	-	-	-	-
	<b>As at March 31, 2021</b>				
	<b>(Units in '000)</b>				
<b><u>Balances held</u></b>					
Units held	-	-	-	-	19,885
	<b>(Rupees in '000)</b>				
Value of units held	-	-	-	-	2,093,175
Bank balances	-	9,000	-	-	-
Deposits	-	-	-	-	-
Remuneration (inclusive of SST)	-	-	231	-	-
Allocated expenses payable	1,532	-	-	-	-
Back End Load payable	277	-	-	-	-
Other payable	30	-	-	-	-
Mark-up receivable	-	50	-	-	-

	Management Company	Associated Companies and others*	Trustee	Funds under Common Management	Other Connected persons / related parties**
<u>Transactions during the period</u>	----- March 31, 2020 -----				
	----- (Units in '000) -----				
Units issued	2,004	-	-	-	11,138
Units redeemed	2,004	-	-	-	2,206
	----- (Rupees in '000) -----				
Value of units issued	200,424	-	-	-	1,174,416
Value of units redeemed	206,838	-	-	-	231,828
Mark-up on PLS accounts	-	345	-	-	-
Bank and other charges	-	16	-	-	-
Remuneration (inclusive of SST)	-	-	235	-	-
Allocated Expenses	135	-	-	-	-
Dividend paid	423	-	-	-	-
	----- As at June 30, 2020 -----				
	----- (Units in '000) -----				
<u>Balances held</u>					
Units held	-	-	-	-	13,099
	----- (Rupees in '000) -----				
Value of units held	-	-	-	-	1,310,424
Bank balances	-	11,302	-	-	-
Deposits	-	-	-	-	-
Remuneration (inclusive of SST)	-	-	152	-	-
Allocated expenses payable	876	-	-	-	-
Back End Load payable	2,263	-	-	-	-
Other payable	30	-	-	-	-
Mark-up receivable	-	15	-	-	-

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

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

## 18 COVID – 19 Impact

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

-The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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

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.

**19. GENERAL**

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

**20. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

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

SD

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**Chief Executive Officer**

SD

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**Chief Financial Officer**

SD

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**Director**

# UGSF

## UBL Government Securities Fund

### INVESTMENT OBJECTIVE

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

<b>Management Company</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>	BDO Ebrahim & Co., Chartered Accountants
<b>Bankers</b>	United Bank Limited Bank Alfalah Limited MCB Bank Limited Faysal Bank Limited Allied Bank Limited Habib Bank Limited - Islamic Banking Habib Metropolitan Bank Limited JS Bank Limited Meezan Bank Limited Samba Bank Limited Sindh Bank Limited Askari Bank Limited National Bank of Pakistan Limited Zarai Taraqati Bank Limited Soneri Bank Limited
<b>Management Co. Rating</b>	AM1 (VIS)
<b>Fund Rating</b>	A+(f) (VIS)

**UBL GOVERNMENT SECURITIES FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2021**

		<b>March 31, 2021 (Unaudited)</b>	<b>June 30, 2020 (Audited)</b>
	<b>Note</b>	<b>----- (Rupees in '000) -----</b>	
<b>ASSETS</b>			
Bank balances	4	2,360,917	549,489
Investments	5	363,997	1,442,862
Mark up / interest receivable		7,360	97,399
Prepayments and other receivables		1,184	1,458,044
Advance tax	6	5,179	5,176
<b>TOTAL ASSETS</b>		<b>2,738,637</b>	<b>3,552,970</b>
<b>LIABILITIES</b>			
Payable to UBL Fund Managers Limited - Management Company	7	4,485	4,808
Payable to Central Depository Company of Pakistan Limited - Trustee	8	215	203
Payable to Securities and Exchange Commission of Pakistan	9	732	504
Accrued expenses and other liabilities	10	87,208	390,692
<b>TOTAL LIABILITIES</b>		<b>92,640</b>	<b>396,207</b>
<b>NET ASSETS</b>		<b>2,645,997</b>	<b>3,156,763</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>2,645,997</b>	<b>3,156,763</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	11		
		----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>25,029,320</b>	<b>29,887,045</b>
		----- (Rupees) -----	
<b>NET ASSETS VALUE PER UNIT</b>		<b>105.7159</b>	<b>105.6231</b>

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

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

**SD**  
**Chief Executive Officer**

**SD**  
**Chief Financial Officer**

**SD**  
**Director**

**UBL GOVERNMENT SECURITIES FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2021**

FOR THE NINE MONTHS PERIOD ENDED AND QUARTER ENDED MARCH 31, 2021					
		Nine Months Period Ended		Quarter Ended	
		March 31,	March 31,	March 31,	March 31,
		2021	2020	2021	2020
Note		----- (Rupees in '000) -----		----- (Rupees in '000) -----	
<b>INCOME</b>					
		293,624	221,815	76,084	90,742
		(59,106)	10,124	(17,302)	11,156
		(1,768)	38,331	12,586	39,140
		696	347	696	300
<b>TOTAL INCOME</b>		<b>233,446</b>	<b>270,618</b>	<b>72,064</b>	<b>141,339</b>
<b>EXPENSES</b>					
		37,142	19,652	9,977	8,233
		4,828	2,555	1,297	1,071
	7.3	3,658	1,638	990	693
		2,687	1,203	728	508
		732	328	198	139
		33	105	25	20
		237	207	58	51
		1,268	2,026	399	1,216
		286	115	191	38
		233	233	76	77
<b>Total operating expenses</b>		<b>51,104</b>	<b>28,063</b>	<b>13,939</b>	<b>12,047</b>
<b>Operating income for the period</b>		<b>182,342</b>	<b>242,555</b>	<b>58,125</b>	<b>129,292</b>
	10.2	(3,577)	(4,759)	(1,138)	(2,536)
<b>Net income for the period before taxation</b>		<b>178,765</b>	<b>237,796</b>	<b>56,987</b>	<b>126,756</b>
	13	-	-	-	-
<b>Net income for the period after taxation</b>		<b>178,765</b>	<b>237,796</b>	<b>56,987</b>	<b>126,756</b>
<b>Allocation of net income for the period</b>					
		(80,496)	(21,845)	(20,446)	(7,449)
<b>Net income for the period available for distribution</b>		<b>98,269</b>	<b>215,950</b>	<b>36,541</b>	<b>119,306</b>
		-	-	-	-
		98,269	215,950	36,541	119,306
		98,269	215,950	36,541	119,306
<b>Earnings per unit</b>					

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

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

SD  
**Chief Executive Officer**

SD  
**Chief Financial Officer**

SD  
**Director**

**UBL GOVERNMENT SECURITIES FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2021**

	<b>Nine Months Period Ended</b>		<b>Quarter Ended</b>	
	<b>March 31,</b>	<b>March 31,</b>	<b>March 31,</b>	<b>March 31,</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>----- (Rupees in '000) -----</b>		<b>----- (Rupees in '000) -----</b>	
<b>Net income for the period after taxation</b>	<b>178,765</b>	<b>237,796</b>	<b>56,987</b>	<b>126,756</b>
<b>Other comprehensive income</b>				
Items that may be reclassified subsequently to income statement	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>178,765</b>	<b>237,796</b>	<b>56,987</b>	<b>126,756</b>

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

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

SD  
**Chief Executive Officer**

SD  
**Chief Financial Officer**

SD  
**Director**

**UBL GOVERNMENT SECURITIES FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	-----Nine Months Period Ended-----					
	March 31, 2021			March 31, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at the beginning of the period	2,952,966	203,797	3,156,763	1,324,250	209,264	1,533,514
Issuance of 241,856,777 units (2020: 22,937,751 units)						
Capital value of units	25,545,668	-	25,545,668	2,426,472	-	2,426,472
Element of income						
Due to net income earned	103,996	-	103,996	137,219	-	137,219
<b>Total amount received on issuance of units</b>	<b>25,649,664</b>	<b>-</b>	<b>25,649,664</b>	<b>2,563,691</b>	<b>-</b>	<b>2,563,691</b>
Redemption of 246,714,503 units (2020: 9,611,167 units)						
Capital value of units	(26,058,756)	-	(26,058,756)	(1,016,718)	-	(1,016,718)
Element of income						
Due to net income earned	(22,947)	(80,496)	(103,443)	(30,103)	(21,845)	(51,948)
<b>Total amount paid on redemption of units</b>	<b>(26,081,703)</b>	<b>(80,496)</b>	<b>(26,162,199)</b>	<b>(1,046,821)</b>	<b>(21,845)</b>	<b>(1,068,667)</b>
Total comprehensive income for the period	-	178,765	178,765	-	237,796	237,796
Distribution during the period:						
Rs. 0.6689 per unit declared on Sep 04, 2020 as cash dividend	(17,700)	(21,661)	(39,361)			
Rs. 0.3844 per unit declared on Sep 25, 2020 as cash dividend	(9,442)	(12,564)	(22,006)			
Rs. 0.2667 per unit declared on Oct 23, 2020 as cash dividend	(5,192)	(9,031)	(14,223)			
Rs. 0.5813 per unit declared on Nov 27, 2020 as cash dividend	(14,139)	(15,570)	(29,709)			
Rs. 0.4555 per unit declared on Dec 24, 2020 as cash dividend	(9,905)	(11,971)	(21,876)			
Rs. 0.4933 per unit declared on Jan 29, 2021 as cash dividend	(10,024)	(10,501)	(20,525)			
Rs. 0.4680 per unit declared on Feb 26, 2021 as cash dividend	(8,623)	(8,791)	(17,414)			
Rs. 0.4744 per unit declared on Mar 26, 2021 as cash dividend	(6,031)	(5,851)	(11,882)			
				-	-	-
<b>Net income for the period less distribution</b>	<b>(81,056)</b>	<b>82,826</b>	<b>1,769</b>	<b>-</b>	<b>237,796</b>	<b>237,796</b>
<b>Net assets at the end of the period</b>	<b>2,439,871</b>	<b>206,127</b>	<b>2,645,997</b>	<b>2,841,120</b>	<b>425,214</b>	<b>3,266,335</b>
<b>Undistributed income brought forward comprises of:</b>						
Realised gain		206,970			212,437	
Unrealised (loss) / gain		(3,173)			(3,173)	
<b>Total undistributed income brought forward</b>		<b>203,797</b>			<b>209,264</b>	
<b>Income available for distribution:</b>						
Relating to capital gains		-			-	
Excluding capital gains		98,269			215,950	
		<b>98,269</b>			<b>215,950</b>	
<b>Distribution during the period:</b>						
Rs. 0.6689 per unit declared on Sep 04, 2020 as cash dividend		(21,661)			-	
Rs. 0.3844 per unit declared on Sep 25, 2020 as cash dividend		(12,564)			-	
Rs. 0.2667 per unit declared on Oct 23, 2020 as cash dividend		(9,031)			-	
Rs. 0.5813 per unit declared on Nov 27, 2020 as cash dividend		(15,570)			-	
Rs. 0.4555 per unit declared on Dec 24, 2020 as cash dividend		(11,971)			-	
Rs. 0.4933 per unit declared on Jan 29, 2021 as cash dividend		(10,501)			-	
Rs. 0.4680 per unit declared on Feb 26, 2021 as cash dividend		(8,791)			-	
Rs. 0.4744 per unit declared on Mar 26, 2021 as cash dividend		(5,851)			-	
<b>Undistributed income carried forward</b>		<b>206,127</b>			<b>425,214</b>	
<b>Undistributed income carried forward comprises of:</b>						
Realised gain		207,895			386,883	
Unrealised loss		(1,768)			38,331	
<b>Total undistributed income carried forward</b>		<b>206,127</b>			<b>425,214</b>	
			(Rupees)			(Rupees)
<b>Net assets value per unit at the beginning of the period</b>			<b>105.6231</b>			<b>105.7851</b>
<b>Net assets value per unit at the end of the period</b>			<b>105.7159</b>			<b>117.3966</b>

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL GOVERNMENT SECURITIES FUND**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	<b>Nine Months Period Ended</b>	
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
	<b>----- (Rupees in '000) -----</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	178,765	237,796
<b>Adjustments for:</b>		
Financial income	(293,624)	(221,815)
Unrealised loss on revaluation of investments at fair value through profit or loss - net	1,768	(38,331)
Capital loss on sale of investments - net	59,106	(10,124)
Provision for Sindh Workers' Welfare Fund	3,577	4,759
	<b>(229,173)</b>	<b>(265,511)</b>
<b>Net cash generated from operations before working capital changes</b>	<b>(50,408)</b>	<b>(27,715)</b>
<b>Working capital changes</b>		
<b>Decrease/ (Increase) in assets</b>		
Investments - net	1,017,991	(1,366,747)
Prepayments and other receivables	1,456,860	(15,921)
Advance tax	(3)	0
	<b>2,474,848</b>	<b>(1,382,668)</b>
<b>(Decrease) / increase in liabilities</b>		
Payable to UBL Fund Managers Limited - Management Company	(323)	2,531
Payable to Central Depository Company of Pakistan Limited - Trustee	12	(3)
Annual fee payable to Securities and Exchange Commission of Pakistan	228	(942)
Accrued expenses and other liabilities	(307,061)	(51,160)
	<b>(307,144)</b>	<b>(49,574)</b>
<b>Cash (used in) / generated from operations</b>	<b>2,117,296</b>	<b>(1,459,957)</b>
Profit received on bank balances and investments	383,663	187,951
<b>Net cash flow (used in) / generated from operating activities</b>	<b>2,500,959</b>	<b>(1,272,006)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from issuance of units	25,649,664	2,563,691
Payments against redemption of units	(26,162,199)	(1,068,667)
Dividend paid	(176,996)	-
<b>Net cash (used in) / generated from financing activities</b>	<b>(689,531)</b>	<b>1,495,024</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>1,811,428</b>	<b>223,018</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>549,489</b>	<b>1,109,748</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>2,360,917</b>	<b>1,332,766</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Bank balances	2,360,917	1,332,766
Cash Equivalents	-	-
	<b>2,360,917</b>	<b>1,332,766</b>

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

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

**SD**  
**Chief Executive Officer**

**SD**  
**Chief Financial Officer**

**SD**  
**Director**

**UBL GOVERNMENT SECURITIES FUND  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

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

- 1.1 UBL Government Securities Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-ended mutual fund. It was constituted under the Trust Deed, dated May 19, 2011 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The Fund commenced its operations from July 7, 2011. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi, Pakistan.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.
- 1.3 The Fund is an income scheme and units of the Fund are listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder. The Fund is categorised as an open-ended income scheme in accordance with Circular No. 7 of 2009 issued by the SECP.
- 1.4 The objective of the Fund is to generate a competitive return with minimum risk, by investing primarily in Government Securities. The weighted average time to maturity of the Fund's investment shall not exceed 4 years and this shall also apply to Government Securities. This is intended to reduce risk while providing competitive returns and maintaining liquidity.
- 1.5 Title to the assets of the Fund are held in the name of the CDC as the Trustee of the Fund.
- 1.6 VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as at December 31, 2020 and a stability rating of "AA(f)" to the Fund as at January 07, 2021.

**2 STATEMENT OF COMPLIANCE**

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2020.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

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

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

- 3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.

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

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

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

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

			March 31, 2021 (Unaudited)	June 30, 2020 (Audited)
	Note		----- (Rupees in '000) -----	
<b>4 BANK BALANCES</b>				
Cash at bank			8	10
In current accounts				
In savings accounts	4.1		2,360,909	549,479
			<u>2,360,917</u>	<u>549,489</u>

- 4.1 Profit rates on these savings accounts range from 5.50% to 8.00% per annum (June 30, 2020: 6.40% to 13.65% per annum). This includes an amount held by a related party (United Bank Limited) amounting to Rs. 5.355 million (June 30, 2020: Rs. 24.101 million) on which return is earned at 5.50% (June 30, 2020: 7.50%) per annum.

## 5 INVESTMENTS

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

			March 31, 2020 (Unaudited)	June 30, 2020 (Audited)
			----- (Rupees in '000) -----	
Pakistan Investment Bonds	5.2 & 5.3		363,997	3,496,583
Market Treasury Bills	5.2 & 5.4		-	-
			<u>363,997</u>	<u>3,496,583</u>

### 5.2 Details of Government Securities are as follows:

Name of security	Note	At the beginning of the period	Acquired during the period	Sold / matured during period	At the end of the period	Market value as at March 31, 2021	Market value as at June 30, 2020	Percentage of investment
		No. of holdings				(Rupees in '000)		
<b>Pakistan Investment Bonds</b>								
PIB- 03 Years	5.3	2,300	121,150	123,255	195	19,496	255,164	5.36%
PIB- 05 Years	5.3	-	53,210	53,200	10	1,001	-	0.28%
PIB- 10 Years	5.3	10,685	0	7,250	3,435	343,500	1,070,634	94.37%
<b>Market Treasury Bills</b>								
T-bill 3 months	5.4	-	93,595	93,595	-	-	-	0.00%
T-bill 6 months	5.4	-	14,250	14,250	-	-	-	0.00%
T-bill 1 year	5.4	1,250	20,000	21,250	-	-	117,064	0.00%
		<u>14,235</u>	<u>302,205</u>	<u>312,800</u>	<u>3,640</u>	<u>363,997</u>	<u>1,442,862</u>	<u>100.00%</u>

- 5.3 These comprise of fixed and floating rate Pakistan Investment Bonds (PIBs) having face value amounting to Rs. 343.500 million, Rs. 19.500 million and Rs. 1.000 million respectively (June 30, 2020: Rs. 805.00, Rs. Nil and Rs. 493.50 million respectively) and carry interest rates ranging from 7.62% to 8.27%, 7.66% to 8.31% and 7.71% to 14.05% respectively (June 30, 2020: 8.75% to 10.00%, Nil and 13.94% to 14.05% respectively).

- 5.4 These represent Market Treasury Bills (MTBs) having a face value of Rs. Nil (June 30, 2020: Rs. 125 million) and carrying purchase yield of Nil (June 30, 2020: 7.29%).

## 6 ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Fund also obtained exemption from section 150A of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the ITO, 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

**7 PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY**

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in 000) -----	
Remuneration payable to the Management Company	7.1	2,813	2,894
Sindh sales tax payable on remuneration of the Management Company	7.2	366	376
Sales load and conversion charges payable		299	927
Allocated expenses payable	7.3	990	594
Other payable		17	17
		<u>4,485</u>	<u>4,808</u>

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

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

From Jul 1, 2020 to Jul 7, 2020	From Jul 8, 2020 to Aug 7, 2020	From Aug 8, 2020 to Mar 31, 2021
10% of Gross Earning (1% Floor and 1.25% Cap of AUMs)	10% of Gross Earning (1% Floor and 1.25% Cap of AUMs)	10% of Gross Earning (1% Floor and 1.25% Cap of AUMs)

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

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

From Jul 1, 2020 to Jul 7, 2020	From Jul 8, 2020 to Aug 7, 2020	From Aug 8, 2020 to Mar 31, 2021
0.1% of AUMs	0.1% of AUMs	0.1% of AUMs

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

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in 000) -----	
Remuneration payable to the Trustee	8.1	190	180
Sindh sales tax on Trustee remuneration	8.2	25	23
		<u>215</u>	<u>203</u>

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.065% (June 30, 2020: 0.065%) per annum of average daily net assets of the Fund during the period.
- 8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

**9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in 000) -----	
Annual fee payable	9.1	<u>732</u>	<u>504</u>

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

# 10 ACCRUED EXPENSES AND OTHER LIABILITIES

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in 000) -----	
Auditors' remuneration payable		544	307
Printing charges payable		-	-
Withholding tax payable		980	21,271
Capital gain tax payable		1,371	28,539
Annual listing fee payable		-	-
Legal and professional charges payable		116	97
Sales load payable		925	202
Brokerage payable		367	2,197
Zakat deducted at source		137	139
Provision for Federal Excise Duty	10.1	52,558	52,558
Provision for Sindh Workers' Welfare Fund	10.2	30,142	26,565
Other payables		68	4,052
Dividend Payable As Capital Repayment - Non Taxable		-	254,765
		<b>87,208</b>	<b>390,692</b>

**10.1** This includes provision for Federal Excise Duty (FED) as at March 31, 2021 amounting to Rs. 52.558 million (June 30, 2020: Rs. 52.558 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 2.0999 (June 30, 2020: Re. 1.758).

**10.2** This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re 1.2043 (June 30, 2020: Re. 0.8888).

## 11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

## 12. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.49% (March 31, 2020: 2.00%) which includes 0.26% (March 31, 2020: 0.49%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a income scheme.

## 13 TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## 14 EARNINGS PER UNIT

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

## 15 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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

Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of NBFC Rules, NBFC Regulations and the Trust Deed respectively. Other transactions with the related parties / connected persons have been carried out at agreed / commercial terms.

Details of transaction with the related parties and balances with them at the nine months ended are as follows:

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
<b>Transactions during the nine months ended March 31, 2021</b>						
<b>(Rupees in '000)</b>						
Profit on savings accounts	-	561	-	-	-	-
Bank charges	-	10	-	-	-	-
Units issued in (units in 000)	481	-	-	-	2,104	26,860
Value of Units issued	50,805	-	-	-	223,151	2,848,740
Units redeemed (units in 000)	481	-	-	-	2,064	23,415
Value of Units redeemed	50,905	-	-	-	218,816	2,483,138
Purchase of securities	-	10,334	-	499,339	-	-
Sale of securities	-	599	-	438,990	-	-
Remuneration (including Sindh sales tax)	41,970	-	2,687	-	-	-
Allocated expenses	3,658	-	-	-	-	-
Dividend paid	942	-	-	-	931	11,217
<b>Transactions during the nine months ended March 31, 2020</b>						
Profit on savings accounts	-	871	-	-	-	-
Bank charges	-	31	-	-	-	-
Units issued in (units in 000)	-	-	-	-	1,210	840,687
Value of Units issued	-	-	-	-	11	7,594
Units redeemed (units in 000)	-	-	-	-	73	-
Value of Units redeemed	-	-	-	-	8,123	-
Purchase of securities	-	214,297	-	159,666	-	-
Sale of securities	-	348,340	-	1,257,002	-	-
Remuneration (including Sindh sales tax)	22,207	-	1,203	-	-	-
<b>Balances held as at March 31, 2021</b>						
<b>(Rupees in '000)</b>						
Units held (in Units '000)	-	-	-	-	61	3,445
Units held (in Rupees '000)	-	-	-	-	6,423	364,192
Bank balances	-	5,354	-	-	-	-
Remuneration payable	3,179	-	215	-	-	-
Sales load payable	127	874	-	-	-	-
Conversion charges payable	172	-	-	-	-	-
Allocated expenses payable	990	-	-	-	-	-
Other payables	17	-	-	-	-	-
Profit receivable	-	57	-	-	-	-
<b>Balances held as at Jun 30, 2020</b>						
Units held (in Units '000)	-	-	-	-	20	13,045
Units held (in Rupees '000)	-	-	-	-	2,112	1,377,854
Bank balances	-	24,101	-	-	-	-
Remuneration payable	3,270	-	203	-	-	-
Sales load payable	852	202	-	-	-	-
Conversion charges payable	163	-	-	-	-	-
Allocated expenses payable	594	-	-	-	-	-
Other payables	17	-	-	-	-	-
Profit receivable	-	38	-	-	-	-

## 16 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

### 16.1 Fair value hierarchy

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

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

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

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

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

17 INTERIM DISTRIBUTIONS MADE DURING THE PERIOD

			Cash Distribution		
Rate per unit	Declaration time	Capital Value	Undistributed Income	Total	
-----Rupees in '000-----					
-----For the period ended March 31, 2021-----					
<b>July 2020 to March 2021</b>					
Interim Distribution declared as cash dividend	0.6689	September 4, 2020	(17,700)	(21,661)	(39,361)
Interim Distribution declared as cash dividend	0.3844	September 25, 2020	(9,442)	(12,564)	(22,006)
Interim Distribution declared as cash dividend	0.2667	October 23, 2020	(5,192)	(9,031)	(14,223)
Interim Distribution declared as cash dividend	0.5813	November 27, 2020	(14,139)	(15,570)	(29,709)
Interim Distribution declared as cash dividend	0.4555	December 24, 2020	(9,905)	(11,971)	(21,876)
Interim Distribution declared as cash dividend	0.4933	January 29, 2021	(10,024)	(10,501)	(20,525)
Interim Distribution declared as cash dividend	0.468	February 26, 2021	(8,623)	(8,791)	(17,414)
Interim Distribution declared as cash dividend	0.4744	March 26, 2021	(6,031)	(5,851)	(11,882)
			<b>(81,056)</b>	<b>(95,939)</b>	<b>(176,996)</b>
-----For the period ended March 31, 2020-----					

Nil

18 COVID – 19

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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

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.

19. GENERAL

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

20. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

# UIOF

## UBL Income Opportunity Fund

### INVESTMENT OBJECTIVE

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

<b>Management Company</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>	Ernst & Young Ford Rhodes, Chartered Accountants
<b>Bankers</b>	United Bank Limited Bank Alfalah Limited Faysal Bank Limited Telenor MicroFinance Bank Allied Bank Limited Khushhali Bank Ltd. MCB Bank Limited JS Bank Limited Samba Bank Limited Habib Bank Limited Sindh Bank Limited Zarai Taraqati Bank Limited Soneri Bank Limited National bank of Pakistan Limited
<b>Management Co.Rating</b>	AM1 (VIS)
<b>Fund Rating</b>	AA-(f) (VIS)

**UBL INCOME OPPORTUNITY FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2021**

		(Un-audited) March 31, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2020
<b>ASSETS</b>	<b>Note</b>		
Bank balances	4	1,193,692	254,875
Investments	5	586,252	331,686
Dividend and mark-up receivable		6,467	6,201
Advance tax	6	549	347
Deposits, prepayments and other receivables		14,023	32,231
Receivable against sale of investments		-	5,714
<b>TOTAL ASSETS</b>		<b>1,800,983</b>	<b>631,054</b>
<b>LIABILITIES</b>			
Payable to UBL Fund Managers Limited - Management Company	7	2,731	2,201
Payable to Central Depository Company of Pakistan - Trustee	8	116	46
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	9	195	119
Accrued expenses and other payables		13,604	21,346
Payable against purchase of investments		62,164	-
<b>TOTAL LIABILITIES</b>		<b>78,810</b>	<b>23,712</b>
<b>NET ASSETS</b>		<b>1,722,173</b>	<b>607,342</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>1,722,173</b>	<b>607,342</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	11		
		----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>14,940,968</b>	<b>5,516,450</b>
		----- (Rupees) -----	
<b>NET ASSETS VALUE PER UNIT</b>		<b>115.2651</b>	<b>110.0966</b>

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

For UBL Fund Managers Limited  
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL INCOME OPPORTUNITY FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

		Nine months ended		Quarter ended	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Note		(Rupees in '000)			
<b>INCOME</b>					
Financial income :					
- Bank balances		18,981	31,269	5,727	8,969
- Term deposit receipts		462	3,056	133	-
- Government securities		31,191	12,332	9,809	8,732
- Term finance certificates		4,367	3,003	1,942	1,502
- Marginal trading system		-	528	-	228
Gain on redemption / sale of investments classified as 'at fair value through profit or loss' - net		20,476	4,733	11,416	7,685
Dividend income		1,043	5,483	-	-
Unrealised gain on revaluation of investments classified as 'at fair value through profit or loss' - net		1,162	5,863	1,596	6,101
Other income		1,682	487	-	189
<b>Total income</b>		<b>79,364</b>	<b>66,754</b>	<b>30,623</b>	<b>33,406</b>
<b>EXPENSES</b>					
Remuneration of the Management Company		7,641	4,886	2,790	1,977
Sales tax on management fee		993	635	362	257
Allocation of expenses related to the Fund		974	386	341	168
Selling and marketing expenses		974	386	341	168
Remuneration of the Trustee		731	290	257	127
Sales tax on remuneration of the Trustee		95	38	33	17
Annual fee to Securities and Exchange Commission of Pakistan		195	77	68	33
Auditors' remuneration		223	288	63	68
Brokerage and settlement expenses		5,324	1,682	2,162	840
Listing fee expense		21	21	7	7
Legal and professional charges		165	120	73	40
Bank charges and other expenses		127	192	44	66
<b>Total expenses</b>		<b>17,463</b>	<b>9,001</b>	<b>6,541</b>	<b>3,768</b>
<b>Net operating income for the period</b>		<b>61,901</b>	<b>57,753</b>	<b>24,082</b>	<b>29,638</b>
Provision for Sindh Workers' Welfare Fund (SWWF)	10.2	(1,216)	(1,133)	(474)	(581)
<b>Net income for the period before taxation</b>		<b>60,685</b>	<b>56,620</b>	<b>23,608</b>	<b>29,057</b>
Taxation	13	-	-	-	-
<b>Net income for the period after taxation</b>		<b>60,685</b>	<b>56,620</b>	<b>23,608</b>	<b>29,057</b>
<i>Allocation of net income for the period</i>					
Income already paid on units redeemed		(29,011)	(19,823)	(12,940)	(10,483)
<b>Net income for the period available for distribution</b>		<b>31,674</b>	<b>36,797</b>	<b>10,668</b>	<b>18,574</b>
<i>Net income available for distribution:</i>					
- Relating to capital gains		12,188	9,901	7,211	9,901
- Excluding capital gains		19,487	26,896	3,458	8,673
		<b>31,674</b>	<b>36,797</b>	<b>10,668</b>	<b>18,574</b>

Earning per unit

14

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

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL INCOME OPPORTUNITY FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	Nine months ended		Quarter ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	(Rupees in '000)			
Net income for the period after taxation	60,685	56,620	23,608	29,057
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>60,685</b>	<b>56,620</b>	<b>23,608</b>	<b>29,057</b>

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

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

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

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

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

**UBL INCOME OPPORTUNITY FUND**
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)**
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	Nine Months Ended					
	March 31, 2021			March 31, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----					
<b>Net assets at beginning of the period</b>	596,598	10,744	607,342	821,353	11,907	833,260
<b>Amount received on issuance of 37,933,079 units</b> (2020 : Amount received on issuance of 13,952,985)						
Capital value	4,176,303	-	4,176,303	1,537,595	-	1,537,595
Element of income	96,835	-	96,835	99,387	-	99,387
	4,273,138	-	4,273,138	1,636,982	-	1,636,982
<b>Amount paid on Redemption of 28,508,561</b> (2020 : Amount paid on Redemption of 14,658,384)						
Capital value	(3,138,697)	-	(3,138,697)	(1,615,329)	-	(1,615,329)
Element of income	(51,284)	(29,011)	(80,295)	(50,816)	(19,823)	(70,639)
	(3,189,981)	(29,011)	(3,218,992)	(1,666,145)	(19,823)	(1,685,968)
Total comprehensive income for the period	-	60,685	60,685	-	56,620	56,620
<b>Net assets at end of the period</b>	<b>1,679,755</b>	<b>42,418</b>	<b>1,722,173</b>	<b>792,190</b>	<b>48,704</b>	<b>840,894</b>
<b>Undistributed income brought forward comprising of:</b>						
- Realised		9,614	9,614		11,907	11,907
- Unrealised		1,130	1,130		-	-
		10,744	10,744		11,907	11,907
<b>Accounting income available for distribution:</b>						
- Relating to capital gains		12,188	12,188		9,901	9,901
- Excluding capital gains		19,487	19,487		26,896	26,896
		31,674	31,674		36,797	36,797
<b>Undistributed income carried forward</b>		<b>42,418</b>	<b>42,418</b>		<b>48,704</b>	<b>48,704</b>
<b>Undistributed income carried forward comprising of:</b>						
- Realised		41,256	41,256		42,841	42,841
- Unrealised gain		1,162	1,162		5,863	5,863
		42,418	42,418		48,704	48,704
	----- (Rupees) -----					
<b>Net assets value per unit at beginning of the period</b>		<b>110.0966</b>				<b>110.1983</b>
<b>Net assets value per unit at end of the period</b>		<b>115.2651</b>				<b>122.6496</b>

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

For UBL Fund Managers Limited  
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL INCOME OPPORTUNITY FUND**  
**CONDENSED INTERIM STATEMENT CASH FLOWS (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	Nine months ended	
	March 31, 2021	March 31, 2020
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	60,685	56,620
<b>Adjustments for:</b>		
Financial income	(55,001)	(50,188)
Gain on redemption / sale of investments classified as 'at fair value through profit or loss' - net	(20,476)	(4,733)
Dividend income	(1,043)	(5,483)
Unrealised gain on revaluation of investments 'at fair value through profit or loss' - net	(1,162)	(5,863)
Provision for Sindh Workers' Welfare Fund (SWWF)	1,216	1,133
	(76,466)	(65,134)
<b>Cash used in operations before working capital changes</b>	<b>(15,781)</b>	<b>(8,514)</b>
<b>Working capital changes</b>		
<b>(Increase) / decrease in assets</b>		
Investments - net	(232,928)	(409,257)
Advance tax	(202)	(111)
Deposits, prepayments and other receivables	23,922	(29,414)
	(209,208)	(438,782)
<b>Increase / (decrease) in liabilities</b>		
Payable to UBL Fund Managers Limited - Management Company	188	217
Payable to Central Depository Company of Pakistan - Trustee	70	(77)
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	76	(1,013)
Accrued expenses and other payables	(8,616)	(1,886)
Payable against purchase of investments	62,164	53,425
	53,882	50,666
Dividend and mark-up received	55,778	52,214
<b>Net cash flows used in operating activities</b>	<b>(115,329)</b>	<b>(344,416)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net receipt from issuance of units	4,273,138	1,636,982
Net payment against redemption of units	(3,218,992)	(1,685,968)
<b>Net cash generated from / (used in) financing activities</b>	<b>1,054,146</b>	<b>(48,986)</b>
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<b>938,817</b>	<b>(393,402)</b>
Cash and cash equivalents at beginning of the period	254,875	648,809
<b>Cash and cash equivalents at end of the period</b>	<b>1,193,692</b>	<b>255,407</b>

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

For UBL Fund Managers Limited  
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL INCOME OPPORTUNITY FUND**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

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

- 1.1 UBL Income Opportunity Fund (the Fund) was established under a Trust Deed executed between UBL Funds Managers Limited, (wholly owned subsidiary company of United Bank Limited) as its Management Company and Central Depository Company of Pakistan Limited, as its Trustee. The Trust Deed was executed on January 01, 2013 and the Fund was authorized by the Securities and Exchange Commission of Pakistan (SECP) on February 13, 2013 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The registered office of the Management Company is situated at the 4th Floor STSM Building, Beaumont Road, Civil Lines Karachi.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through certificate of registration issued by SECP.
- 1.3 The Fund is an open-ended mutual fund listed on Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders. The Fund commenced its operations from March 29, 2013.
- 1.4 The objective is to provide a competitive rate of return to its investors by investing in quality term finance certificates / sukuks issued by the financial institutions, Government securities, bank deposits and short-term and long-term debt instruments. Under circular 07 dated March 06, 2009 issued by the SECP, the Fund has been categorized by the Management Company as an Income Scheme.
- 1.5 VIS Credit Rating Company Limited has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company on December 31, 2020 and a stability rating of "AA-(f)" to the Fund as on January 07, 2021.
- 1.6 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

**2. BASIS OF PREPARATION**

**2.1 STATEMENT OF COMPLIANCE**

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
  - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
  - Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2020.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

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

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

**3.2** The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.

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

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

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

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

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
<b>4. BANK BALANCES</b>			
Current account	4.1	<u>1,193,692</u>	<u>254,875</u>
<b>4.1</b>	These carry mark-up at the rates ranging from 5.50% to 8.00% (June 30, 2020: 6.4% to 13.50%) per annum and include balances of Rs.3.754 (June 30, 2020: Rs.1.93) million held with United Bank Limited (a related party).		

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
<b>5. INVESTMENTS</b>			
<b>Investments by Category</b>			
<b>'At fair value through profit or loss'</b>			
Government Securities - Market Treasury Bills	5.1	<u>99,587</u>	146,735
Government Securities - Pakistan Investment Bonds	5.2	<u>19,999</u>	144,236
Debt securities - Term Finance Certificates	5.3	<u>102,120</u>	40,715
Quoted equity securities - Spread transactions	5.4	<u>364,546</u>	-
		<u>586,252</u>	331,686

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

Government Securities - Treasury Bills - At Fair Value Through Profit or Loss						March 31, 2021			Market value as a % of net assets	Market value as a % of total investments	
Purchase yield range	Maturity upto	As at July 01, 2020	Purchased during the period	Sold during the period	As at March 31, 2021	Carrying value	Market value	Unrealised (loss)			
(Number of holding)						(Rupees in '000)			%		
Market Treasury Bills -											
T-Bills 3 Months	7.16%	22-apr-21	-	45,115	44,115	1,000	99,586	99,587	1	5.78%	16.99%
T-Bills - 06 Months			-	3,500	3,500	-	-	-	-	0.00%	0.00%
T-Bills 1 Year			1,550	4,000	5,550	-	-	-	-	0.00%	0.00%
Total as at March 31, 2021 (un-audited)							99,586	99,587	1	5.78%	16.99%

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

Purchase yield range	Maturity upto	As at July 01, 2020	Purchased during the period	Sold during the period	As at March 31, 2021	Carrying value	Market value	Unrealised Gain / (loss)	Market value as a % of net assets	Market value as a % of total investments	
(Number of holding)						(Rupees in '000)			%		
Pakistan Investment Bonds											
10 Years	14.70%	22-aug-29	150,000	-	-	150,000	15,000	15,000	-	0.87%	2.56%
3 Years	4.00%	19-Jun-23	-	11,250,000	11,200,000	50,000	4,999	4,999	-	0.29%	0.85%
3 Years	8.26%	19-Jun-23	1,250	-	1,250	-	-	-	-	0.00%	0.00%
5 Years	8.23%	18-june-25	-	1,000,000	1,000,000	-	-	-	-	0.00%	0.00%
Total as at March 31, 2020 (un-audited)						19,999	19,999	-	1.16%	3.41%	

5.2.1 These comprise of floating rate Pakistan Investment Bonds (PIBs) having face value amounting to Rs.20 million respectively (June 30, 2020: 15 million)

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

Particulars	Note	Number of certificates				March 31, 2020			Market value as a % of net assets	Market value as a % of total investments
		As at July 01, 2019	Purchased during the period	Sold / matured during the period	As at March 31, 2021	Carrying value	Market value	Unrealised Gain / (loss)		
Commercial banks						----- (Rupees in '000) -----			% -----	
K-ELECTRIC LIMITED - SUKUK-5 (03-08-2020) (Issue date - August 03, 2020)	5.3.1 & 5.3.2	-	4,000	-	4,000	20,220	20,220	-	1.17%	3.45%
BANK ALFALAH LIMITED - TFC SERIES A (15-01-21) (Issue date - January 15, 2021)	5.3.1 & 5.3.2	-	7,000	-	7,000	35,000	35,000	-	2.03%	5.97%
SAMBA - TFC (02-03-2021) (Issue date - March 02, 2021)	5.3.1 & 5.3.2	-	469		469	46,900	46,900	-	2.72%	8.00%
Total as at March 31, 2021 (Un-audited)						102,120	102,120	-	5.93%	17.42%
Total as at June 30, 2020 (Audited)						146,277	146,735	458	24.16%	44.24%

5.3.1 These carry profit rate from 9.00% to 9.05% (June 2020: from 7.29% to 11.05%)

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

Name of security	Number of certificates	Redemption Value (Rupees)		Interest rate (Per annum)	Maturity
		Per certificate	Total		
SAMBA/TFC (02-03-2021)	234,500	200	46,900,000	6M KIBOR + 1.35%	01-Mar-21
BANK ALFALAH LIMITED - TFC SERIES A (15-01-21)	7,000	5,000	35,000,000	3 Yrs PKRV + 0.75%	15-Jan-24
K-ELECTRIC LIMITED - SUKUK-5 (03-08-2020)	4,000	5,000	20,000,000	3M KIBOR + 1.70%	03-Aug-27

#### 5.4 Quoted equity securities - Spread transactions

Name of Investee Company	Number of shares				Balance as at March 31, 2021			Market value as percentage of total investments	Market value as percentage of net assets	Market value as a percentage of paid-up capital of the investee
	As at July 01, 2020	Purchased during the period	Sold during the period	As at March 31, 2021	Carrying value as at March 31, 2021	Market value as at March 31, 2021	Unrealized gain / (loss)			
					(Rupees in '000)			%		
Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise										
<b>Automobile Assembler</b>										
D.G.Khan Cement Company Limited	-	165,000	-	165,000	20,529	20567	38	3.51%	1.19%	0.005
Fauji Cement Company Limited	-	145,500	-	145,500	3,314	3327	13	0.57%	0.19%	0.000
Maple Leaf Cement Factory Limited	-	1,807,500	-	1,807,500	83,398	83607	209	14.26%	4.85%	0.008
Lucky Cement Company Limited	-	41,500	-	41,500	34,334	34418	84	5.87%	2.00%	0.015
					141,575	141,919	344	24.208%	8.241%	
<b>Commerical Banks</b>										
Habib Bank Limited	-	46,500	-	46,500	5,626	5645	19	0.96%	0.33%	0.000
Bank Alfalah Limited	-	8,000	-	8,000	248	245	(3)	0.04%	0.01%	0.000
National Bank Of Pakistan	-	114,000	-	114,000	3,736	3760	24	0.64%	0.22%	0.000
United Bank Limited	-	84,000	-	84,000	10,047	10149	102	1.73%	0.59%	0.001
The Bank Of Punjab	-	2,109,000	-	2,109,000	17,355	17544	189	2.99%	1.02%	0.001
					37,012	37,343	331	6.370%	2.168%	
<b>Engineering</b>										
Amreli Steels Limited	-	401,000	-	401,000	17,476	17533	57	2.99%	1.02%	0.006
					17,476	17,533	57	2.991%	1.018%	
<b>Fertilizer</b>										
Fauji Fert Bin Qasim Limited	-	216,000	-	216,000	5,971	6004	33	1.02%	0.35%	0.000
					5,971	6,004	33	1.024%	0.349%	
<b>Oil &amp; Gas Exploration Companies</b>										
Oil And Gas Development Company Limited	-	15,000	-	15,000	1,522	1518	(4)	0.26%	0.09%	0.000
Pakistan Petroleum Limited	-	140,000	-	140,000	12,286	12295	9	2.10%	0.71%	0.000
					13,808	13,813	5	2.356%	0.802%	
<b>Oil &amp; Gas Marketing Companies</b>										
Pakistan State Oils Limited	-	229,500	-	-	54,470	54624	154	9.32%	3.17%	0.012
Sui Northern Gas Pipelines limited	-	650,500	-	650,500	26,876	27001	125	4.61%	1.57%	0.004
					81,346	81,625	279	13.923%	4.740%	
<b>Pharmaceuticals</b>										
The Searle Company Limited	-	42,500	-	42,500	10,760	10773	13	1.84%	0.63%	0.004
					10,760	10,773	13	1.84%	0.63%	
<b>Power Generation &amp; Distribution</b>										
The Hub Power Company Limited	-	122,000	-	122,000	9,994	10022	28	1.71%	0.58%	0.001
Kot Addu Power Company Limited	-	370,500	-	370,500	15,712	15751	39	2.69%	0.91%	0.002
					25,706	25,773	67	4.396%	1.497%	
<b>Textile Composite</b>										
Nishat (Chunian) Limited	-	39,000	-	39,000	1,866	1855	(11)	0.32%	0.11%	0.001
Nishat Mills Limited	-	283,000	-	283,000	27,794	27908	114	4.76%	1.62%	0.008
					29,660	29,763	103	5.077%	1.728%	
<b>Total as at March 31, 2021 (Un-audited)</b>					363,314	364,546	1,232			
<b>Total as at June 30, 2020 (Audited)</b>					-	-	-			

## 6. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Fund also obtained exemption from section 150A of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the ITO, 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

## 7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	(Rupees in 000)	(Rupees in 000)
Remuneration payable to the Management Company	7.1	1,096	399
Sindh sales tax payable on remuneration of the Management Company	7.2	142	52
Sales load and conversion charges payable		802	1,412
Selling and marketing expenses payable	7.3	341	207
Allocated expenses payable	7.4	342	131
		<b>2,731</b>	<b>2,201</b>

**7.1** As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 10% of the gross earnings of the Scheme, calculated on a daily basis not exceeding the maximum rate 1.50% of remuneration based on net assets. The Fee is subject to a minimum of 0.25% of the daily net assets of the Scheme.  
The remuneration is payable to the Management Company monthly in arrears.

**7.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

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

**7.4** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following at the rates of 0.1% of net assets.

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

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	(Rupees in 000)	(Rupees in 000)
Remuneration payable to the Trustee	8.1	102	41
Sindh sales tax on Trustee remuneration	8.2	13	5
		<b>116</b>	<b>46</b>

**8.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.075% (June 30, 2020: 0.075) per annum of average daily net assets of the Fund during the period.

**8.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

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

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	(Rupees in 000)	(Rupees in 000)
Annual fee payable	9.1	195	119

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

**10. ACCRUED EXPENSES AND OTHER LIABILITIES**

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
Note		(Rupees in 000)	
	Auditors' remuneration payable	272	341
	Withholding tax payable	-	4,546
	Capital gain tax payable	595	1,730
	Annual listing fee payable	-	-
	Legal and professional charges payable	118	97
	Brokerage payable	2,332	982
	Zakat deducted at source	36	34
	Provision for Federal Excise Duty	1,597	1,597
10.1	Provision for Sindh Workers' Welfare Fund	6,083	4,867
	Other payables	2,571	7,152
		<b>13,604</b>	<b>21,346</b>

**10.1** This includes provision for Federal Excise Duty (FED) as at March 31, 2021 amounting to Rs. 1.597 million (June 30, 2020: Rs. 1.557 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 0.32 (June 30, 2020: Re. 0.28).

**10.2** This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re 0.081 (June 30, 2020: Re. 0.88).

**11. CONTINGENCIES AND COMMITMENTS**

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

**12. TOTAL EXPENSE RATIO**

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.92% (March 31, 2020: 0.81%) which includes 0.31% (March 31, 2020: 0.19) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Income scheme.

**13. TAXATION**

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

**14. EARNINGS PER UNIT**

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

**15. TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / RELATED PARTIES**

Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (the Management Company), the Central Depository Company of Pakistan Limited as trustee and custodian of the Fund, the directors and officers of the Management Company, and unit holders holding 10% or more of the Fund's net assets.

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

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

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

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
For The Nine months Ended March 31, 2021 (Un-audited)						
(Units in '000)						

**Transactions during the period**

Units issued	3,512	93	-	-	702	-
Units redeemed	3,512	88	-	-	464	-

(Rupees in '000)						
Mark-up on saving accounts	-	712	-	-	-	-
Bank charges	-	2	-	-	-	-
Value of units issued	391,000	10,332	-	-	79,665	-
Value of units redeemed	394,458	9,872	-	-	52,764	-
Sale of investment	197,042	-	-	74,074	-	-
Purchase of investment	-	-	-	98,398	-	-
Remuneration *	7,641	-	731	-	-	-
Central Depository System (CDS) charges	-	-	101	-	-	-
Allocated expenses by the Management Company	974	-	-	-	-	-
Selling and marketing expenses	974	-	-	-	-	-

For The Nine months Ended March 31, 2020 (Un-audited)

Units issued	1,290	-	-	-	52	2,349
Units redeemed	6,055	-	-	-	164	84

**Transactions during the period**

Mark-up on saving accounts	-	539	-	-	-	-
Bank charges	-	33	-	-	-	-
Units issued	150,000	-	-	-	6,092	282,427
Units redeemed	679,325	-	-	-	19,724	10,000
Sale of investment	-	101,866	-	486,113	-	-
Purchase of investment	-	93,173	-	-	-	-
Dividend paid	5,521	-	327	-	-	-
Remuneration *	-	-	2	-	-	-
CDS charges	-	-	-	-	-	-
Allocated expenses by the Management Company	386	-	-	-	-	-
Selling and marketing expenses	386	-	-	-	-	-

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
As at March 31, 2021 (Un-audited)						
(Rupees in '000)						

Units held (units in '000)	-	5	-	-	238	-
Units held (Rupees in '000)	-	525	-	-	27,451	-
Bank balances	-	1,193,692	-	-	-	-
Remuneration payable*	1,238	-	116	-	-	-
Security deposit	-	-	100	-	-	-
Sales load and other payable	781	-	-	-	-	-
Mark-up receivable	-	6,467	-	-	-	-
Payable against allocated expenses	342	-	-	-	-	-
Selling and marketing expense payable	341	-	-	-	-	-

As at June 30, 2020 (Audited)

Units held (units in '000)	-	-	1,103	-	-	-
Units held (Rupees in '000)	-	-	121,451	-	-	-
Bank balances	-	1,933	-	-	-	-
Remuneration payable*	450	-	46	-	-	-
Security deposit	-	-	100	-	-	-
Sales load and other payables	1,412	-	-	-	-	-
Mark-up receivable	-	19	-	-	-	-
Payable against allocated expenses	131	-	-	-	-	-
Selling and marketing expense payable	207	-	-	-	-	-

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

## 16. FAIR VALUE MEASUREMENT

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

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

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

### 16.1 Fair value hierarchy

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

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

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

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

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

	Fair value		
	Level 1	Level 2	Level 3
	----- (Rupees in '000) -----		
<b><u>March 31, 2021 (Un-audited)</u></b>			
<b>Financial assets measured at fair value</b>			
Debt securities	-	102,120	-
Government securities	-	119,586	-
Quoted equity securities - spread transactions	364,546	-	-
	<u>364,546</u>	<u>221,706</u>	<u>-</u>
	Fair value		
	Level 1	Level 2	Level 3
	----- (Rupees in '000) -----		
<b><u>June 30, 2020 (Audited)</u></b>			
<b>Financial assets measured at fair value</b>			
Debt securities	-	40,715	-
Government securities	-	290,971	-
	<u>-</u>	<u>331,686</u>	<u>-</u>

## 17 IMPACT OF COVID 19 ON CONDENSED INTERIM FINANCIAL STATEMENTS

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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

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.

**18. GENERAL**

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

**19. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

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

SD

\_\_\_\_\_  
**Chief Executive Officer**

SD

\_\_\_\_\_  
**Chief Financial Officer**

SD

\_\_\_\_\_  
**Director**

# UGIF

## UBL Growth and Income Fund

### INVESTMENT OBJECTIVE

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

<b>Management Company</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>	Ernst & Young Ford Rhodes, Chartered Accountants
<b>Bankers</b>	Allied Bank Limited Bank Alfalah Limited Faysal Bank Limited Habib Bank Limited JS Bank Limited Khushhali Bank Ltd. MCB Bank Limited National Bank of Pakistan Samba Bank Limited Silk Bank Limited Sindh Bank Limited Summit Bank Limited Telenor Microfinance Bank Limited The Bank of Punjab United Bank Limited Zarai Taraqiati Bank Limited Soneri Bank Limited
<b>Management Co.Rating</b>	AM1 (VIS)
<b>Fund Rating</b>	A+(f) (VIS)

**UBL GROWTH AND INCOME FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2021 (UN-AUDITED)**

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
<b>Assets</b>			
Bank balances	4	560,967	329,777
Investments	5	866,252	543,053
Mark-up receivable		6,083	19,724
Advance tax	6.	3,512	3,832
Deposits, prepayments and other receivables		17,245	36,910
<b>TOTAL ASSETS</b>		<b>1,454,059</b>	<b>933,296</b>
<b>Liabilities</b>			
Payable to the Management Company	7	3,061	2,290
Remuneration payable to the Trustee	8	105	65
Annual fee payable to Securities and Exchange Commission of Pakistan (SECP)	9.	204	294
Accrued and other liabilities	10	71,804	53,056
<b>TOTAL LIABILITIES</b>		<b>75,174</b>	<b>55,705</b>
<b>NET ASSETS</b>		<b>1,378,885</b>	<b>877,591</b>
<b>UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)</b>		<b>1,378,885</b>	<b>877,591</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	11		
		----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>15,427,619</b>	<b>10,328,784</b>
		----- (Rupees) -----	
<b>NET ASSETS VALUE PER UNIT</b>		<b>89.3777</b>	<b>84.9655</b>

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

For UBL Fund Managers Limited  
(Management Company)

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

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

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

**UBL GROWTH AND INCOME FUND**  
**CONDENSED INTERIM INCOME STATEMENT**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2021 (UN-AUDITED)**

		Nine Months Period Ended		Quarter Ended	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Note		(Rupees in '000)			
<b>Income</b>					
Financial income		66,680	159,267	23,637	54,457
Dividend Income		1,166	3,888	1	1,430
Net gain / (loss) on investments classified as					
'At fair value through profit or loss'					
- Net (loss) / gain on sale and redemption of investments		(432)	(2,747)	(1,138)	(1,559)
- Net gain from spread transactions		16,562	167	8,024	664
- Net unrealised (loss) / gain on revaluation of investments		1,099	19,717	1,104	32,821
		17,229	17,137	7,990	31,926
Net capital (loss) on sale and redemption of investments classified as 'fair value other comprehensive income'		-	-	-	-
Other income		3,049	6,241	851	4,005
Reversal of provision - net		-	-	-	(3,888)
<b>Total income</b>		<b>88,124</b>	<b>186,533</b>	<b>32,479</b>	<b>87,930</b>
<b>Expenses</b>					
Remuneration of the Management Company		7,096	12,843	2,599	4,584
Sales tax on management fee		923	1,670	338	596
Expenses allocated by the Management Company	7.4	1,021	1,192	386	422
Remuneration of the Trustee		866	1,010	328	357
Annual fee - Securities and Exchange Commission of Pakistan		204	238	77	84
Selling and marketing expense	7.3	4,086	4,767	1,547	1,686
Auditors' remuneration		190	210	42	43
Legal and professional charges		168	108	74	35
Brokerage expense		4,142	1,648	2,192	760
Custody and settlement charges		658	431	658	431
Bank charges and other expenses		237	294	80	100
<b>Total expenses</b>		<b>19,591</b>	<b>24,411</b>	<b>8,321</b>	<b>9,098</b>
<b>Net operating income for the period</b>		<b>68,533</b>	<b>162,122</b>	<b>24,158</b>	<b>78,832</b>
Provision for Sindh Workers' Welfare Fund	10.2	(1,344)	(3,181)	(472)	(1,546)
<b>Net income for the period before taxation</b>		<b>67,189</b>	<b>158,941</b>	<b>23,686</b>	<b>77,286</b>
Taxation	12	-	-	-	-
<b>Net income for the period after taxation</b>		<b>67,189</b>	<b>158,941</b>	<b>23,686</b>	<b>77,286</b>
<i>Allocation of net income for the period:</i>					
Income already paid on units redeemed		(30,710)	(72,759)	(12,209)	(26,556)
Accounting income available for distribution:		36,479	86,182	11,477	50,730
- Relating to capital gains		10,195	-	5,016	-
- Excluding capital gains		26,284	86,182	6,461	50,730
		36,479	86,182	11,477	50,730

**Earnings per unit**

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

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

**SD**

Chief Executive Officer

**SD**

Chief Financial Officer

**SD**

Director

**UBL GROWTH AND INCOME FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2021 (UN-AUDITED)**

	Nine Months Period Ended		Quarter Ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Note	(Rupees in '000)			
Net income for the period after taxation	67,189	158,941	23,686	77,286
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>67,189</u>	<u>158,941</u>	<u>23,686</u>	<u>77,286</u>

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

For UBL Fund Managers Limited  
(Management Company)

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

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

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

**UBL GROWTH AND INCOME FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021 (UN-AUDITED)**

	March 31, 2021	March 31, 2020
Note	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	67,189	158,941
<b>Adjustments for:</b>		
Financial income	(66,680)	(159,267)
Net (gain) / loss on investments classified as 'At fair value through profit or loss'		
- Net loss on sale and redemption of investments	432	2,747
- Net gain from spread transactions	(16,562)	(167)
- Net unrealised gain on revaluation of investments	(1,099)	(19,717)
Provision for Sindh Workers' Welfare Fund	1,344	3,181
	(82,565)	(173,223)
<b>Decrease / (increase) in assets</b>		
Investments	(305,970)	(631,939)
Advance tax	320	(425)
Receivable against settlement of spread transactions	-	6,106
Advances, deposits, prepayments and other receivables	19,665	(21,619)
	(285,985)	(647,877)
<b>Increase / (Decrease) in liabilities</b>		
Payable to the Management Company	771	137
Remuneration payable to the Trustee	40	(105)
Annual fee - Securities and Exchange Commission of Pakistan	(90)	(742)
Accrued and other liabilities	17,404	18,784
	18,125	18,074
Finance income received	80,321	148,288
<b>Net cash used in operating activities</b>	<b>(202,915)</b>	<b>(495,797)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from issuance of units	3,474,663	5,029,839
Payments against redemption of units	(3,040,558)	(5,086,177)
<b>Net cash generated from/ (used in) financing activities</b>	<b>434,105</b>	<b>(56,338)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>231,190</b>	<b>(552,135)</b>
Cash and cash equivalents at the beginning of the period	329,777	1,100,418
<b>Cash and cash equivalents at the end of the period</b>	<b>560,967</b>	<b>548,283</b>

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

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

**SD**

Chief Executive Officer

**SD**

Chief Financial Officer

**SD**

Director

**UBL GROWTH AND INCOME FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021 ( UN-AUDITED)**

	March 31, 2021				March 31, 2020			
	Capital value	Undistributed income	Unrealised appreciation on re-measurement of investments classified as 'FVOCI' - net	Total	Capital value	Undistributed income	Unrealised appreciation on re-measurement of investments classified as 'FVOCI' - net	Total
----- (Rupees in '000) -----								
<b>Net assets at beginning of the period</b>	1,360,121	(482,530)	-	877,591	2,215,081	(480,531)	239	1,734,789
<b>Amount received on issuance of 39,759,081</b> (March 31, 2020: 56,720,916) units								
Capital value	3,378,150	-	-	3,378,150	4,824,057	-	-	4,824,057
Element of income during the period;								
- Relating to other comprehensive Income for the period	-	-	-	-	-	-	-	-
- Relating to net income for the period after taxation	96,513	-	-	96,513	205,782	-	-	205,782
	3,474,663	-	-	3,474,663	5,029,839	-	-	5,029,839
<b>Amount paid on redemption of 34,759,081</b> (March 31, 2020: 57,447,250) units								
Capital value	(2,944,925)	-	-	(2,944,925)	(4,885,831)	-	-	(4,885,831)
Element of income during the period;								
- Relating to other comprehensive Income for the period	(64,923)	(30,710)	-	(95,633)	(127,587)	(72,759)	-	(200,346)
- Relating to net income for the period after taxation	(3,009,848)	(30,710)	-	(3,040,558)	(5,013,418)	(72,759)	-	(5,086,177)
Total comprehensive income for the period	-	67,189	-	67,189	-	158,941	-	158,941
Distribution during the period	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	67,189	-	67,189	-	158,941	-	158,941
<b>Net assets at end of the period</b>	<b>1,824,936</b>	<b>(446,051)</b>	<b>-</b>	<b>1,378,885</b>	<b>2,231,502</b>	<b>(394,349)</b>	<b>239</b>	<b>1,837,392</b>
<b>Undistributed income brought forward:</b>								
- Realised	-	(481,083)	-	(481,083)	-	(471,676)	-	(471,676)
- Unrealised	-	(1,447)	-	(1,447)	-	(8,855)	239	(8,616)
	-	(482,530)	-	(482,530)	-	(480,531)	239	(480,292)
<b>Accounting income available for distribution:</b>								
- Relating to capital gains	-	10,195	-	10,195	-	-	-	-
- Excluding capital gains	-	26,284	-	26,284	-	86,182	-	86,182
	-	36,479	-	36,479	-	86,182	-	86,182
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Distribution during the period	-	-	-	-	-	-	-	-
<b>Undistributed income carried forward</b>	<b>-</b>	<b>(446,051)</b>	<b>-</b>	<b>(446,051)</b>	<b>-</b>	<b>(394,349)</b>	<b>239</b>	<b>(394,110)</b>
<b>Undistributed income carried forward</b>								
- Realised	-	(447,150)	-	(447,150)	-	(414,066)	-	(414,066)
- Unrealised	-	1,099	-	1,099	-	19,717	239	19,956
	-	(446,051)	-	(446,051)	-	(394,349)	239	(394,110)
----- (Rupees) -----								
<b>Net assets value per unit at beginning of the period</b>				<b>84.9655</b>				<b>85.0490</b>
<b>Net assets value per unit at end of the period</b>				<b>89.3777</b>				<b>93.4053</b>

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

For UBL Fund Managers Limited  
(Management Company)

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

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

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

**UBL GROWTH AND INCOME FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021 (UN-AUDITED)**

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

- 1.1 UBL Growth and Income Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and was approved as an open-end mutual fund by the Securities and Exchange Commission of Pakistan (SECP). It was constituted under the Trust Deed, dated December 21, 2004 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Trustee.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through certificate of registration issued by SECP. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont road, Civil lines, Karachi.
- 1.3 The Fund is an aggressive fixed income scheme and units of the Fund are listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units of the fund can be transferred to / from other funds managed by the Management Company and can also be redeemed by surrendering to the Fund.
- 1.4 As per the offering document, the Fund shall invest in a diversified portfolio of government securities, investment grade term finance certificates (TFCs), rated corporate debts, certificates of investments (COIs), marginal trading system (MTS), spread transactions (including spread on equity transactions) and other money market instruments.
- 1.5 VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as on December 31, 2020.
- 1.6 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund.
- 1.7 VIS Credit Rating Company has upgraded stability rating of "A+(f)" to the Fund as at January 07, 2021.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.1.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2020.
- 2.1.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

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

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

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.

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

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

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

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

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
<b>4. BANK BALANCES</b>			
Current accounts		50	59
Saving accounts	4.1	560,917	329,718
		<u>560,967</u>	<u>329,777</u>

4.1 These carry mark-up at rates ranging from 5.5% to 8.00% per annum (June 30, 2020: 6.5% to 13.60%) per annum and include balances of Rs. 29.79 (June 30, 2020: Rs.4.57) million held with United Bank Limited and Rs.0.02 (June 30, 2020: Rs.0.02) million held with Khushhali Bank Limited (related parties).

### 5. INVESTMENTS

#### Investments by category

##### 'At Fair Value Through Profit or Loss'

Debt securities - unquoted	5.1	44,047	102,532
Debt securities - quoted	5.1	92,000	96,314
Government securities	5.5	299,587	344,208
Quoted Equity securities (Spread Transaction)	5.6	430,618	-
		<u>866,252</u>	<u>543,054</u>

##### 'Fair Value Through Other Comprehensive Income'

Debt securities - quoted	5.2	-	-
Debt securities - unquoted	5.2	-	-
Debt securities - Pre IPO Placements	5.4	-	-
		<u>-</u>	<u>-</u>

##### 'At Amortised cost'

Letter of placement		-	-
Term Deposit Reciept		-	-
		<u>866,252</u>	<u>543,053</u>

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

Particulars	Note	As at July 01, 2020	Purchased during the period	Sold / matured during the period	As at March 31, 2021	Carrying value as at March 31, 2021	Market value as at March 31, 2021	Unrealised (loss) / gain	Market value as a percentage of total investments	Market value as a percentage of net assets
			----- (Number of certificates) -----		----- (Rupees in '000) -----					

**Quoted**

**Personal goods**

Azgard Nine Limited - TFC (September 20, 2005)	5.2.1	1,000	-	-	1,000	1,366				
Less: Provision for impairment						(1,366)	-	-	0.00%	0.00%
						-	-	-		

**Commercial banks**

Samba - TFC (March 01, 2021)		-	650	-	650	65,000	65,000	-	7.50%	4.71%
Bank Al-Falah Limited - TFC (January 15, 2021)		-	5,400	-	5,400	27,000	27,000	-	3.12%	1.96%
Dawood Hercules Corporation Limited - sukuk (November 16, 2017)		190	-	(190)	-	-	-	-	0.00%	0.00%
Bank AL Habib Limited - TFC (March 17, 2016)		1,200	-	(1,200)	-	-	-	-	0.00%	0.00%
Dawood Hercules Corporation Limited - sukuk (March 01, 2018)		950	-	(950)	-	-	-	-	0.00%	0.00%

**March 31, 2021**

<b>92,000</b>	<b>92,000</b>	<b>-</b>	<b>10.62%</b>	<b>6.67%</b>
June 30, 2020	95,364	96,314	950	

**Unquoted**

**Personal goods**

Azgard Nine Limited - PPTFC (December 04, 2007)	5.2.1	7,000	-	-	7,000	10,579				
Less: Provision for impairment						(10,579)	-	-	0.00%	0.00%
						-	-	-		

**Household goods**

New Allied Electronics Industries Limited - TFC (May 15, 2007)	5.2.1	18,000	-	-	18,000	18,094				
Less: Provision for impairment						(18,094)	-	-	0.00%	0.00%
						-	-	-		

**Power generation and distribution**

K-Electric Limited - Sukuk (August 03, 2020)		4,000	-	-	4,000	20,000	20,220	220	2.33%	1.47%
New Allied Electronics Industries Limited - Sukuk (December 03, 2007)	5.2.1	10,000	-	-	10,000	35,000				
Less: Provision for impairment						(35,000)	-	-	0.00%	0.00%
						-	-	-		

**Commercial Banks**

Habib Bank Limited - TFC (February 19, 2016)		424	-	(424)	-	-	-	-	0.00%	0.00%
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**Investment Banks**

Jahangir Siddiqui & Company Limited (July 18, 2017)		20,000	-	(10,000)	10,000	23,217	23,827	610	2.75%	1.73%
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**Financial services**

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

**March 31, 2021**

<b>43,217</b>	<b>44,047</b>	<b>830</b>	<b>5.08%</b>	<b>3.19%</b>
June 30, 2020	103,977	102,532	(1,445)	

5.1.1

Name of security	Number of certificates	Interest rate per annum	Maturity
Samba - TFC (March 01, 2021)	650	6M KIBOR	March 1, 2031
Bank Al-Falah Limited - TFC (January 15, 2021)	5,400	6M KIBOR	January 15, 2024
Jahangir Siddiqui & Co. Ltd. (July 18, 2017)	10,000	6M KIBOR + 1.40%	July 18, 2022
K-Electric Limited - Sukuk (August 03, 2020)	4,000	3M KIBOR + 1.70%	August 3, 2027

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

Name of security	Note	As at July 01, 2020	Purchased during the period	Sold / matured during the period	As at March 31, 2021	Carrying value as at March 31, 2021	Market value as at March 31, 2021	Unrealised gain / (loss)	Market value as a percentage of total investment	Market value as a percentage of net assets
<b>Quoted</b>		(Number of certificates)			(Rupees in '000)					
<b>Personal goods</b>										
Azgard Nine Limited - TFC (September 20, 2005) Less: Provision for impairment	5.2.1	21,150	-	-	21,150	28,890 (28,890)	-	-	0.00%	0.00%
Azgard Nine Limited - TFC (May 17, 2010) Less: Provision for impairment	5.2.1	10,000	-	-	10,000	29,375 (29,375)	-	-	0.00%	0.00%
<b>Financial services</b>										
Trust Investment Bank Limited - TFC (July 04, 2008) Less: Provision for impairment	5.2.1	23,877	-	-	23,877	44,499 (44,499)	-	-	0.00%	0.00%
<b>March 31, 2021</b>						-	-	-	0.00%	0.00%
June 30, 2020						-	-	-	0.00%	0.00%
<b>Unquoted</b>										
<b>Household goods</b>										
New Allied Electronics Industries (Pvt) Limited (May 15, 2007) Less: Provision for impairment	5.2.1	13,000	-	-	13,000	13,068 (13,068)	-	-	0.00%	0.00%
<b>Chemicals</b>										
Agritech Limited - PP TFC (January 14, 2008) Less: Provision for impairment	5.2.1	147,000	-	-	147,000	558,988 (558,988)	-	-	0.00%	0.00%
Agritech Limited - PP TFC (November 30, 2007) Less: Provision for impairment	5.2.1	58,000	-	-	58,000	254,223 (254,223)	-	-	0.00%	0.00%
Agritech Limited - Sukuk (August 06, 2008) Less: Provision for impairment	5.2.1	3,800	-	-	3,800	14,453 (14,453)	-	-	0.00%	0.00%
<b>Personal goods</b>										
Azgard Nine Limited - PP (December 04, 2007) Less: Provision for impairment	5.2.1	33,000	-	-	33,000	62,137 (62,137)	-	-	0.00%	0.00%
<b>Financial services</b>										
Security Leasing Corporation Limited - Sukuk (September 19, 2007) - II Less: Provision for impairment	5.2.1	15,000	-	-	15,000	16,454 (16,454)	-	-	0.00%	0.00%
<b>March 31, 2021</b>						-	-	-	0.00%	0.00%
June 30, 2020						-	-	-	0.00%	0.00%

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

## 5.5 Government Securities

Note	As at July 01, 2020	Purchased during the Period	Sold during the Period	As at March 31, 2021	Carrying value as at March 31, 2021	Market value as at March 31, 2021	Percentage of total investment
	----- Number of shares -----				Rs. in '000		
PIB- 03 Years	-	2,750,000	2,750,000	-	-	-	0%
PIB- 05 Years	-	1,500,000	1,500,000	-	-	-	0%
PIB- 10 Years	2,000,000	-	-	2,000,000	201,700	200,000	67%
T-bill 3 months	-	48,120,000	47,120,000	1,000,000	98,381	99,587	33%
T-bill 6 months	-	4,735,000	4,735,000	-	-	-	0%
T-bill 1 year	1,510,000	5,680,000	7,190,000	-	-	-	0%
GOP-ljara	-	5,500,000	5,500,000	-	-	-	-
<b>Total at March 31, 2021</b>	<b>3,510,000</b>	<b>68,285,000</b>	<b>68,795,000</b>	<b>3,000,000</b>	<b>300,081</b>	<b>299,587</b>	<b>100.00%</b>
June 30, 2020					345,513	344,208	

## 5.6 Quoted equity securities - Spread transactions

Name of Investee Company	Number of shares				Balance as at March 31, 2021			Market value as percentage of total investments	Market value as percentage of net assets	Paid up capital of investee company (with face value of investment)
	As at July 01, 2020	Purchased during the period	Sold during the period	As at March 31, 2021	Carrying value as at March 31, 2021	Market value as at March 31, 2021	Unrealised gain			
----- (Rupees in '000) ----- % -----										
Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise:										
<b>Oil and gas exploration companies</b>										
Oil & Gas Development Company Limited	-	879,000	742,000	137,000	14,073	14,062	(11)	1.62	1.02	0.03
Pakistan Petroleum Limited	-	1,336,500	1,094,000	242,500	21,936	21,997	61	2.54	1.60	0.09
Hascal Petroleum Limited	-	10,000	10,000	-	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	-	2,992,000	1,796,500	1,195,500	48,991	49,180	189	5.68	3.57	1.89
Pakistan State Oil Company Limited	-	404,000	400,500	3,500	808	810	2	0.09	0.06	0.01
Sui Southern Gas Company Limited	-	2,000	2,000	-	-	-	-	-	-	-
					<b>85,808</b>	<b>86,049</b>	<b>241</b>	<b>9.93</b>	<b>6.25</b>	<b>2.01</b>
<b>Pharmaceuticals</b>										
The Searle Company Limited	-	607,500	606,000	1,500	377	377	-	0.04	0.03	0.01
					<b>377</b>	<b>377</b>	<b>-</b>	<b>0.04</b>	<b>0.03</b>	<b>0.01</b>
<b>Engineering</b>										
Amreli Steels Limited	-	52,500	52,500	-	-	-	-	-	-	-
International Industries Limited	-	2,472,500	2,009,000	463,500	19,973	20,042	69	2.31	1.45	1.56
International Steels Limited	-	499,000	499,000	-	-	-	-	-	-	-
Mughal Iron & Steel Industries Limited	-	239,000	239,000	-	-	-	-	-	-	-
					<b>19,973</b>	<b>20,042</b>	<b>69</b>	<b>2.31</b>	<b>1.45</b>	<b>1.56</b>
<b>Refinery</b>										
National Refinery Limited	-	152,000	152,000	-	-	-	-	-	-	-
Pakistan Refinery Limited	-	2,313,000	2,313,000	-	-	-	-	-	-	-
Attock Refinery Limited	-	307,000	307,000	-	-	-	-	-	-	-
					<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Commercial banks</b>										
United Bank Limited	-	43,500	43,500	-	-	-	-	-	-	-
Bank Alfalah Limited	-	2,000	2,000	-	-	-	-	-	-	-
The Bank of Punjab	-	764,000	628,500	135,500	1,118	1,131	13	0.13	0.08	0.05
National Bank of Pakistan	-	564,500	564,500	-	-	-	-	-	-	-
Habib Bank Limited	-	460,500	438,500	22,000	2,663	2,671	8	0.31	0.19	0.01
MCB Bank Limited	-	25,500	25,000	500	87	88	1	0.01	0.01	0.00
Meezan Bank Limited	-	28,500	28,500	-	-	-	-	-	-	-
					<b>3,868</b>	<b>3,890</b>	<b>22</b>	<b>0.45</b>	<b>0.28</b>	<b>0.07</b>
<b>Chemical</b>										
Engro Polymer & Chemicals Limited	-	386,000	386,000	-	-	-	-	-	-	-
Lotte Chemical Pakistan Limited	-	7,000	7,000	-	-	-	-	-	-	-
					<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Food and personal care products</b>										
Fauji Foods Limited	-	17,500	17,500	-	-	-	-	-	-	-
					<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Textile composite</b>										
Nishat Mills Limited	-	337,500	337,500	-	-	-	-	-	-	-
Nishat Chunian Limited	-	533,500	509,000	24,500	1,148	1,140	(8)	0.13	0.08	0.10
Gul Ahmed Textile Mills Limited	-	20,500	20,500	-	-	-	-	-	-	-
					<b>1,148</b>	<b>1,140</b>	<b>(8)</b>	<b>0.13</b>	<b>0.08</b>	<b>0.10</b>
<b>Automobile assembler</b>										
Ghandhara Industries Limited	-	89,500	89,500	-	-	-	-	-	-	-
Ghandhara Nissan Limited	-	10,500	10,500	-	-	-	-	-	-	-
					<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Automobile parts and accessories</b>										
The General Tyre & Rubber	-	27,500	27,500	-	-	-	-	-	-	-
					<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Paper and board</b>										
Century Paper & Board Mills Limited	-	500	500	-	-	-	-	-	-	-
					<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Power generation and distribution</b>										
Kot Addu Power Company Limited	-	2,002,000	1,446,500	555,500	23,410	23,461	51	2.71	1.70	0.63
The Hub Power Company Limited	-	1,043,000	803,000	240,000	19,995	20,057	62	2.32	1.45	0.19
					<b>43,405</b>	<b>43,518</b>	<b>113</b>	<b>5.03</b>	<b>3.15</b>	<b>0.82</b>
<b>Technology and communication</b>										
Avanceon Limited	-	200,500	200,500	-	-	-	-	-	-	-
NetSol Technologies Limited	-	232,500	232,500	-	-	-	-	-	-	-
					<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fertilizer</b>										
Engro Corporation Limited	-	129,000	129,000	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited	-	11,500	11,500	-	-	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	-	5,357,000	3,356,500	2,000,500	55,120	55,450	330	6.40	4.02	1.55
Engro Fertilizers Limited	-	500	-	500	31	31	-	-	-	0.00
					<b>55,151</b>	<b>55,481</b>	<b>330</b>	<b>6.40</b>	<b>4.02</b>	<b>1.55</b>
<b>Cement</b>										
Maple Leaf Cement Factory Limited	-	9,420,000	6,861,000	2,559,000	117,707	118,065	358	13.63	8.56	2.33
Lucky Cement Limited	-	260,500	258,500	2,000	1,646	1,649	3	0.19	0.12	0.01
Pioneer Cement Limited	-	141,500	141,500	-	-	-	-	-	-	-
D.G. Khan Cement Company Limited	-	3,055,500	2,316,000	739,500	92,409	92,636	227	10.69	6.72	1.69
Cherat Cement Company Limited	-	19,000	19,000	-	-	-	-	-	-	-
Kohat Cement Company Limited	-	13,000	13,000	-	-	-	-	-	-	-
Fauji Cement Company Limited	-	1,880,000	1,538,500	341,500	7,736	7,771	33	0.90	0.56	0.25
					<b>219,498</b>	<b>220,121</b>	<b>621</b>	<b>25.41</b>	<b>15.96</b>	<b>4.27</b>
<b>Total as at March 31, 2021 (Un-audited)</b>					<b>429,228</b>	<b>430,618</b>	<b>1,388</b>			
<b>Total as at June 30, 2020 (Audited)</b>					-	-	-			

## 6. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Fund also obtained exemption from section 150A of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the ITO, 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

## 7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
Remuneration payable to the Management Company	7.1	872	493
Sindh sales tax payable on remuneration of the Management Company	7.2	113	64
Sales load and conversion charges payable		144	462
Selling and marketing expenses payable	7.3	1,546	1,115
Allocated expenses payable	7.4	386	156
		<u>3,061</u>	<u>2,290</u>

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

Keeping in view the maximum allowable threshold, The Management Company is entitled to remuneration for services rendered to the Fund at the rate of 8% of the daily gross earnings with minimum cap of 0.25% and maximum cap of 1.5% of average daily net assets.

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

- 7.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

- 7.3** In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rate of 0.40% per annum of the average daily net assets.

- 7.4** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rate of 0.1% per annum of the average daily net assets.

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

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
Remuneration payable to the Trustee	8.1	93	58
Sindh sales tax on Trustee remuneration	8.2	12	7
		<u>105</u>	<u>65</u>

**8.1** The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document as per the tariff specified therein, based on the daily net assets value of the Fund. The remunerations paid to the Trustee on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the trustee fee is 0.075% of net assets.

**8.2** 'The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

## 9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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

## 10. ACCRUED EXPENSES AND OTHER LIABILITIES

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
Provision for Federal Excise Duty	10.1	24,359	24,359
Provision for Sindh Workers' Welfare Fund	10.2	17,662	16,318
Auditors' remuneration payable		223	233
Brokerage payable		2,847	1,595
Withholding tax / zakat deducted at source payable		66	4,437
Capital gains tax payable		1,103	1,291
Legal and professional charges payable		132	98
Custodian fee payable		83	83
Transaction charges payable to NCCPL		35	101
Sales load and other payables		1,456	4,541
Payable against Spread Transactions		23,595	-
Rating fee payable		243	-
		<u>71,804</u>	<u>53,056</u>

**10.1** This includes provision for Federal Excise Duty (FED) on remuneration of the management company as at March 31, 2021 amounting to Rs. 24.23 million (June 30, 2020: Rs. 24.23 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the provision not been maintained, the net assets value per unit would have been higher by Rs. 1.57 (June 30, 2020: Rs. 2.35).

**10.2** This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the SWWF not been provided for, the net assets value per unit would have been higher by Rs. 1.14 (June 30, 2020: Rs. 1.58).

## **11. CONTINGENCIES AND COMMITMENTS**

Collective Investment Schemes (CIS) are exempt from income tax if they distribute at least 90% of their accounting income as per clause 99 of Part 1 of the Second Schedule of the Income Tax Ordinance 2001 (Ordinance).

During the period, Additional Commissioner Inland Revenue (ACIR) passed an order for TY 2018 dated August 31, 2020 claiming that CIS failed to distribute 90% of its accounting income as per clause 99 of Part 1 of the Second Schedule of the Ordinance on the ground that income distributed on units redeemed by investors during the tax year cannot be treated as distribution of income and raised a demand of Rs. 43.65 million. Aggrieved from the Order of ACIR, the CIS filed an appeal with Commissioner Appeals who via order dated December 08, 2020 upheld Assessment Order passed by CIR. The CIS in addition to filing an appeal in the Appellate Tribunal, which is pending adjudication, also filed a petition in Honorable High Court of Sindh (SHC) to grant stay against any recovery proceeding that may be initiated by the department along with non deduction of Withholding tax by withholding agents under relevant sections of the Ordinance. The Honorable SHC granted stay on pending recovery and withholding of Tax via order dated December 12, 2020 and January 22, 2021 respectively. The fund received notice from Appellate Tribunal Inland Revenue, Karachi of hearing held on April 12, 2021.

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

## **12. TAXATION**

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## **13. TOTAL EXPENSE RATIO**

The annualised total expense ratio (TER) of the Fund based on the current period results is 2.05% (March 31, 2020: 2.31% which includes 0.30% (March 31, 2020: 0.46% representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a aggressive fixed income scheme.

## **14. EARNINGS PER UNIT**

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

## 15. TRANSACTIONS WITH CONNECTED PERSONS/ RELATED PARTIES

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

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

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

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

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

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
	(Rupees in '000)					
	(For the nine months period ended March 31, 2021) (Un-audited)					
<b>Transactions during the period</b>						
Profit on bank balances	-	577	-	-	-	-
Units issued	1,144,863	-	-	-	29,042	200,000
Units redeemed	1,145,122	-	-	-	5,125	-
Bank charges	-	11	-	-	-	-
Purchase of securities	-	-	-	58,136	-	-
Sale of securities	-	30,189	-	123,378	-	-
Remuneration	7,096	-	866	-	-	-
Sales tax on management fee	923	-	-	-	-	-
Expenses allocated by the Management Company	1,021	-	-	-	-	-
Central Depository Service charges	-	-	154	-	-	-
Dividend paid	-	-	-	-	-	-
<b>Transactions during the period</b>						
	(For the nine months period ended March 31, 2020) (Un-audited)					
Profit on bank balances	-	454	-	-	-	-
Units issued	3,726,062	-	-	-	4,482	254,034
Units redeemed	3,870,065	-	-	-	3,009	272,892
Bank charges	-	14	-	-	-	-
Purchase of securities	-	232,931	-	486,656	-	-
Sale of securities	-	332,254	-	1,433,302	-	-
Remuneration	12,843	-	1,010	-	-	-
Sales tax on management fee	1,670	-	-	-	-	-
Expenses allocated by the Management Company	1,192	-	-	-	-	-
Central Depository Service charges	-	-	47	-	-	-
Dividend paid	-	-	-	-	-	-

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
	(Rupees in '000)					
	(As at March 31, 2021) (Un-audited)					
<b>Balances held</b>						
Units held (units in '000)	-	-	-	-	347	2,278
Units held (Rupees in '000)	-	-	-	-	30,979	203,629
Bank balances	-	29,860	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable - bank balances	-	349	-	-	-	-
Remuneration payable	985	-	105	-	-	-
Expenses allocated by the Management Company	386	-	-	-	-	-
Sales load and other payable	144	161	-	-	-	-
selling and marketing	1,546	-	-	-	-	-
CDC fee payable	-	-	45	-	-	-
	(As at June 30, 2020) (Audited)					
	(Rupees in '000)					
<b>Balances held</b>						
Units held (number of units in '000)	-	-	-	-	74	5,257
Units held (Rupees in '000)	-	-	-	-	6,272	446,692
Bank balances	-	4,590	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable - bank balances	-	208	-	-	-	-
Remuneration payable	557	-	65	-	-	-
Expenses allocated by the Management Company	-	-	-	-	-	-
	156	-	-	-	-	-
Sales load and other payable	374	95	-	-	-	-
Selling and Marketing	1,115	-	-	-	-	-
CDC fee payable	-	-	45	-	-	-
Other payable	88	-	-	-	-	-

## 16. FAIR VALUE MEASUREMENT

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

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

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

### 16.1 Fair value hierarchy

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

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

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

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

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

	Fair value			
	Level 1	Level 2	Level 3	Total
<b><u>March 31, 2021 (Un-audited)</u></b>	----- (Rupees) -----			
<b>Financial assets measured at fair value</b>				
Debt securities	-	866,252	-	866,252
	-	866,252	-	866,252
	Fair value			
	Level 1	Level 2	Level 3	Total
<b><u>June 30, 2020 (Audited)</u></b>	----- (Rupees) -----			
<b>Financial assets measured at fair value</b>				
Debt securities	-	543,054	-	543,054
	-	543,054	-	543,054

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

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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

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.

## **18. GENERAL**

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

## **19. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

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

**SD**

**Chief Executive Officer**

**SD**

**Chief Financial Officer**

**SD**

**Director**

# UAAF

## UBL Asset Allocation Fund

### INVESTMENT OBJECTIVE

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

<b>Management Company</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>	Ernst & Young Ford Rhodes, Chartered Accountants
<b>Bankers</b>	Allied Bank Limited Bank Alfalah Limited Habib Bank Limited JS Bank Limited MCB Bank Limited Samba Bank Limited Telenor Microfinance Bank Limited Sindh Bank Limited Zarai Taraqiati Bank Limited United Bank Limited Soneri Bank Limited Bank Of Khyber
<b>Management Co.Rating</b>	AM1 (VIS)

**UBL ASSET ALLOCATION FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS & LIABILITIES**  
**AS AT MARCH 31, 2021**

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Bank balances	4.	416,735	140,680
Investments	5	624,303	627,756
Advance tax	6	1,705	1,162
Dividend receivable and mark-up receivable		13,030	18,994
Deposits and other receivables		13,832	12,319
Receivable against sale of investments		-	166,943
<b>TOTAL ASSETS</b>		<b>1,069,605</b>	<b>967,854</b>
<b>LIABILITIES</b>			
Payable to UBL Fund Managers Limited - Management Company	7	4,311	4,024
Payable to Central Depository Company of Pakistan Limited - Trustee	8	203	180
Payable to Securities and Exchange Commission of Pakistan	9	165	223
Payable against purchase of investments		-	3,924
Accrued expenses and other payables	10	25,404	33,229
<b>TOTAL LIABILITIES</b>		<b>30,083</b>	<b>41,580</b>
<b>NET ASSETS</b>		<b>1,039,522</b>	<b>926,274</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>1,039,522</b>	<b>926,274</b>
<b>CONTINGENCY AND COMMITMENT</b>	11.		
		----- (Number) -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>6,749,194</b>	<b>6,796,657</b>
		----- (Rupees) -----	
<b>NET ASSETS VALUE PER UNIT</b>		<b>154.0217</b>	<b>136.2837</b>

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL ASSET ALLOCATION FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE NINE MOTNHS PERIOD AND QUARTER ENDED MARCH 31, 2021**

		Nine Months Period ended March 31,		Quarter ended March 31,	
		2021	2020	2021	2020
Note		----- (Rupees in '000) -----			
<b>Income</b>					
		38,166	72,882	12,526	20,928
		52,575	33,452	14,327	22,596
		20,484	22,262	8,796	4,761
		41,962	(60,705)	(17,758)	(139,207)
		398	253	185	68
		153,585	68,144	18,076	(90,854)
<b>Expenses</b>					
		8,246	8,850	2,751	2,532
		1,072	1,150	358	329
	7.4	825	885	275	253
		1,776	1,845	589	561
		165	177	55	52
	7.3	8,576	5,655	2,861	2,633
		677	542	152	112
		303	119	210	38
		1,677	1,610	407	672
		-	-	-	-
		21	21	7	7
		37	58	31	23
		23,375	20,912	7,696	7,212
		130,210	47,232	10,380	(98,066)
	10.2	(2,555)	(927)	(204)	1,924
		127,655	46,305	10,176	(96,142)
	13.	-	-	-	-
		127,655	46,305	10,176	(96,142)
<b>Allocation of net income for the period:</b>					
		(22,710)	(41,463)	(13,869)	-
		104,945	4,842	(3,693)	(96,142)
<b>Accounting income available for distribution:</b>					
<b>Accounting income available for distribution:</b>					
		75,816	-	(15,052)	-
		29,129	4,842	11,359	-
		104,945	4,842	(3,693)	-
<b>Earnings per unit</b>					
	14.				

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL ASSET ALLOCATION FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MOTNHS PERIOD AND QUARTER ENDED MARCH 31, 2021**

	Nine Months Period ended March 31,		Quarter ended March 31,	
	2021	2020	2021	2020
	----- (Rupees in '000) -----			
<b>Net Income/ (loss) for the period after taxation</b>	<b>127,655</b>	<b>46,305</b>	<b>10,176</b>	<b>0</b>
<b>Other comprehensive income for the period:</b>				
<i>Items that are or may be reclassified subsequently to income statement</i>				
Net unrealised appreciation / (diminution) on revaluation of investments classified as 'fair value through other comprehensive income'	-	-	-	-
<b>Total comprehensive income/ (loss) for the period</b>	<b>127,655</b>	<b>46,305</b>	<b>10,176</b>	<b>-</b>

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

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

SD  
**Chief Executive Officer**

SD  
**Chief Financial Officer**

SD  
**Director**

**UBL ASSET ALLOCATION FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine Months Period ended March 31,	
	2021	2020
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income/ (loss) for the period before taxation	127,655	46,305
<b>Adjustments for:</b>		
Financial income	(38,166)	(72,882)
Net capital (gain) / loss on redemption and sale of investment	(52,575)	(33,452)
Dividend income	(20,484)	(22,262)
Net unrealised loss on revaluation of investments classified as 'at fair value through profit or loss'	(41,962)	60,705
Provision for Sindh Workers' Welfare Fund	2555	927
Amortisation of preliminary expenses and floatation costs	-	-
	(150,632)	(66,964)
<b>Net cash used in operations before working capital changes</b>	<b>(22,977)</b>	<b>(20,659)</b>
<b>Working capital changes</b>		
<i>decrease / (Increase) in assets</i>		
Investments	97,990	155,167
Advance tax	(543)	(42)
Receivable against settlement of spread transactions	-	-
Receivable against sale of equity shares	166,943	7,095
Deposits, prepayments and other receivables	(1,513)	(377)
	262,877	161,843
<i>increase / (decrease) in liabilities</i>		
Payable to the Management Company	287	963
Payable to Central Depository Company of Pakistan Limited - Trustee	23	(43)
Payable to Securities and Exchange Commission of Pakistan	(58)	(1,664)
Payable against purchase of equity securities	(3,924)	(698)
Accrued expenses and other payables	(10,380)	291
	(14,052)	(1,151)
Markup income and dividend received	64,614	102,048
<b>Net cash generated from operating activities</b>	<b>290,462</b>	<b>242,081</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of units	1,109,807	135,768
Payments on redemption of units	(1,124,214)	(697,537)
<b>Net cash used in financing activities</b>	<b>(14,407)</b>	<b>(561,769)</b>
Cash and cash equivalents at beginning of the period	140,680	416,702
<b>Cash and cash equivalents at end of the period</b>	<b>416,735</b>	<b>97,014</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Bank Balances	416,735	97,014
Term deposit receipt and certificate of investment	-	-
	<b>416,735</b>	<b>97,014</b>

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL ASSET ALLOCATION FUND**  
**STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN-AUDI**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	2021			2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
<b>Net assets at beginning of the period</b>	501,534	424,740	926,274	971,499	402,317	1,373,816
Amount received on issuance of 7,383,872 units (2020: 953,864 units)						
Capital value	1,006,301	-	1,006,301	125,910	-	125,910
Element of income during the period; - Relating to net loss for the period after taxation	103,506	-	103,506	9,858	-	9,858
<b>Total amount received on issuance of units</b>	<b>1,109,807</b>	<b>-</b>	<b>1,109,807</b>	<b>135,768</b>	<b>-</b>	<b>135,768</b>
Amount paid on redemption of 4,940,999 units (2020: 4,940,999 units)						
Capital value	(1,012,770)	-	(1,012,770)	(652,212)	-	(652,212)
Element of income during the period; - Relating to net loss for the period after taxation	(88,734)	(22,710)	(111,444)	(3,862)	(41,463)	(45,325)
<b>Total amount paid on redemption of units</b>	<b>(1,101,504)</b>	<b>(22,710)</b>	<b>(1,124,214)</b>	<b>(656,074)</b>	<b>(41,463)</b>	<b>(697,537)</b>
Net income for the period after tax	-	127,655	127,655	-	46,305	46,305
Distribution during the period	-	-	-	-	-	-
Net income for the period less distribution	-	127,655	127,655	-	46,305	46,305
<b>Net assets at end of the period</b>	<b>509,837</b>	<b>529,685</b>	<b>1,039,522</b>	<b>451,193</b>	<b>407,159</b>	<b>858,352</b>
<b>Undistributed income brought forward:</b>						
- Realised		425,920			530,799	
- Unrealised		(1,180)			(128,482)	
		<b>424,740</b>			<b>402,317</b>	
Accounting income available for distribution:						
- Relating to capital gains		75,816			-	
- Excluding capital gains		29,129			4,842	
		<b>104,945</b>			<b>4,842</b>	
Distribution during the period		-			-	
<b>Undistributed income carried forward</b>		<b>529,685</b>			<b>407,159</b>	
<b>Undistributed income carried forward</b>						
- Realised		487,723			467,864	
- Unrealised		41,962			(60,705)	
		<b>529,685</b>			<b>407,159</b>	
			(Rupees)			(Rupees)
<b>Net assets value per unit at beginning of the period</b>			<b>136.2837</b>			<b>132.2366</b>
<b>Net assets value per unit at end of the period</b>			<b>154.0217</b>			<b>134.0769</b>

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL ASSET ALLOCATION FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

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

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

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

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

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

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

VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company on December 31, 2020.

**2. STATEMENT OF COMPLIANCE**

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

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

2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

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

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

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.

#### 3.3 Standards, interpretations and amendments to the published accounting and reporting standards that

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

#### 3.4 Standards, interpretations and amendments to the published accounting and reporting standards that

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

	Note	(Un-audited) March 31, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2020
<b>4. BANK BALANCES</b>			
Saving accounts	4.1	<u>416,735</u>	<u>140,680</u>

4.1 The rates of return on these balances range from 5.50% to 8.00% (June 30, 2020: 6.00% to 8.50%) per annum. These include an amount held by a related party (United Bank Limited) amounting to Rs. 5.309 million (June 30, 2020: Rs. 3.03 million) on which return is earned at 5.50% per annum (June 30, 2020: 7.50%).

### 5 INVESTMENTS

#### At Fair Value Through Profit or Loss

- Government securities - Market treasury bills	5.1	-	47,548
- Government securities - Pakistan Investment Bonds	5.2	100,000	100,590
- Debt securities - Term Finance Certificates / Sukuks	5.3	116,482	109,772
- Quoted equity securities	5.4	407,821	369,846
		<u>624,303</u>	<u>627,756</u>

#### At Amortised Cost

-Term Deposit Receipt		-	-
		<u>624,303</u>	<u>627,756</u>

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

Particulars	Note	As at July 01, 2020	Purchased during the period	Disposed / matured during the period	As at March 31, 2021	Balance as at March 31, 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
						Carrying value	Market value	Appreciation / (Diminution)		
----- Number of certificates -----						----- (Rupees in '000) -----			----- % -----	
Market treasury bills - 12 months		500	-	500	-	-	-	-	0.00%	0.00%
Market treasury bills - 6 months		-	750	750	-	-	-	-	0.00%	0.00%
Market treasury bills - 3 months		-	8,860	8,860	-	-	-	-	0.00%	0.00%
March 31, 2021						-	-	-	-	-
June 30, 2020						46,472	47,548	1,076		

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

Particulars	Note	As at July 01, 2020	Purchased during the period	Disposed / matured during the period	As at March 31, 2021	Balance as at March 31, 2021			Market value as a percentage of net assets	Market value as a percentage of total investments
						Carrying value	Market value	(Diminution) / Appreciation		
----- Number of certificates -----						----- (Rupees in '000) -----			----- % -----	
Pakistan Investment Bonds - 3 years	5.2.1	-	1,000	1,000	-	-	-	-	0.00%	0.00%
Pakistan Investment Bonds - 10 years	5.2.1	1,000	-	-	1,000	100,610	100,000	(610)	9.62%	16.02%
March 31, 2021						100,610	100,000	(610)	9.62%	16.02%
June 30, 2020						99,740	100,590	850		

**5.2.1** This Pakistan Investment Bonds carry floating interest at the rate ranging from 7.6183% to 8.2670% and 7.7134% to 13.9351% per annum. These will mature latest by August 09, 2028.

### 5.3 Investment in debt securities - at fair value through profit or loss

Name of Security	Note	As at July 01, 2020	Purchased during the period (Number of certificates)	Sold / matured during the period	As at March 31, 2021	Carrying value as at March 31, 2021	Market value as at March 31, 2021	Unrealised gain / (loss)	Percentage of total investments	Percentage of net assets
<b>Food and Energy</b>										
Dawood Hercules Corporation Limited - Sukuk (Face value at Rs.60,000 each)		40	900	(940)	-	-	-	-	0.0%	0.00%
<b>Investment and Brokerage Services</b>										
Jahangir Siddiqui and Company Limited - Term Finance Certificate (Face value at Rs.2,500 each)	5.3.1 & 5.3.2	30,000	-	-	30,000	69,650	71,482	1,832	11.4%	6.88%
<b>Commercial Bank</b>										
Habib Bank Limited - Term Finance Certificate (Face value at Rs.2,500 each)		-	160	(160)	-	-	-	-	0.0%	0.00%
Bank Alfalah Limited - Term Finance Certificate (Face value at Rs.2,500 each)	5.3.1 & 5.3.2	-	9,000	-	9,000	45,000	45,000	-	7.2%	4.33%
<b>Cement</b>										
Javedan Corporation Limited - Sukuk (Face value at Rs. 100,000 each)		150	-	(150)	-	-	-	-	0%	0.00%
<b>Total as at March 31, 2021</b>		<u>30,190</u>	<u>10,060</u>	<u>(1,250)</u>	<u>39,000</u>	<u>114,650</u>	<u>116,482</u>	<u>1,832</u>		
<b>Total as at June 30, 2020</b>						<u>110,619</u>	<u>109,772</u>	<u>(847)</u>		

5.3.1 These carry profit rate from 8.76% to 9.03% (June 2020: from 9.31% to 14.89%).

5.3.2 Significant terms and conditions of term finance certificates outstanding as at March 31, 2021 are as follows:

Name of securities	Mark-up rate (per annum)	Issue date	Maturity date
Jahangir Siddiqui and Company (July 18, 2017)	6 Months KIBOR + 1.4%	18-Jul-17	18-Jul-22
Bank Alfalah Limited	3 Year PKRV + 0.75%	15-Jan-21	15-Jan-24

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

Name of the investee company	Note	As at July 01, 2020	Purchased during the period	Bonus / Right issue during the period	Sold during the period	As at March 31, 2021	Cost / carrying value as at March 31, 2021	Market value as at March 31, 2021	Appreciation / (diminution)	Percentage of total investments	Percentage of net assets	Paid-up capital of investee company (with face value of investment)
(Number of shares)						(Rupees in '000)			(%)			
Unless stated otherwise, the holdings are in ordinary shares of Rs.10 each.												
<b>Oil and gas exploration companies</b>												
Mari Petroleum Company Limited		32,651	7,020	-	(18,940)	20,731	25,689	31,744	6,055	5.08%	3.05%	0.02%
Oil and Gas Development Company Limited		199,000	189,000	-	(172,200)	215,800	22,133	21,927	(206)	3.51%	2.11%	0.01%
Pakistan Petroleum Limited	5.4.1	108,350	211,500	-	(120,000)	199,850	17,493	17,453	(40)	2.80%	1.68%	0.01%
Attock Petroleum Limited		2,500	-	-	(2,500)	-	-	-	-	0.00%	0.00%	0.00%
Pakistan Oil Fields Limited		28,560	37,400	-	(51,400)	14,560	4,975	5,531	556	0.89%	0.53%	0.01%
							70,290	76,655	6,365	12.28%	7.37%	0.05%
<b>Oil and gas marketing companies</b>												
Pakistan State Oil Company Limited	5.4.2	26,260	-	-	(25,033)	1,227	194	283	89	0.05%	0.03%	0.00%
<b>Investment banks / investment companies</b>												
Arif Habib Limited		57,500	-	-	(57,500)	-	-	-	-	0.00%	0.00%	0.00%
<b>Transport</b>												
Pakistan International Bulk Terminal Limited		-	345,000	-	(151,000)	194,000	2,319	2,027	(292)	0.32%	0.19%	0.01%
<b>Power generation and distribution</b>												
Hub Power Company Limited		270,762	188,000	-	(198,009)	260,753	20,552	21,158	606	3.39%	2.04%	0.02%
Pakgen Power Limited		396,000	42,000	-	(368,500)	69,500	887	2,134	1,247	0.34%	0.21%	0.02%
Lalpir Power Limited		563,000	-	-	(563,000)	-	-	-	-	0.00%	0.00%	0.00%
Saif Power Limited		443,498	32,000	-	(474,500)	998	16	18	2	0.00%	0.00%	0.00%
Kot Addu Power Company Limited		-	197,000	-	(44,500)	152,500	5,587	6,060	473	0.97%	0.58%	0.02%
							27,042	29,370	2,328	4.70%	2.83%	0.06%
<b>Chemicals</b>												
ICI Pakistan Limited		4,600	-	-	(950)	3,650	2,536	3,036	500	0.49%	0.29%	0.00%
Engro Polymer & Chemicals Limited		127,868	109,000	-	(101,000)	135,868	4,342	7,471	3,129	1.20%	0.72%	0.01%
							6,878	10,507	3,629	1.69%	1.01%	0.01%
<b>Fertilizer</b>												
Engro Corporation Limited	5.4.1	109,340	44,500	-	(86,400)	67,440	20,031	18,702	(1,329)	3.00%	1.80%	0.01%
Engro Fertilizers Limited		238,855	84,000	-	(261,300)	61,555	3,748	3,841	93	0.62%	0.37%	0.00%
Fauji Fertilizer Bin Qasim Limited		4,000	145,000	-	(4,000)	145,000	3,963	3,973	10	0.64%	0.38%	0.01%
Fauji Fertilizer Company Limited		80,700	246,000	-	(117,338)	209,362	22,518	21,876	(642)	3.50%	2.10%	0.02%
							50,260	48,392	(1,868)	7.76%	4.65%	0.04%
<b>Cement</b>												
Kohat Cement Company Limited		65,770	62,000	-	(44,500)	83,270	13,796	17,255	3,459	2.76%	1.66%	0.04%
Lucky Cement Limited	5.4.1	38,833	11,200	-	(22,620)	27,413	13,633	22,413	8,780	3.59%	2.16%	0.01%
Pioneer Cement Limited		-	30,000	-	(4,000)	26,000	3,142	3,167	25	0.51%	0.30%	0.01%
							30,571	42,835	12,264	6.86%	4.12%	0.06%
<b>Automobile parts and accessories</b>												
Thal Limited		26,550	19,200	-	(15,700)	30,050	11,313	11,061	(252)	1.77%	1.06%	0.07%
PANTHER TYRES LIMITD		-	44,000	-	(44,000)	-	-	-	-	0.00%	0.00%	0.00%
							11,313	11,061	(252)	1.77%	1.06%	0.07%
<b>AUTOMOBILE ASSEMBLER</b>												
Indus Motor Company Limited		-	2,000	-	(2,000)	-	-	-	-	0.00%	0.00%	0.00%
Pak Suzuki Motor Company Limited		-	19,000	-	(10,000)	9,000	2,592	2,834	242	0.45%	0.27%	0.01%
							2,592	2,834	242	0.45%	0.27%	0.01%
<b>Leather and tanneries</b>												
Service Industries Limited		1,150	11,650	287	(5,200)	7,887	6,255	8,839	2,584	1.42%	0.85%	0.03%

Name of the investee company	Note	As at July 01, 2020	Purchased during the period	Bonus / Right issue during the period	Sold during the period	As at March 31, 2021	Cost / carrying value as at March 31, 2021	Market value as at March 31, 2021	Appreciation / (diminution)	Percentage of total investments	Percentage of net assets	Paid-up capital of investee company (with face value of investment)
(Number of shares)						(Rupees in '000)			(%)			
<b>Commercial banks</b>												
Habib Bank Limited		158,900	169,500	-	(136,600)	191,800	22,459	22,283	(176)	3.57%	2.14%	0.01%
Allied Bank Limited		350,500	125,000	-	(197,500)	278,000	21,860	19,691	(2,169)	3.15%	1.89%	0.02%
Bank Alfalah Limited		304,273	271,000	-	(224,300)	350,973	11,824	10,698	(1,126)	1.71%	1.03%	0.02%
Bank Alhabib Limited		274,000	120,000	-	(145,800)	248,200	14,276	16,143	1,867	2.59%	1.55%	0.02%
Faysal Bank Limited	5.4.2	150	-	-	(142)	8	-	-	-	0.00%	0.00%	0.00%
United Bank Limited**	5.4.1	111,033	240,000	-	(145,100)	205,933	22,826	24,494	1,668	3.92%	2.36%	0.02%
							93,245	93,309	64	14.94%	8.97%	0.09%
<b>Textile</b>												
Nishat Mills Limited		69,200	21,000	-	(38,600)	51,600	4,260	4,774	514	0.76%	0.46%	0.01%
Kohinoor Textile Mills Limited		292,006	180,000	-	(95,560)	376,446	16,657	23,091	6,434	3.70%	2.22%	0.13%
Gul Ahmed Textile Mills Limited		171,700	79,000	-	(249,900)	800	25	38	13	0.01%	-	-
Interloop Limited		-	60,000	-	(60,000)	-	-	-	-	0.00%	-	-
							20,942	27,903	6,961	4.47%	2.68%	0.14%
<b>Engineering</b>												
Agha Steel Industries Limited		-	63,000	-	(63,000)	-	-	-	-	0.00%	0.00%	0.00%
Aisha Steel Mills Limited		-	361,000	-	(25,000)	336,000	8,092	7,980	(112)	1.28%	0.77%	0.04%
							8,092	7,980	(112)	1.28%	0.77%	0.04%
<b>FOOD &amp; PERSONAL CARE PRODUCT</b>												
Al Shaheer Corporation Limited		96,946	42,500	-	(139,446)	-	-	-	-	0.00%	0.00%	0.00%
<b>Glass and ceramics</b>												
Shabbir Tiles & Ceramics Limited		-	115,500	-	(4,500)	111,000	2,773	2,622	(151)	0.42%	0.25%	0.07%
							2,773	2,622	(151)	0.42%	0.25%	0.07%
<b>Insurance</b>												
Adamjee Insurance Company Limited		358,756	138,000	-	(174,500)	322,256	11,319	12,642	1,323	2.02%	1.22%	0.09%
IGI Holdings Limited		30,000	-	-	(12,200)	17,800	3,221	3,024	(197)	0.48%	0.29%	0.01%
							14,540	15,666	1,126	2.50%	1.51%	0.10%
<b>Technology and communication</b>												
Systems Limited		75,000	8,000	2,170	(61,300)	23,870	4,475	11,232	6,757	1.80%	1.08%	0.02%
TPL Trakker Limited		-	80,500	-	(80,500)	-	-	-	-	0.00%	0.00%	0.00%
							4,475	11,232	6,757	1.80%	1.08%	0.02%
<b>Vanaspati and Allied Industries</b>												
Unity Foods Limited		-	170,004	-	(169,935)	69	1	2	1	0.00%	0.00%	0.00%
Unity Foods Limited		-	-	124,065	(124,065)	-	-	-	-	0.00%	0.00%	0.00%
							1	2	1	0.00%	0.00%	0.00%
<b>Paper and Board</b>												
Packages Limited		2,400	-	-	(2,400)	-	-	-	-	0.00%	0.00%	0.00%
Century Paper and Board Mills		76,000	-	3,400	(79,400)	-	-	-	-	0.00%	0.00%	0.00%
							-	-	-	0.00%	0.00%	0.00%
<b>Miscellaneous</b>												
Synthetic Products Enterprises Limited		-	45,000	-	(45,000)	-	-	-	-	0.00%	0.00%	0.00%
Synthetic Products Enterprises Limited (right)		-	-	2,025	(2,025)	-	-	-	-	0.00%	0.00%	0.00%
Shifa International Hospitals Limited		-	15,000	-	-	15,000	3,149	2,978	(171)	0.48%	0.29%	0.02%
							3,149	2,978	(171)	0.48%	0.29%	0.02%
<b>Pharmaceuticals</b>												
The Searle Company Limited	5.4.2	27,940	42,500	7,400	(32,700)	45,140	10,091	11,151	1,060	1.79%	1.07%	0.02%
The Searle Company Limited(R)		-	-	7,701	(7,701)	-	-	-	-	0.00%	0.00%	0.00%
Glaxosmith Kline Consumer		7,000	-	-	(7,000)	-	-	-	-	0.00%	0.00%	0.00%
Highnoon Laboratories Limited	5.4.2	660	3,000	-	(311)	3,349	2,059	2,175	116	0.35%	0.21%	0.01%
							12,150	13,326	1,176	2.14%	1.28%	0.03%
Total equity securities 'At Fair Value Through Profit or Loss' as at March 31, 2021							367,081	407,821	40,740	65.33%	39.21%	
Total equity securities 'At Fair Value Through Profit or Loss' as at June 30, 2020							110,619	109,772	(847)			

\*\* This represents investment held in a related party.

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

	March 31, 2021	June 30, 2020
	(Number of shares)	
Engro Corporation Limited	5,000	5,000
Lucky Cement Limited	15,000	-
Pakistan Petroleum Limited	25,000	25,000
United Bank Limited	50,000	50,000
	<u>95,000</u>	<u>80,000</u>

5.4.2 The fair market value of shares equivalent to 5% of bonus entitlement of the fund amounted to Rs 2,907,813 (June 30, 2020: Rs.842,917). For further details refer note 7.4.2 to the annual financial statements of the Fund for the year ended June 30, 2020.

## 6. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Fund also obtained exemption from section 150A of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the ITO, 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in 000) -----	
<b>7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY</b>			
Remuneration payable to the Management Company	7.1	899	784
Sindh sales tax payable on remuneration of the Management Company	7.2	117	102
Sales load and conversion charges payable		142	544
Selling and marketing expenses payable	7.3	2,861	2,419
Allocated expenses payable	7.4	275	158
Others payable		17	17
		<u>4,311</u>	<u>4,024</u>

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

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

From Jul 1, 2020 to Jul 7, 2020	From Jul 8, 2020 to Aug 7, 2020	From Aug 8, 2020 to Mar 31, 2021
1% of AUMs	1% of AUMs	1% of AUMs

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

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

From Jul 1, 2020 to Jul 7, 2020	From Jul 8, 2020 to Aug 7, 2020	From Aug 8, 2020 to Mar 31, 2021
1.04% of AUMs	1.04% of AUMs	1.04% of AUMs

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

From Jul 1, 2020 to Jul 7, 2020	From Jul 8, 2020 to Aug 7, 2020	From Aug 8, 2020 to Mar 31, 2021
0.1% of AUMs	0.1% of AUMs	0.1% of AUMs

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in 000) -----	
<b>8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE</b>			
Remuneration payable to the Trustee	8.1	180	159
Sindh sales tax on Trustee remuneration	8.2	23	21
		<u>203</u>	<u>180</u>

8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.065% (June 30, 2020: 0.065%) per annum of average daily net assets of the Fund during the period.

8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in 000) -----	
<b>9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>			
Annual fee payable	9.1	165	223

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

		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in 000) -----	
<b>10. ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration payable		857	639
Printing charges payable		10	10
Withholding tax payable		-	
Capital gain tax payable		930	97
Annual listing fee payable		-	
Legal and professional charges payable		128	97
Sales load payable		355	7
Brokerage payable		111	592
Zakat deducted at source		75	129
Provision for Federal Excise Duty	10.1	6,977	6,977
Provision for Sindh Workers' Welfare Fund	10.2	15,961	13,407
Other payables			11,274
		<u>25,404</u>	<u>33,229</u>

10.1 This includes provision for Federal Excise Duty (FED) as at March 31, 2021 amounting to Rs. 6.977 million (June 30, 2020: Rs. 6.977 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 1.0338 (June 30, 2020: Re. 0.92).

10.2 This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re 2.3649 (June 30, 2020: Re. 1.97).

## **11. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

## **12. TOTAL EXPENSE RATIO**

The annualised total expense ratio (TER) of the Fund based on the current period results is 2.36% (March 31, 2020: 1.86) which includes 0.38% (March 31, 2020: 0.22%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a asset allocation scheme.

## **13. TAXATION**

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## **14. EARNINGS PER UNIT**

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

## **15. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

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

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

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

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

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
	(Rupees in '000)					
	(For the nine months period ended 31 March 2021) (Un-audited)					
<b><u>Transactions during the period</u></b>						
Mark-up on bank accounts	-	479	-	-	-	-
Bank charges	-	1	-	-	-	-
Dividend income	-	1,956	-	-	-	-
Units issued	-	-	-	-	226	2,293
Units redeemed	-	-	-	-	1	2,293
Purchase of securities	-	28,546	-	68,407	-	-
Sale of securities	-	17,258	-	-	-	-
Selling and marketing expense	8,576	-	-	-	-	-
Remuneration	8,246	-	1,776	-	-	-
CDC charges	-	-	55	-	-	-
Sales tax on management fee	1,072	-	-	-	-	-
Allocated expenses	825	-	-	-	-	-
	(For the nine months period ended 31 March 2020) (Un-audited)					
<b><u>Transactions during the period</u></b>						
Mark-up on bank accounts	-	29	-	-	-	-
Bank charges	-	-	-	-	-	-
Units issued	-	1,878	-	-	-	-
Units redeemed	-	-	-	-	84	-
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	51,252	-	988	-	-
Dividend received	-	58,985	-	129	-	-
Selling and marketing expense	8,576	-	-	-	-	-
Remuneration	8,246	-	1,776	-	-	-
Settlement charges	-	-	25,930	-	-	-
Sales tax on management fee	1,072	-	-	-	-	-
Allocated expenses	825	-	-	-	-	-
	(As at 31 March 2021) (Un-audited)					
<b><u>Balances held</u></b>						
Units held (Number of units in '000)	-	-	-	-	22	1,526
Units held (Amount in '000)	-	-	-	-	3,388	235,037
Bank balances	-	5,309	-	-	-	-
Deposits	-	-	-	-	-	-
Remuneration payable	1,016	-	203	-	-	-
Sales load and conversion charges payable	159	4	-	-	-	-
Selling and marketing expense payable	2,861	-	-	-	-	-
Allocated expenses	275	-	-	-	-	-
Profit receivable	-	2,341	-	-	-	-
Investments	-	24,494	-	-	-	-
	(As at 30 June 2020) (Audited)					
<b><u>Balances held</u></b>						
Units held (Number of units in '000)	-	-	-	-	21	1,509
Units held (Amount in '000)	-	-	-	-	2,862	206
Bank balances	-	3,031	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable **	886	-	-	-	-	-
Sales load and other payable	561	7	-	-	-	-
Selling & Marketing Expense Payable	2,419	-	-	-	-	-
Allocated expenses	158	-	-	-	-	-
Profit receivable	-	8	-	-	-	-
Remuneration payable to Trustee	-	-	180	-	-	-
Investments	-	11,476	-	-	-	-

## 16 FAIR VALUE MEASUREMENT

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

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

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

### 16.1 Fair value hierarchy

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

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

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

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

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

## 17 COVID – 19

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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

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.

## 18. GENERAL

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

## 19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

# USF

## UBL Stock Advantage Fund

### INVESTMENT OBJECTIVE

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

<b>Management Company</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>	Grant Throntan Anjum Rahman
<b>Bankers</b>	United Bank Limited Allied Bank Limited Bank Alfalah Limited Habib Bank Limited MCB Bank Limited Samba Bank Limited Silk Bank Limited Sindh Bank Limited The Bank of Punjab Soneri Bank Limited Habib Bank Limited National Bank of Pakistan Habib Metro Bank Limited
<b>Management Co. Rating</b>	AM1 (VIS)

**UBL STOCK ADVANTAGE FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2021**

		(Un-audited) March 31, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2020
	Note		
<b>ASSETS</b>			
Bank balances	4	178,124	516,622
Investments	5	7,207,382	5,476,262
Dividend and profit receivable		126,677	12,304
Security deposits, prepayments and other receivables		213,818	7,205
Advance tax	7	3,037	3,004
<b>Total assets</b>		<b>7,729,038</b>	<b>6,015,397</b>
<b>LIABILITIES</b>			
Payable to UBL Fund Managers Limited - Management Company	6	64,027	41,618
Payable to Central Depository Company of Pakistan Limited - Trustee	8	902	633
Payable to Securities and Exchange Commission of Pakistan	9	1,156	1,098
Accrued expenses and other liabilities	10	170,517	213,293
<b>Total liabilities</b>		<b>236,602</b>	<b>256,642</b>
<b>Net Assets</b>		<b>7,492,436</b>	<b>5,758,755</b>
<b>Unitholders' Fund (As Per Statement Attached)</b>		<b>7,492,436</b>	<b>5,758,755</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	11		
		----- (Number of units) -----	
<b>Number of Units in Issue</b>		<b>99,481,655</b>	<b>95,706,008</b>
		----- (Rupees) -----	
<b>Net Asset Value Per Unit</b>		<b>75.31</b>	<b>60.17</b>
<b>Face Value per Unit</b>		<b>100</b>	<b>100</b>

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

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL STOCK ADVANTAGE FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

		Nine months period ended		Quarter ended	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Note		(Rupees in '000)			
<b>INCOME</b>					
Profit on					
- bank balances		17,214	38,540	7,562	14,337
- government securities		686	1,043	-	1,043
Gain on sale of securities - net		826,654	104,579	508,837	123,688
Dividend income		317,260	208,995	149,443	69,008
Unrealised gain / (loss) on re-measurement of investments classified as financial assets at fair value through profit or loss - net		641,481	(1,047,444)	(558,728)	(1,992,556)
<b>Total income / (loss)</b>		<b>1,803,295</b>	<b>(694,287)</b>	<b>107,114</b>	<b>(1,784,480)</b>
<b>EXPENSES</b>					
Remuneration of UBL Fund Managers Limited - Management Company	6.1	115,613	81,678	43,702	8,631
Sindh sales tax on remuneration of the Management Company	6.2	15,030	10,618	5,681	1,122
Allocated expenses	6.3	6,183	4,084	2,403	431
Selling and marketing expenses	6.4	115,788	28,320	43,700	13,710
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	7,380	5,466	2,747	769
Annual fee - Securities and Exchange Commission of Pakistan		1,156	817	437	(2,653)
Listing fee		21	23	8	9
Auditors' remuneration		366	389	71	60
Brokerage and settlement charges		18,322	10,017	11,727	2,176
Legal and professional charges		141	119	46	37
Bank and other charges		82	110	17	7
<b>Total expenses</b>		<b>280,082</b>	<b>141,641</b>	<b>110,539</b>	<b>24,299</b>
<b>Net operating income / (loss) for the period</b>		<b>1,523,213</b>	<b>(835,928)</b>	<b>(3,425)</b>	<b>(1,808,779)</b>
Provision for Sindh Workers' Welfare Fund	10.2	29,885	-	-	-
<b>Net operating income / (loss) for the period before taxation</b>		<b>1,493,328</b>	<b>(835,928)</b>	<b>(3,425)</b>	<b>(1,808,779)</b>
Taxation	12	-	-	-	-
<b>Net operating income / (loss) for the period after taxation</b>		<b>1,493,328</b>	<b>(835,928)</b>	<b>(3,425)</b>	<b>(1,808,779)</b>
<b>Allocation of net income for the period</b>					
- Net income for the period after taxation		1,493,328	-	-	-
- Income already paid on units redeemed		(421,790)	-	-	-
		<b>1,071,538</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Accounting income available for distribution :</b>					
- Relating to capital gains		1,036,105	-	-	-
- Excluding capital gains		35,433	-	-	-
		<b>1,071,538</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Earnings per unit</b>	13				

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

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

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL STOCK ADVANTAGE FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	<b>Nine months period ended</b>		<b>Quarter ended</b>	
	<b>March 31,</b>	<b>March 31,</b>	<b>March 31,</b>	<b>March 31,</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>----- (Rupees in '000) -----</b>			
Net income / (loss) for the period after taxation	<b>1,493,328</b>	(835,928)	<b>(3,425)</b>	(1,808,779)
Other comprehensive income	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b>1,493,328</b>	(835,928)	<b>(3,425)</b>	(1,808,779)

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

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

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

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

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

**UBL STOCK ADVANTAGE FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	Nine months period ended					
	March 31, 2021			March 31, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees. in '000)					
<b>Net assets at beginning of the period</b>	5,441,666	317,089	5,758,755	5,211,407	186,254	5,397,661
Amount received on issuance of 105,531,905 units (2020: 75,617,740 units)						
- Capital value	6,349,856	-	6,349,856	4,337,435	-	4,337,435
- Element of income	1,469,530	-	1,469,530	486,836	-	486,836
<b>Total amount received on issuance of units</b>	<b>7,819,386</b>	<b>-</b>	<b>7,819,386</b>	<b>4,824,271</b>	<b>-</b>	<b>4,824,271</b>
Amount paid on redemption of 101,756,258 units (2020: 74,444,761 units)						
- Capital value	(6,122,674)	-	(6,122,674)	(4,270,151)	-	(4,270,151)
- Element of loss	(1,034,569)	(421,790)	(1,456,359)	(346,222)	-	(346,222)
<b>Total amount paid on redemption of units</b>	<b>(7,157,243)</b>	<b>(421,790)</b>	<b>(7,579,033)</b>	<b>(4,616,373)</b>	<b>-</b>	<b>(4,616,373)</b>
Total comprehensive loss for the period	-	1,493,328	1,493,328	-	(835,928)	(835,928)
<b>Net assets at end of the period</b>	<b>6,103,809</b>	<b>1,388,627</b>	<b>7,492,436</b>	<b>5,419,305</b>	<b>(649,674)</b>	<b>9,386,004</b>
<b>Undistributed income brought forward comprising of:</b>						
- Realised	-	485,191	485,191	-	1,276,940	1,276,940
- Unrealised	-	(168,102)	(168,102)	-	(1,090,686)	(1,090,686)
<b>Undistributed income brought forward - Net</b>	<b>-</b>	<b>317,089</b>	<b>317,089</b>	<b>-</b>	<b>186,254</b>	<b>186,254</b>
<b>Accounting income available for distribution</b>						
- Related to capital gain	-	1,036,105	1,036,105	-	-	-
- Excluding capital gain	-	35,433	35,433	-	-	-
Net income / (loss) for the period after taxation	-	1,071,538	1,071,538	-	-	-
	-	-	-	-	(835,928)	(835,928)
<b>Undistributed income / (loss) carried forward - net</b>	<b>-</b>	<b>1,388,627</b>	<b>1,388,627</b>	<b>-</b>	<b>(649,674)</b>	<b>(649,674)</b>
<b>Undistributed income carried forward comprising of:</b>						
- Realised	-	747,146	747,146	-	397,770	397,770
- Unrealised	-	641,481	641,481	-	(1,047,444)	(1,047,444)
	-	1,388,627	1,388,627	-	(649,674)	(649,674)
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the period			60.17			57.36
Net assets value per unit at the end of the period			75.31			50.06

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

**FOR UBL FUND MANAGERS LIMITED**  
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL STOCK ADVANTAGE FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

<b>Nine months period ended</b>	
<b>March 31,</b>	<b>March 31,</b>
<b>2021</b>	<b>2020</b>
<b>----- (Rupees in '000) -----</b>	

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net operating income / (loss) for the period before taxation **1,493,328** (835,928)

**Adjustments for non-cash charges and other items:**

Profit on bank balances	<b>(17,214)</b>	(38,540)
Profit on government securities	<b>(686)</b>	(1,043)
Gain on sale of securities - net	<b>(826,654)</b>	(104,579)
Dividend income	<b>(317,260)</b>	(208,995)
Unrealised (gain) / loss on re-measurement of investments classified as financial assets at fair value through profit or loss - net	<b>(641,481)</b>	1,047,444
	<b>(1,803,295)</b>	694,287
	<b>(309,967)</b>	(141,641)

**Increase in assets**

Investments	<b>(262,299)</b>	(415,122)
Security deposits, prepayments and other receivables	<b>(206,613)</b>	(2,736)
	<b>(468,912)</b>	(417,858)

**(Increase) / decrease in liabilities**

Payable to UBL Fund Managers Limited - Management Company	<b>22,409</b>	12,401
Payable to Central Depository Company of Pakistan Limited - Trustee	<b>269</b>	17
Payable to Securities and Exchange Commission of Pakistan	<b>58</b>	(5,531)
Accrued expenses and other liabilities	<b>(42,776)</b>	59,732
	<b>(20,040)</b>	66,619

**Cash used in operations**

Profit received on bank balances	<b>18,356</b>	35,914
Dividend received	<b>201,745</b>	174,526
Advance income tax	<b>(33)</b>	(57)

**Net cash used in operating activities** **(578,851)** (282,497)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Net receipts from issuance of units	<b>7,819,386</b>	4,824,271
Net payments on redemption of units	<b>(7,157,243)</b>	(4,616,374)
<b>Net cash generated from financing activities</b>	<b>662,143</b>	207,897
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<b>83,292</b>	(74,600)
<b>Cash and cash equivalents at the beginning of the period</b>	<b>516,622</b>	370,665
<b>Cash and cash equivalents at the end of the period</b>	<b>599,914</b>	296,065

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

<b>SD</b> <hr/> <b>Chief Executive Officer</b>	<b>For UBL Fund Managers Limited</b> (Management Company) <b>SD</b> <hr/> <b>Chief Financial Officer</b>	<b>SD</b> <hr/> <b>Director</b>
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**UBL STOCK ADVANTAGE FUND**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

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

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

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

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

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

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

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

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

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

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

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

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

- 2.2 The disclosures made in these condensed interim financial statements have, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the statements and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2020.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2020.

### 3. SIGNIFICANT ACCOUNTING POLICIES ESTIMATES AND JUDGEMENTS

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

The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.

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

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

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

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

		(Unaudited) March 31, 2021	(Audited) June 30, 2020
4	<b>BANK BALANCES</b>	Note	-----Rupees in '000-----
	- Profit and loss sharing accounts	4.1	178,080
	- Current accounts		44
			<u>178,124</u>

- 4.1 The rates of return on these balances ranging from 3.75% to 7.15% (June 30, 2020: 3.75% to 11.25%) per annum. These include an amount held by a related party, United Bank Limited, amounting to Rs. 16.145 million (June 30, 2020: Rs. 12.838 million) on which return is earned at 5.5%(June 30, 2020: 5%) per annum.

		(Unaudited) March 31, 2021	(Audited) June 30, 2020
5	<b>INVESTMENTS</b>	Note	-----Rupees in '000-----
	At Fair value through profit or loss		
	- equity securities	5.1	7,207,382
	- government securities	5.2	-
			<u>7,207,382</u>

## 5.1 Equity securities

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

Name of Investee Company	Note	As at July 01, 2020	Purchased / bonus received during the period	Sold during the period	As at March 31, 2021	Total carrying value as at March 31, 2021	Total market value as at March 31, 2021	Appreciation / (diminution) as at March 31, 2021	Market value as a percentage of net assets	Market value as a percentage of total value of Investment	Investment as a percentage of paid-up capital of investee company
Quoted investments		-----Number of shares-----				-----Rupees in '000'-----			-----Percentage (%)-----		
<b>OIL AND GAS MARKETING COMPANIES</b>											
Pakistan State Oil Company Limited	5.1.3	525,257	-	518,759	6,498	1,028	1,499	471	0.02	0.02	0.01
Attock Petroleum Limited		2,700	-	2,700	-	-	-	-	-	-	-
						1,028	1,499	471	0.02	0.02	
<b>OIL AND GAS EXPLORATION COMPANIES</b>											
Oil & Gas Development Company Limited	5.1.2	3,468,880	1,667,334	1,736,571	3,399,643	367,348	345,438	(21,910)	4.61	4.79	0.79
Pakistan Petroleum Limited		2,817,400	2,587,721	2,205,952	3,199,169	290,518	279,383	(11,135)	3.73	3.88	1.18
Pakistan Oilfields Limited		427,448	256,867	498,395	185,920	70,481	70,629	148	0.94	0.98	0.65
Mari Petroleum Company Limited		363,149	184,790	124,020	423,919	546,145	649,147	103,002	8.66	9.01	3.18
						1,274,492	1,344,597	70,105	17.95	18.66	
<b>FERTILIZER</b>											
Engro Corporation Limited		1,324,639	675,453	1,049,524	950,568	283,706	263,612	(20,094)	3.52	3.66	1.65
Engro Fertilizers Limited		2,744,419	2,199,240	3,614,518	1,329,141	86,457	82,938	(3,519)	1.11	1.15	1.00
Fauji Fertilizer Company Limited		1,195,336	3,375,637	1,272,500	3,298,473	357,686	344,657	(13,029)	4.60	4.78	2.59
Fauji Fertilizer Bin Qasim Limited		381,000	2,807,000	471,000	2,717,000	74,814	74,446	(368)	0.99	1.03	2.10
Fatima Fertilizer Company Limited		24,500	-	24,500	-	-	-	-	-	-	-
						802,663	765,653	(37,010)	10.22	10.62	
<b>CHEMICALS</b>											
Engro Polymer & Chemicals Limited		2,754,398	2,332,456	2,214,500	2,872,354	95,157	157,951	62,794	2.11	2.19	3.16
Sitara Chemical industries		28,970	43,000	22,400	49,570	13,846	19,580	5,734	0.26	0.27	2.31
Ittehad Chemicals Limited		75,258	-	75,258	-	-	-	-	-	-	-
ICI Pakistan Limited		65,500	10,000	6,000	69,500	49,382	57,802	8,420	0.77	0.80	0.75
						158,385	235,333	76,948	3.14	3.27	
<b>CEMENT</b>											
Cherat Cement Company Limited		500	-	454	46	4	7	3	0.00	0.00	-
D.G. Khan Cement Company Limited		-	507,000	507,000	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited		-	980,000	362,500	617,500	29,055	27,664	(1,391)	0.37	0.38	0.56
Pioneer Cement Limited		-	606,000	314,000	292,000	35,806	35,566	(240)	0.47	0.49	1.29
Kohat Cement Company Limited		1,625,482	708,812	450,500	1,883,794	294,332	390,360	96,028	5.21	5.42	9.38
Lucky Cement Limited	5.1.2	461,698	345,408	316,700	490,406	282,623	400,951	118,328	5.35	5.56	1.52
						641,820	854,548	212,728	11.41	11.86	
<b>PAPER AND BOARD</b>											
Century Paper and Board Mills		1,229,088	144,348	1,373,436	-	-	-	-	-	-	-
Packages Limited		46,618	-	46,618	-	-	-	-	-	-	-
						-	-	-	-	-	

Name of Investee Company	Note	As at July 01, 2020	Purchased / bonus received during the period	Sold during the period	As at March 31, 2021	Total carrying value as at March 31, 2021	Total market value as at March 31, 2021	Appreciation / (diminution) as at March 31, 2021	Market value as a percentage of net assets	Market value as a percentage of total value of Investment	Investment as a percentage of paid-up capital of investee company
Quoted investments		-----Number of shares-----				-----Rupees in '000'-----			-----Percentage (%)-----		
<b>INSURANCE</b>											
Adamjee Insurance Company Limited		6,341,759	1,040,500	1,940,260	5,441,999	189,044	213,490	24,446	2.85	2.96	15.55
IGI Holdings Limited		107,500	98,500	7,100	198,900	39,193	33,789	(5,404)	0.45	0.47	1.39
						228,237	247,279	19,042	3.30	3.43	
<b>COMMERICAL BANKS</b>											
Bank Alfalah Limited		6,281,816	983,000	2,678,780	4,586,036	155,397	139,782	(15,615)	1.87	1.94	2.58
Habib Bank Limited		3,422,557	2,671,209	2,327,670	3,766,096	429,865	437,545	7,680	5.84	6.07	2.57
National Bank of Pakistan		326	-	326	-	-	-	-	-	-	-
MCB Bank Limited		1,686	-	1,686	-	-	-	-	-	-	-
United Bank Limited		2,536,572	2,306,364	1,261,688	3,581,248	408,748	425,954	17,206	5.69	5.91	2.93
Faysal Bank Limited	5.1.3	44,364	-	616	43,748	609	708	99	0.01	0.01	0.03
Allied Bank Limited		3,397,726	1,051,500	694,750	3,754,476	296,612	265,930	(30,682)	3.55	3.69	3.28
Meezan Bank Limited		-	842,294	125,000	717,294	78,880	81,183	2,303	1.08	1.13	0.51
Bank AL Habib Limited		4,481,792	2,014,879	1,862,178	4,634,493	274,560	301,427	26,867	4.02	4.18	4.17
						1,644,671	1,652,529	7,858	22.06	22.93	
<b>TEXTILE COMPOSITE</b>											
Nishat Mills Limited		976,731	1,256,940	843,700	1,389,971	133,168	128,600	(4,568)	1.72	1.78	3.95
Gul Ahmed Textile Mills Limited		1,982,345	1,900,000	3,881,500	845	31	40	9	0.00	0.00	-
Interloop Limited		-	593,500	593,500	-	-	-	-	-	-	-
Kohinoor Textile Mills Limited	5.1.3	4,313,293	2,426,603	1,098,500	5,641,396	247,777	346,043	98,266	4.62	4.80	18.85
						380,976	474,683	93,707	6.34	6.59	
<b>POWER GENERATION AND DISTRIBUTION</b>											
The Hub Power Company Limited	5.1.2	4,120,537	2,550,065	2,094,129	4,576,473	352,483	371,335	18,852	4.96	5.15	3.53
Saif Power Limited		3,118,219	136,876	3,231,000	24,095	388	424	36	0.01	0.01	0.06
Lalpir Power Limited		3,203,229	50,000	3,253,229	-	-	-	-	-	-	-
Pak Gen Power Limited		4,231,604	328,384	4,552,000	7,988	104	245	141	0.00	0.00	0.02
Kot Addu Power Company Limited		-	2,564,205	361,000	2,203,205	84,391	87,555	3,164	1.17	1.21	-
K-Electric Limited (face value Rs. 3.5 per share)		1,810,484	-	1,810,484	-	-	-	-	-	-	-
						437,366	459,559	22,193	6.13	6.38	
<b>AUTOMOBILE PARTS AND ACCESSORIES</b>											
Thal Limited (face value Rs. 5 per share)		444,420	213,443	99,600	558,263	201,190	205,485	4,295	2.74	2.85	6.89
Panther Tyres Limited		-	410,000	410,000	-	-	-	-	-	-	-
						201,190	205,485	4,295	2.74	2.85	
<b>GLASS AND CERAMICS</b>											
Shabbir Tiles & Ceramics Limited		-	2,111,118	420,000	1,691,118	39,307	39,944	637	0.53	0.55	0.52
<b>AUTOMOBILE ASSEMBLER</b>											
Millat Tractors Limited		-	69,538	36,200	33,338	30,922	36,663	5,741	0.49	0.51	0.59
Indus Motor Company Limited		-	40,000	39,500	500	597	578	(19)	0.01	0.01	0.01
Pak Suzuki Motor Company Limited		-	206,000	206,000	-	-	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited		-	48,500	48,500	-	-	-	-	-	-	-
						31,519	37,241	5,722	0.49	0.51	

Name of Investee Company	Note	As at July 01, 2020	Purchased / bonus received during the period	Sold during the period	As at March 31, 2021	Total carrying value as at March 31, 2021	Total market value as at March 31, 2021	Appreciation / (diminution) as at March 31, 2021	Market value as a percentage of net assets	Market value as a percentage of total value of Investment	Investment as a percentage of paid-up capital of investee company
Quoted investments		-----Number of shares-----				-----Rupees in '000'-----			-----Percentage (%)-----		
LEATHER AND TANNERIES											
Service Industries Limited		21,500	126,225	2,500	145,225	114,515	162,751	48,236	2.17	2.26	6.18
ENGINEERING											
Aisha Steel Mills Limited		-	7,055,000	2,974,500	4,080,500	97,277	96,912	(365)	1.29	1.34	-
Mughal Iron & Steel Industries Limited		-	346,402	345,500	902	70	84	14	0.00	0.00	-
Agha steel Industries		-	1,395,072	1,394,500	572	18	18	-	0.00	0.00	-
International Steels Limited		-	350,000	42,500	307,500	25,475	26,316	841	0.35	0.37	0.71
International Industries Limited		-	350,000	29,500	320,500	62,057	65,116	3,059	0.87	0.90	2.43
						184,897	188,446	3,549	2.52	2.61	
FOOD AND PERSONAL CARE PRODUCTS											
Al Shaheer Corporation Limited		2,822,292	-	2,820,630	1,662	19	25	6	0.00	0.00	0.01
PHARMACEUTICALS											
The Searle Company Limited	5.1.3	390,826	594,248	364,500	620,574	141,547	153,300	11,753	2.05	2.13	2.59
Highnoon Laboratories Limited		-	123,538	2,100	121,438	74,678	78,873	4,195	1.05	1.09	3.51
IBL HealthCare Limited		-	20,500	20,500	-	-	-	-	-	-	-
GlaxoSmithKline Consumer Healthcare Limited		20,000	12,459	30,000	2,459	523	531	8	0.01	0.01	0.02
						216,748	232,704	15,956	3.11	3.23	
TECHNOLOGY & COMMUNCATION											
Systems Limited		1,228,600	143,124	949,000	422,724	81,799	198,904	117,105	2.65	2.76	3.08
TPL Trakker Limited		-	546,000	546,000	-	-	-	-	-	-	-
						81,799	198,904	117,105	2.65	2.76	
VANASPATI AND ALLIED INDUSTRIES											
Unity Foods Limited		-	10,613,186	10,613,186	-	-	-	-	-	-	-
TRANSPORT											
Pakistan International Bulk Terminal Limited		-	9,095,990	3,452,500	5,643,490	70,971	58,974	(11,997)	0.79	0.82	3.16
MISCELLANEOUS											
Tri-Pack Films Limited		100,000	-	100,000	-	-	-	-	-	-	-
Shifa International Hospitals Limited		-	267,767	30,000	237,767	55,277	47,209	(8,068)	0.63	0.66	3.84
Synthetic Products Enterprises Limited		645,000	199,000	843,500	500	21	19	(2)	0.00	0.00	0.01
						55,298	47,228	(8,070)	0.63	0.66	
Total March 31, 2021						6,565,901	7,207,382	641,481			
Total June 30, 2020						5,644,365	5,476,262	(168,103)			

## 5.2 Government securities

Issue Date	Tenor	Face value				Market value as at March 31, 2021	Market Value as a percentage of	
		As at July 01, 2020	Purchased during the period	Sold / matured during the period	As at March 31, 2021		Net assets	Market value of total investments

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

### Market treasury bills

16-Jul-2020	3 months	-	75,000	75,000	-	-	-	-
08-Oct-2020	3 months	-	125,000	125,000	-	-	-	-
		-	<b>200,000</b>	<b>200,000</b>	-	-		

### Cost of investment at March 31, 2021

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- 5.3** These include 0.81 million shares (June 30, 2020: 1.641 million shares) pledged with National Clearing Company of Pakistan Limited having market value of Rs. 118.41 million (June 30, 2020: Rs. 117.475 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.
- 5.4** The Finance Act, 2014 brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by a shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honourable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The honourable Sindh High Court has granted stay order till the final outcome of the case. Certain investee companies of the Fund, in pursuance of aforesaid amendment, withheld shares equivalent to 5% of bonus announcement of the Fund having fair market value of Rs. 15.9384 million (June 30, 2020: Rs. 11.057 million) at year end. Such shares have not been deposited by the investee companies in CDC account of income tax department. The Fund has included in its investments the withheld shares and recorded them at fair market value at period end. Through Finance Act, 2018, the tax on bonus shares is withdrawn.

## 6 PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

	Note	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
		----- (Rupees in 000) -----	
Remuneration payable to the Management Company	6.1	13,845	9,390
Sindh sales tax payable on remuneration of the Management Company	6.2	1,800	1,221
Sales load and conversion charges payable		1,739	2,450
Selling and marketing expenses payable	6.3	43,706	1,487
Allocated expenses payable	6.4	2,937	27,070
		<b>64,027</b>	<b>41,618</b>

- 6.1** As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rates of 2% per annum. The remuneration is payable to the Management Company monthly in arrears.
- 6.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 6.3** In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

From July 1, 2020 to October 14, 2020	2.01% per annum of average daily net assets
From October 15, 2020 to March 31, 2021	2% per annum of average daily net assets

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

From July 1, 2020 through to 14, 2020	0.10% per annum of average daily net assets
From October 15, 2020 to March 31, 2021	0.11% per annum of average daily net assets

## 7. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the ITO, 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

			March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
8	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE	Note	----- (Rupees in 000) -----	
	Remuneration payable to the Trustee	8.1	798	549
	Sindh sales tax on Trustee remuneration	8.2	104	71
			<u>902</u>	<u>620</u>

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

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

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

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

## 9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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

		March 31, 2021 (Un-audited) -----(Rupees in 000) ----	June 30, 2020 (Audited)
<b>10. ACCRUED EXPENSES AND OTHER LIABILITIES</b>	<b>Note</b>		
Auditors' remuneration payable		356	465
Capital gain tax payable		1,704	1,565
Brokerage payable		9,509	8,708
Zakat deducted at source		82	47
Provision for Federal Excise Duty	10.1	45,195	45,195
Provision for Sindh Workers' Welfare Fund	10.2	82,019	52,134
Payable against purchase of investments		25,005	104,428
Other payables		6,647	751
		<u>170,517</u>	<u>213,293</u>

**10.1** This includes provision for Federal Excise Duty (FED) as at March 31, 2021 amounting to Rs. 34.896 million (June 30, 2020: Rs. 34.896 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 0.35 (June 30, 2020: Re. 0.47).

**10.2** This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re 0.82 (June 30, 2020: Re. 0.54).

#### **11. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

#### **12. TAXATION**

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

### 13. EARNINGS PER UNIT

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

### 14. TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund based on the current period results is 4.03% (March 31, 2020: 2.61%) which includes 0.64% (March 31, 2020: 0.25%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a equity scheme.

### 15. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

#### Fair value hierarchy

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

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

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

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

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

		(Un-audited) March, 2021			
		Fair Value			
ASSETS		Level 1	Level 2	Level 3	Total
		----- (Rupees in '000) -----			
Investment in securities - financial assets at fair value through profit or loss					
-	Equity securities	7,207,382	-	-	7,207,382
		(Audited) June 30, 2020			
		Fair Value			
ASSETS		Level 1	Level 2	Level 3	Total
		----- (Rupees in '000) -----			
Investment in securities - financial assets at fair value through profit or loss					
-	Equity securities	5,476,262	-	-	5,476,262

## 16. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

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

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

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

Details of transactions with related parties / connected persons during the period and balances held with them at the nine months period ended March 31, 2021 are as follows:

Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives***	Other connected persons / related parties
----- Nine months period ended March 31, 2021 -----					
----- (Rupees in '000) -----					

### Transactions during the period

- bank balances	-	1,225	-	-	-	-
Bank charges	-	21	-	-	-	-
Value of units issued	958,000	956	-	-	48,468	-
Value of units redeemed	920,474	799	-	-	87,776	-
Purchase of securities	-	286,545	-	862,256	-	-
Sale of securities	-	160,549	-	167,685	-	-
Dividend received	-	34,146	-	-	-	-
Remuneration (including sales tax)	130,643	-	7,380	-	-	-
Allocation of expenses	6,183	-	-	-	-	-
CDS expenses	-	-	15,030	-	-	-
Selling and marketing expense	115,788	-	-	-	-	-

Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives***	Other connected persons / related parties
----- Nine months ended March 31, 2020 -----					
----- (Units in '000) -----					
----- (Rupees in '000) -----					

- bank balances	-	1,439	-	-	-	-
Bank charges	-	24	-	-	-	-
Value of units issued	520,032	3,400	-	-	101,978	- 383,000
Value of units redeemed	468,095	4,534	-	-	36,559	-
Purchase of securities	-	-	-	59,754	-	-
Sale of securities	-	-	-	36,983	-	-
Dividend received	-	25,932	-	-	-	-
Remuneration expense (including sales tax)	92,246	-	5,466	-	-	-
Allocation of expenses	4,084	-	-	-	-	-
CDS expenses	-	-	207	-	-	-
Selling And Marketing Expense	28,320	-	-	-	-	-

Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives***	Other connected persons / related parties
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As at March 31, 2021

(Units in '000)

#### Balances held

Units held	3,695,060	3,534	-	-	241,680	-	24,179,494
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(Rupees in '000)

Units held	278,275	266	-	-	18,201		1,820,958
Bank balances	-	16,149	-	-	-		-
Deposits	-	-	100	-	-		-
Investments	-	425,954	-	-	-		-
Profit receivable	-	88	-	-	-		-
Remuneration payable	15,645	-	-	-	-		-
Sales load payable	1,739	40					
Conversion charges payable	356	-	-	-	-		-
Allocated expenses payable	2,937	-	-	-	-		-
Selling and marketing expense payable	43,706	-	-	-	-		-
Other Payable	-	-	-	-	-		-

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

(Units in '000)

#### Balances held

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

Units held	197,738	-	-	-	15	47,054	2,122,545
Bank balances	-	372,113	-	-	-		-
Deposits	-		100	-	-		-
Investments	-	3,104	-	-	-		-
Profit receivable	-	1,179	-	-	-		-
Remuneration payable	10,611	-	633	-	-		-
Sales load and conversion charges payable	2,432	54	-	-	-		-
Allocated expenses payable	1,487	-	-	-	-		-
Selling and marketing expense payable	27,070	-	-	-	-		-
Other Payable	17	-	-	-	-		-

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

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

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

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

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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

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.

**18. GENERAL**

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

**19. DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

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

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

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

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

# UFSF

## UBL Financial Sector Fund

### INVESTMENT OBJECTIVE

The objective is to provide investors long-term capital appreciation by investing primarily in a mix of actively managed portfolio of listed equities that offer capital gains and dividends yield potential preferably in the Financial Sector.

<b>Management Company</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>	BDO Ebrahim & Co., Chartered Accountants
<b>Bankers</b>	Allied Bank Limited United Bank Limited Soneri Bank Limited
<b>Management Co. Rating</b>	AM 1 (VIS Credit Rating Company Limited)

**UBL FINANCIAL SECTOR FUND**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2021**

	<b>Nine Months Period Ended March 31, 2021 ----- (Rupees in '000) -----</b>	<b>Quarter ended March 31, 2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income / (loss) for the period before taxation	37,012	(153,752)
<b>Adjustments for:</b>		
Financial income	(2,864)	(3,089)
Dividend income	(81,502)	(42,454)
Capital (gain) on sale of investments - net	(27,555)	(25,515)
Unrealised loss on revaluation of investments classified as 'at fair value through profit or loss' - net	33,890	202,646
Amortization of preliminary expenses and floatation costs	180	181
	(77,851)	131,769
<b>Cash used in operations before working capital changes</b>	<b>(40,839)</b>	<b>(21,983)</b>
<b>Working capital changes</b>		
<b>Changes in assets</b>		
Investments - net	(675,419)	40,678
Deposits, prepayments and other receivables	(30,100)	(4)
	(705,519)	40,675
<b>Changes in liabilities</b>		
Payable to UBL Fund Managers Limited - Management Company	5,232	544
Payable to Central Depository Company of Pakistan Limited - Trustee	111	(25)
Annual fee payable to Securities and Exchange Commission of Pakistan	3	(480)
Accrued expenses and other liabilities	(9,615)	5,504
	(4,269)	5,543
Profit received on bank balances	2,954	5,401
Dividend received	61,311	25,104
<b>Net cash (used in) / generated from operating activities</b>	<b>(686,362)</b>	<b>54,740</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from issuance of units	1,806,984	615,445
Payment against redemption of units	(1,100,072)	(717,507)
<b>Net cash generated from / (used in ) financing activities</b>	<b>706,912</b>	<b>(102,062)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>20,550</b>	<b>(47,321)</b>
Cash and cash equivalents at the beginning of the period	7,224	64,596
<b>Cash and cash equivalents at the end of the period</b>	<b>27,774</b>	<b>17,275</b>

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

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

**SD**  
**CHIEF EXECUTIVE OFFICER**

**SD**  
**CHIEF FINANCIAL OFFICER**

**SD**  
**DIRECTOR**

**UBL FINANCIAL SECTOR FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2021**

	-----Nine Months Period Ended March 31, 2021-----			-----Nine Months Period Ended March 31, 2020-----		
	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Net assets at the beginning of the period	859,554	(233,259)	626,295	981,918	(120,565)	861,353
Issuance of 22,371,149 units (2020: 7,249,549)						
Capital value of units	1,519,292	-	1,519,292	581,107	-	581,107
Element of income					-	-
Due to net income earned	287,692	-	287,692	34,338	-	34,338
<b>Total proceeds on issuance of units</b>	<b>1,806,984</b>	<b>-</b>	<b>1,806,984</b>	<b>615,445</b>	<b>-</b>	<b>615,445</b>
Redemption of 13,990,979 units (2020: 8,488,529)						
Capital value of units	(950,169)	-	(950,169)	(680,421)	-	(680,421)
Element of loss	-	-	-	-	-	-
Due to net income earned	(130,311)	(19,592)	(149,903)	(37,086)	-	(37,086)
<b>Total payments on redemption of units</b>	<b>(1,080,480)</b>	<b>(19,592)</b>	<b>(1,100,072)</b>	<b>(717,507)</b>	<b>-</b>	<b>(717,507)</b>
Total comprehensive income / (loss) for the period	-	37,012	37,012	-	(153,749)	(153,749)
Amount transfer to retained earnings					-	-
<b>Net assets at the end of the period</b>	<b>1,586,059</b>	<b>(215,839)</b>	<b>1,370,219</b>	<b>879,857</b>	<b>(274,314)</b>	<b>605,543</b>
Undistributed loss / Unrealised diminution on re-measurement of investments classified as 'fair value through other comprehensive income' brought forward comprises of:						
Realised loss		(76,930)	(76,930)		(9,249)	(9,249)
Unrealised loss		(156,329)	(156,329)		(111,316)	(111,316)
Total undistributed loss brought forward		(233,259)	(233,259)		(120,565)	(120,565)
<b>Income available for distribution:</b>						
Relating to capital gains	-	-	-	-	-	-
Excluding capital gains	-	-	-	-	-	-
Total Comprehensive income / (loss) for the period		17,420	17,420		(153,749)	(153,749)
Transferred to retain earning					-	-
Distribution during the period					-	-
<b>Undistributed loss carried forward</b>		<b>(215,839)</b>	<b>(215,839)</b>		<b>(274,314)</b>	<b>(274,314)</b>
<b>Undistributed loss carried forward comprises of:</b>						
Realised loss		(181,949)	(181,949)		(71,668)	(71,668)
Unrealised loss		(33,890)	(33,890)		(202,646)	(202,646)
<b>Total undistributed loss carried forward</b>		<b>(215,839)</b>	<b>(215,839)</b>		<b>(274,314)</b>	<b>(274,314)</b>
		(Rupees)			(Rupees)	
Net assets value per unit at the beginning of the Period		67.9130			80.1577	
Net assets value per unit at the end of the Period		77.8437			63.6961	

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

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

**SD**  
**CHIEF EXECUTIVE OFFICER**

**SD**  
**CHIEF FINANCIAL OFFICER**

**SD**  
**DIRECTOR**

## **UBL FINANCIAL SECTOR FUND**

### **NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**

**FOR THE PERIOD ENDED MARCH 31, 2021**

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

- 1.1 UBL Financial Sector Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-end mutual fund. It was constituted under the Trust Deed, dated February 21, 2018 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund has been registered as a notified entity on March 12, 2018 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 4th floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.
- 1.3 The Fund is an equity scheme (sector specific) and units of the Fund are listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units were initially offered to public on IPO dated April 05, 2018 and are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder. The Fund is categorised as an open-ended sector (equity) scheme in accordance with Circular 7 of 2009 issued by the SECP.
- 1.4 The principal activity of the Fund is to provide investors long term capital appreciation by investing primarily in a mix of actively managed portfolio of listed equities that offer capital gains and dividends yield potential, preferably in financial sector.
- 1.5 Title to the assets of the Fund are held in the name of the CDC as the Trustee of the Fund.
- 1.6 VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as on December 31, 2020.

#### **2 STATEMENT OF COMPLIANCE**

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

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

2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

### **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISK MANAGEMENT POLICIES**

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

3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.

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

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

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

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

		March 31, 2021 (Unaudited)	June 30, 2020 (Audited)
	Note	----- (Rupees in '000) -----	
<b>4</b>	<b>BANK BALANCES</b>		
Cash at bank			
In savings accounts	4.1	<u>27,774</u>	<u>7,224</u>
4.1	The rates of return on these balances range from 4.75% to 5.50% (June 30, 2020: 4.75% to 6.50%) per annum. These include an amount held by a related party (United Bank Limited) amounting to Rs. 27.25 million (June 30, 2020: Rs. 7.21 million) on which return is earned at 5.50% per annum (June 30, 2020: 6.50%).		
<b>5</b>	<b>INVESTMENTS IN EQUITY SHARES</b>		
Financial assets classified as at fair value through profit or loss - listed equity securities	5.1	<u>1,264,936</u>	<u>595,852</u>
		<u><b>1,264,936</b></u>	<u><b>595,852</b></u>

5.1 Financial asset classified as Fair value through profit or loss

Name of investee company	Number of shares					Balance as at March 31, 2021			As at March 31, 2021	
	As at July 1, 2020	Purchased during the quarter	Bonus / right shares received during the quarter	Sold during the quarter	As at March 31, 2021	Carrying value as at March 31, 2021	Market value as at March 31, 2021	Unrealised gain / (loss) on revaluation of investments	Market value as a percentage of net assets	Market value as a percentage of total value of investment
	-----Number of shares-----					----- (Rupees in '000) -----				

COMMERCIAL BANKS

ALLIED BANK LIMITED	1,517,200	569,250	-	321,500	1,764,950	140,315	125,011	(15,304)	9.12%	9.88%
ARIF HABIB LIMITED	193,500	-	-	190,000	3,500	114	232	118	0.02%	0.02%
BANK ALFALAH LIMITED	2,032,900	1,751,780	-	1,122,500	2,662,180	92,499	81,143	(11,356)	5.92%	6.41%
BANK AL-HABIB LIMITED	1,805,500	2,307,391	-	813,586	3,299,305	215,640	214,587	(1,054)	15.66%	16.96%
FAYSAL BANK LIMITED		2,354,000		2,341,000	13,000	235	210	(24)	0.02%	0.02%
HABIB BANK LIMITED	844,300	1,810,932	-	566,000	2,089,232	254,990	242,727	(12,263)	17.71%	19.19%
HABIB METROPOLITAN BANK LIMITED	-	1,768,500	-	164,000	1,604,500	64,468	57,714	(6,754)	4.21%	4.56%
MCB BANK LIMITED	298,317	747,371	-	519,000	526,688	89,595	90,669	1,075	6.62%	7.17%
MEEZAN BANK LIMITED	-	610,337	-	40,000	570,337	61,837	64,551	2,714	4.71%	5.10%
NATIONAL BANK OF PAKISTAN	29,500	-		29,500	-	-	-	-	0.00%	0.00%
THE BANK OF PUNJAB	-	5,988,000	-	5,931,000	57,000	551	459	(92)	0.03%	0.04%
UNITED BANK LIMITED	546,900	2,281,821		782,200	2,046,521	248,513	243,413	(5,100)	17.76%	19.24%
	7,268,117	20,189,382	-	12,820,286	14,637,213	1,168,756	1,120,717	(48,039)	81.79%	88.60%

INSURANCE

ADAMJEE INSURANCE COMPANY LIMITED	3,721,500	909,760	-	955,000	3,676,260	130,071	144,220	14,149	10.53%	11.40%
	3,721,500	909,760	-	955,000	3,676,260	130,071	144,220	14,149	10.53%	11.40%
<b>Total - March 31, 2019</b>	<b>10,989,617</b>	<b>21,099,142</b>	<b>-</b>	<b>13,775,286</b>	<b>18,313,473</b>	<b>1,298,827</b>	<b>1,264,936</b>	<b>(33,890)</b>	<b>92.31%</b>	<b>100.00%</b>

Total - June 30, 2020

<b>752,181</b>	<b>595,852</b>	<b>(156,329)</b>
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- 5.1.1 The above securities include 500,000 shares of Bank Alfalah Limited and 90,000 shares of Habib Bank Limited pledged with National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs. 25.6962 million for guaranteeing settlement of the Fund's trade in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

## 6 ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Fund also obtained exemption from section 150A of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the ITO, 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

		<b>March 31, 2021</b>	June 30, 2020
		<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>Note</b>	<b>----- (Rupees in '000) -----</b>	
<b>7 PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY</b>			
Remuneration payable to the Management Company	7.1	2,433	1,047
Sindh sales tax payable on remuneration of the Management Company	7.2	316	136
Sales load and conversion charges payable		180	851
Selling and marketing expenses payable	7.3	7,019	2,941
Allocated expenses payable	7.4	364	105
		<b>10,312</b>	<b>5,080</b>

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

The Management Company has charged its remuneration at the rate of 2% per annum of the average daily net assets during the year (June 30, 2020: 2% per annum of the average daily net assets). The remuneration is payable to the Management Company monthly in arrears.

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

- 7.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

- 7.3 In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund, the Management company has charged the aforementioned expenses at the rate of 1.93% per annum of the average daily net assets during the year (June 30, 2020: 0.4% From July 01 2019 to December 7, 2019, at the rate of 0.9% from December 8, 2019 to April 8, 2020 and at the rate of 0.193% from April 9, 2020 onwards per annum of the average daily net assets).

- 7.4 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund the Management Company has charged its remuneration at the rate of 0.1% per annum of the average daily net assets during the year (June 30, 2020: 0.1% per annum of the average daily net assets). The remuneration is payable to the Management Company monthly in arrears

	Note	March 31, 2021 (Unaudited) ----- (Rupees in '000) -----	June 30, 2020 (Audited)
<b>8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE</b>			
Remuneration payable to the Trustee	8.1	204	106
Sindh sales tax on Trustee remuneration	8.2	27	14
		<u><b>231</b></u>	<u><b>120</b></u>

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee as per below mention tariff structure.

Upto Rs. 1,000 million	Rs. 0.7 million or 0.20% p.a. of NAV,
On an amount exceeding Rs. 1,000 million	Rs. 2.0 million plus 0.10% p.a. of NAV

- 8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

	Note	March 31, 2021 (Unaudited) ----- (Rupees in '000) -----	June 30, 2020 (Audited)
<b>9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>			
Annual fee payable	9.1	<u><b>160</b></u>	<u><b>157</b></u>

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

		March 31, 2021 (Unaudited) ----- (Rupees in '000) -----	June 30, 2020 (Audited)
	Note		
<b>10 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration payable		578	333
Capital gain tax payable		320	29
Annual listing fee payable		21	-
Legal and professional charges payable		141	110
Sales load payable		8	-
Brokerage payable		1,687	883
Provision for Sindh Workers' Welfare Fund	10.1	744	-
Payable against purchase of investments		-	11,759
		<b>3,499</b>	<b>13,114</b>

- 10.1 This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re 0.0423 (June 30, 2020: Re. nil ).

## **11 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

## **12 TOTAL EXPENSE RATIO**

The annualised total expense ratio (TER) of the Fund based on the current period results is 3.85% (March 31, 2020: 2.66%) which includes 0.33% (March 31, 2020: 0.25%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Equity Fund.

## **13 TAXATION**

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## **14 EARNINGS PER UNIT**

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

## **15 FAIR VALUE MEASUREMENT**

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

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

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

### **15.1 Fair value hierarchy**

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

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

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

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

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

	Carrying Amount			Fair value		
	As at March 31, 2021			As at March 31, 2021		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Level 1	Level 2	Level 3
Rupees in '000						
<b>Financial assets measured at fair value</b>						
Investments	1,264,936	-	-	1,264,936	-	-
<b>Financial assets not measured at fair value</b>						
Bank balances	-	-	27,774	-	-	-
Mark-up / interest receivable	-	-	1,166	-	-	-
Deposits and other receivables	-	-	57,394	-	-	-
	-	-	86,334	-	-	-
	1,264,936	-	86,334	1,264,936	-	-
<b>Financial liabilities not measured at fair value</b>						
Payable to UBL Fund Managers Limited Management Company	-	-	2,433	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	204	-	-	-
Accrued expenses and other liabilities	-	-	3,499	-	-	-
	-	-	6,136	-	-	-
Rupees in '000						
	Carrying Amount			Fair value		
	As at June 30, 2020			As at June 30, 2020		
	Available for sale	Loans and receivables	Other financial liabilities	Level 1	Level 2	Level 3
Rupees in '000						
<b>Financial assets measured at fair value</b>						
Investments	595,852	-	-	595,852	-	-
<b>Financial assets not measured at fair value</b>						
Bank balances	-	7,224	-	-	-	-
Mark-up / interest receivable	-	1,256	-	-	-	-
Deposits and other receivables	-	39,733	-	-	-	-
	-	48,213	-	-	-	-
	595,852	48,213	-	595,852	-	-
<b>Financial liabilities not measured at fair value</b>						
Payable to UBL Fund Managers Limited Management Company	-	-	5,080	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	120	-	-	-
Accrued expenses and other liabilities	-	-	13,085	-	-	-
	-	-	18,285	-	-	-

## 16 COVID – 19

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CIs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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

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 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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

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

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

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

Details of transactions with related parties / connected persons during the period and balances held with them at the quarter ended March 31, 2021 are as follows:

	Management Company	Associated Companies	Trustee	Funds Under Common Management	Directors and Key Executives	Other Connected persons / related parties
	(Rupees in '000)					
<b>Transactions during the quarter ended March 31, 2021</b>						
Profit on savings accounts	-	2,857	-	-	-	-
Bank charges	-	15	-	-	-	-
Units issued	396,000	500	-	-	27,903	564,238
Units redeemed	371,633	1,840	-	-	2,510	110,000
Purchase of equity securities	-	157,461	-	-	-	-
Sale of equity securities	-	(39,533)	-	-	-	-
Sales load paid	1,846	-	-	-	-	-
Dividend	-	20,297	-	-	-	-
Remuneration (including sales tax)	18,103	-	1,656	-	-	-
CDS Expense	-	-	-	-	-	-
Allocated expenses	801	-	-	-	-	-
Selling and marketing expenses	15,460	-	-	-	-	-

Transactions during the period ended March  
31, 2020

Profit on savings accounts	-	3,083	-	-	-	-
Bank charges	-	26	-	-	-	-
Units issued	272,000	3,796	-	-	-	-
Units redeemed	268,527	3,985	-	-	5,021	-
Purchase of equity securities	-	91,944	-	-	-	-
Sale of equity securities	-	111,227	-	-	-	-
Sales load paid	3,025	-	-	-	-	-
Dividend income	-	4,500	-	-	-	-
Remuneration (including sales tax)	14,176	-	1,416	-	-	-
Allocated expenses	627	-	-	-	-	-
Selling and marketing expenses	4,020	-	-	-	-	-
Listing fee	-	21	-	-	-	-
CDS Expense	-	-	8	-	-	-

**Balances held as at March 31, 2021**

Units held (in Units '000)	1,699	5,125	-	-	325	5,591
Units held (in Rupees '000)	132,255	398,927	-	-	25,327	218,036
Bank balances	-	27,246	-	-	-	-
Profit receivable	-	1,165	-	-	-	-
Investments	-	243,413	-	-	-	-
Remuneration payable	2,749	-	231	-	-	-
Allocated expenses payable	364	-	-	-	-	-
Selling and marketing expense payable	7,019	-	-	-	-	-
Sales load payable	170	8	-	-	-	-
Dividend Receivable	-	20,297	-	-	-	-
Conversion charges payable	10	-	-	-	-	-

**Balances held as at June 30, 2020**

Units held (in Units '000)	1,409	5,101	-	-	49	-
Units held (in Rupees '000)	95,713	346,450	-	-	3,333	-
Bank balances	-	7,210	-	-	-	-
Profit receivable	-	1,249	-	-	-	-
Investments	-	56,528	-	-	-	-
Remuneration payable	1,183	-	120	-	-	-
Other payables	-	-	-	-	-	-
Allocated expenses payable	105	-	-	-	-	-
Selling and marketing expense payable	2,941	-	-	-	-	-
Sales load payable	844	-	-	-	-	-
Conversion charges payable	7	-	-	-	-	-

## 18 GENERAL

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

## 19 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

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

**SD  
CHIEF EXECUTIVE OFFICER**

**SD  
CHIEF FINANCIAL OFFICER**

**SD  
DIRECTOR**

# UDEF

## UBL Dedicated Equity Fund

### INVESTMENT OBJECTIVE

The investment objective of the Fund is to provide other "Funds-of-Funds" & Separately Managed Accounts (only managed by UBL Fund Managers) an avenue for investing in Equities.

<b>Management Company</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>	Ernst & Young Ford Rhodes, Chartered Accountants
<b>Bankers</b>	United Bank Limited JS Bank Limited Soneri Bank Limited
<b>Management Co. Rating</b>	AM1 (VIS)

**UBL DEDICATED EQUITY FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2021**

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
Note		----- (Rupees in '000) -----	
<b>ASSETS</b>			
Bank balances	4	929	1,064
Investments	5	25,336	33,993
Dividend, mark-up and other receivable		456	1,047
Advance tax	6.	49	47
Deposits and other receivables		2,524	2,500
Preliminary expenses and floatation costs		135	182
<b>TOTAL ASSETS</b>		<b>29,429</b>	<b>38,833</b>
<b>LIABILITIES</b>			
Payable to the Management Company	7.	57	111
Payable to the Trustee	8.	6	7
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	9.	6	32
Payable against purchase of investments		-	1,064
Accrued and other liabilities	12.	1,930	1,051
<b>TOTAL LIABILITIES</b>		<b>1,999</b>	<b>2,265</b>
<b>NET ASSETS</b>		<b>27,430</b>	<b>36,568</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>27,430</b>	<b>36,568</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	13.		
		----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>252,654</b>	<b>424,153</b>
		----- (Rupees) -----	
<b>NET ASSETS VALUE PER UNIT</b>		<b>108.5674</b>	<b>86.8142</b>

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

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

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

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

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

**UBL DEDICATED EQUITY FUND**  
**CONDENSED INTERIM INCOME STATEMENT**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH, 2021 (UN-AUDITED)**

		Nine months period ended		Quarter ended	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Note		----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----
<b>INCOME</b>					
		272	1,018	21	485
Mark-up on bank account					
Net capital gain / (loss) on redemption and sale of investments		6,097	(12,888)	1,729	(11,310)
Dividend income		1,203	7,263	502	2,079
Net unrealised gain / (loss) on revaluation of investments classified as 'at fair value through profit or loss'		3,136	(3,667)	(1,661)	(46,428)
<b>Total income / (loss)</b>		<b>10,708</b>	<b>(8,274)</b>	<b>591</b>	<b>(55,174)</b>
<b>EXPENSES</b>					
		554	3,050	151	1,094
Remuneration of the Management Company					
Sales tax on management fee		72	397	20	143
Allocated expenses by the Management Company	7.4	15	153	-	55
Selling and marketing expenses	7.4	48	610	-	219
Remuneration of the Trustee		56	329	15	109
Sales tax on remuneration of the Trustee		7	43	2	14
Annual fee to SECP		6	31	2	10
Amortization of preliminary expenses and floatation costs		47	47	16	16
Brokerage expenses		107	641	25	389
Auditors' remuneration		328	350	79	93
Custody and settlement charges		255	373	84	150
Bank charges and other expenses		167	149	55	46
<b>Total expenses</b>		<b>1,662</b>	<b>6,173</b>	<b>449</b>	<b>2,338</b>
<b>Net operating income / (loss) for the period</b>		<b>9,046</b>	<b>(14,447)</b>	<b>142</b>	<b>(57,512)</b>
Provision for Sindh Workers' Welfare Fund		(177)	-	(2)	845
<b>Net income / (loss) for the period before taxation</b>		<b>8,869</b>	<b>(14,447)</b>	<b>140</b>	<b>(56,667)</b>
Taxation	14.	-	-	-	-
<b>Net income / (loss) for the period after taxation</b>		<b>8,869</b>	<b>(14,447)</b>	<b>140</b>	<b>(56,667)</b>
<i>Allocation of net income for the period:</i>					
Net income for the period after taxation		8,869	-	140	-
Income already paid on units redeemed		(3,373)	-	(140)	-
		5,496	-	-	-
<i>Accounting income available for distribution</i>					
- Relating to capital gains		5,496	-	-	-
- Excluding capital gains		-	-	-	-
		5,496	-	-	-
<b>Earning per unit</b>	10.				

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

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

**SD**

Chief Executive Officer

**SD**

Director

**SD**

Chief Financial Officer

**UBL DEDICATED EQUITY FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH, 2021 (UN-AUDITED)**

	Nine months period ended		Quarter ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Net income/ (loss) for the period after taxation	8,869	(14,447)	140	(56,667)
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income/ (loss) for the period</b>	<b><u>8,869</u></b>	<b><u>(14,447)</u></b>	<b><u>140</u></b>	<b><u>(56,667)</u></b>

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

For UBL Fund Managers Limited  
(Management Company)

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

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

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

**UBL DEDICATED EQUITY FUND**  
**STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021 (UN-AUDITED)**

	Nine months period ended March 31, 2021			Nine months period ended March 31, 2020		
	Capital value	Undistributed Income	Total	Capital value	Undistributed Income	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
<b>Net assets at beginning of the period</b>	74,898	(38,330)	36,568	212,798	(31,214)	181,583
<b>Amount received on issuance of 23,241 units</b> (March 31, 2020: 3,712,418 units)						
Capital value	2,018	-	2,018	300,315	-	300,315
Element of income during the period; - Relating to net income for the period after taxation	391	-	391	18,782	-	18,782
	2,409	-	2,409	319,097	-	319,097
<b>Amount paid on redemption of 194,740 units</b> (March 31, 2020: 5,468,319 units)						
Capital value	(16,906)	-	(16,906)	(442,359)	-	(442,359)
Element of loss during the period; - Relating to income earned	(137)	(3,373)	(3,510)	(9,446)	-	(9,446)
	(17,043)	(3,373)	(20,416)	(451,805)	-	(451,805)
Total comprehensive income / (loss) for the period	-	8,869	8,869	-	(14,447)	(14,447)
<b>Net assets at end of the period</b>	<u>60,264</u>	<u>(32,834)</u>	<u>27,430</u>	<u>80,090</u>	<u>(45,661)</u>	<u>34,428</u>
<b>Undistributed income brought forward:</b>						
- Realised	-	(40,207)	(40,207)	-	(1,923)	(1,923)
- Unrealised	-	1,877	1,877	-	(29,291)	(29,291)
	-	(38,330)	(38,330)	-	(31,214)	(31,214)
Accounting income available for distribution:						
- Relating to capital gains	-	5,496	-	-	-	-
- Excluding capital gains	-	-	-	-	-	-
	-	5,496	-	-	-	-
Net gain/ (loss) for the period after taxation	-	-	-	-	(14,447)	(14,447)
<b>Undistributed loss carried forward</b>	<u>-</u>	<u>(32,834)</u>	<u>(38,330)</u>	<u>-</u>	<u>(45,661)</u>	<u>(45,661)</u>
<b>Undistributed loss carried forward</b>						
- Realised	-	(35,970)	(35,970)	-	(41,994)	(41,994)
- Unrealised	-	3,136	3,136	-	(3,667)	(3,667)
	-	(32,834)	(38,330)	-	(45,661)	(45,661)
			-- (Rupees) --			-- (Rupees) --
<b>Net assets value per unit at beginning of the period</b>			<u>86.8142</u>			<u>80.8948</u>
<b>Net assets value per unit at end of the period</b>			<u>108.5674</u>			<u>70.4350</u>

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

For UBL Fund Managers Limited  
(Management Company)

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

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

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

**UBL DEDICATED EQUITY FUND**  
**STATEMENT OF CASH FLOWS**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021 (UN-AUDITED)**

	Nine months period ended March 31, 2021 (Rupees in '000)	Nine months period ended March 31, 2020 (Rupees in '000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income / (loss) for the period before taxation	8,869	(14,447)
<b>Adjustments for:</b>		
Mark-up on bank account	(272)	(1,018)
Net capital gain / (loss) on redemption and sale of investments	(6,097)	12,888
Dividend income	(1,203)	(7,263)
Net unrealised (gain) / loss on revaluation of investments classified as 'at fair value through profit or loss	(3,136)	3,667
Amortization of preliminary expenses and floatation costs	47	47
	(10,661)	8,321
<b>Increase / (Decrease) in assets</b>		
Investments	17,890	128,531
Advance tax	(2)	(7)
Receivable against sale of investments	-	(55,483)
Deposits and other receivable	(24)	(22)
	17,864	73,019
<b>(Decrease) / Increase in liabilities</b>		
Payable to the Management Company	(54)	(21)
Payable to the Trustee	(1)	(7)
Annual fee payable to SECP	(26)	(126)
Payable against purchase of investments	(1,064)	6,736
Accrued and other liabilities	879	50,775
	(266)	57,357
Mark-up and dividend received	2,066	7,159
<b>Net cash generated from operating activities</b>	17,872	131,409
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net receipt from issuance of units	2,409	319,097
Net payment against redemption of units	(20,416)	(451,805)
<b>Net cash used in financing activities</b>	(18,007)	(132,708)
<b>Net decrease in cash and cash equivalents during the period</b>	(135)	(1,299)
Cash and cash equivalents at beginning of the period	1,064	2,697
<b>Cash and cash equivalents at end of the period</b>	929	1,398

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

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

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

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

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

**UBL DEDICATED EQUITY FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021 (UN-AUDITED)**

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

- 1.1** UBL Dedicated Equity Fund, was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on April 10, 2018 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 02, 2018 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from May 29, 2018.
- 1.2** The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.3** The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for subscription on a continuous basis to the public. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.
- 1.4** The investment objective of the fund is to provide other 'Fund of Funds' schemes and Separately Managed Accounts (only managed by UBL Fund Managers) an avenue for investing in Equities.
- 1.5** VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as on December 31, 2020.
- 1.6** Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

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

Where the provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of the IAS 34, the provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

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

**2.1.3** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

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

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

**3.2** The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.

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

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

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

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

	Note	(Un-audited) March 31, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2020
<b>4. BANK BALANCES</b>			
Bank account - saving account	4.1	<u>929</u>	<u>1,064</u>
<b>4.1</b> These carry mark-up at the rates ranging from 5.50% to 8.00% (June 30, 2020: 6.5% to 11.25%) per annum and include a balance of Rs.0.913 (June 30, 2020: Rs.1.04) million held with United Bank Limited (a related party).			

### 5. INVESTMENTS

#### **Investments by Category**

#### **At fair value through profit or loss**

- Equity securities - listed	5.1	<u>25,336</u>	<u>33,993</u>
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## 5.1 Equity securities classified as 'Fair value classified through Profit and loss'

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

Name of Investee Company	Note	Number of shares					Balance as at March 31, 2021			Market value as a % of net assets	Market value as a % of total investments	Par value as percentage of total paid up capital of the investee company
		As at July 01, 2020	Purchased during the period	Bonus/Rights	Sold during the period	As at March 31, 2021	Carrying value	Market value	(Diminution) / appreciation			
----- (Rupees in '000) -----												
<b>Cement</b>												
Kohat Cement Company Limited		9,840	2,000	-	6,400	5,440	797	1,127	330	4.11%	4.45%	0.00%
Lucky Cement Limited		3,158		-	2,300	858	396	701	305	2.56%	2.77%	0.00%
Maple Leaf Cement Factory Limited			12,000	-	12,000			-	-	0.00%	0.00%	0.00%
Pioneer Cement Limited		-	12,500	-	8,000	4,500	526	548	22	2.00%	2.16%	0.00%
Thatta Cement Company Limited			25,000	-	25,000	-		-	-	0.00%	0.00%	0.00%
							<b>1,719</b>	<b>2,376</b>	<b>657</b>	<b>8.66%</b>	<b>9.38%</b>	<b>0.00%</b>
<b>Oil and gas exploration companies</b>												
Mari Petroleum Company Limited		2,097		-	940	1,157	1,431	1,772	341	6.46%	6.99%	0.00%
Oil And Gas Development Company Limited	6.1.1	19,568		-	9,700	9,868	1,076	1,003	(73)	3.66%	3.96%	0.00%
Pakistan Oilfields Limited		112	4,700	-	2,780	2,032	790	772	(18)	2.81%	3.05%	0.00%
Pakistan Petroleum Limited	6.1.1	15,675	2,000	-	6,900	10,775	957	941	(16)	3.43%	3.71%	0.00%
							<b>4,254</b>	<b>4,488</b>	<b>234</b>	<b>16.36%</b>	<b>17.71%</b>	<b>0.00%</b>
<b>Oil and gas marketing companies</b>												
Pakistan State Oil Company Limited		3,683	-	-	3,400	283	45	65	20	0.24%	0.26%	0.00%
							<b>45</b>	<b>65</b>	<b>20</b>	<b>0.24%</b>	<b>0.26%</b>	<b>0.00%</b>
<b>Food and personal care products</b>												
Al Shaheer Corporation Limited		1,576	38,000	-	39,500	76	1	1	-	0.00%	0.00%	0.00%
							<b>1</b>	<b>1</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Fertilizer</b>												
Engro Corporation Limited		7,023	2,500	-	7,850	1,673	498	464	(34)	1.69%	1.83%	0.00%
Engro Fertilizers Limited		20,000	4,000	-	24,000		-	-	-	0.00%	0.00%	0.00%
Fatima Fertilizer Company Limited		7,500	-	-	7,500	-	-	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Bin Qasim Limited		-	20,000	-	-	20,000	564	548	(16)	2.00%	2.16%	0.00%
Fauji Fertilizer Company Limited		8,091	8,000	-	10,900	5,191	565	542	(23)	1.98%	2.14%	0.00%
							<b>1,627</b>	<b>1,554</b>	<b>(73)</b>	<b>5.67%</b>	<b>6.13%</b>	<b>0.00%</b>
<b>Chemicals</b>												
Dynea Pakistan Limited		-	3,000	-	3,000	-	-	-	-	0.00%	0.00%	0.00%
Engro Polymer & Chemicals Limited		11,613	10,000	-	13,500	8,113	227	446	219	1.63%	1.76%	0.00%
ICI Pakistan Limited		50	-	-	-	50	35	42	7	0.15%	0.17%	0.00%
Ittehad Chemicals Limited		25,742	-	-	25,000	742	20	26	6	0.09%	0.10%	0.00%
Sitara Chemical Industries Limited		1,234	-	-	1,234	-	-	-	-	0.00%	0.00%	0.00%
Sitara Peroxide Limited		17,000	-	-	17,000	-	-	-	-	0.00%	0.00%	0.00%
							<b>282</b>	<b>514</b>	<b>232</b>	<b>1.87%</b>	<b>2.03%</b>	<b>0.00%</b>
<b>Technology and communication</b>												
Systems Limited		6,750	-	85	5,900	935	156	440	284	1.60%	1.74%	0.00%
							<b>156</b>	<b>440</b>	<b>284</b>	<b>1.60%</b>	<b>1.74%</b>	<b>0.00%</b>
<b>Automobile assembler</b>												
Honda Atlas Cars (Pakistan) Limited		-	600	-	600	-	0	0	-	0.00%	0.00%	0.00%
Honda Atlas Cars (Pakistan) Limited		-	450	-	450	-	0	0	-	0.00%	0.00%	0.00%
Millat Tractors Limited		-	260	32	200	92	106	101	(5)	0.37%	0.40%	0.00%
Pak Suzuki Motor Company Limited		-	1,400	-	1,400	-	-	-	-	0.00%	0.00%	0.00%
							<b>106</b>	<b>101</b>	<b>(5)</b>	<b>0.37%</b>	<b>0.40%</b>	<b>0.00%</b>
<b>Automobile parts and accessories</b>												
Agriauto Industries Limited		-	3,000	-	3,000	-	-	-	-	0.00%	0.00%	0.00%
Panther Tyres Limited		-	1,500	-	-	1,500	94	97	3	0.35%	0.38%	0.00%
Thal Limited *		2,114	-	-	500	1,614	524	594	70	2.17%	2.34%	0.00%
							<b>618</b>	<b>691</b>	<b>73</b>	<b>2.52%</b>	<b>2.73%</b>	<b>0.00%</b>
<b>Leather and Tanneries</b>												
Bata Pakistan Limited		-	240	-	240	-	-	-	-	0.00%	0.00%	0.00%
Service Industries Limited		90	1,000	22	-	1,112	884	1,246	362	4.54%	4.92%	0.00%
							<b>884</b>	<b>1,246</b>	<b>362</b>	<b>4.54%</b>	<b>4.92%</b>	<b>0.00%</b>
<b>Transport</b>												
Pakistan International Bulk Terminal		-	33,000	-	33,000	-	-	-	-	0.00%	0.00%	0.00%
Pakistan National Shipping Corporation		2,000	-	-	2,000	-	-	-	-	0.00%	0.00%	0.00%
							<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Engineering</b>												
Aisha Steel Mills Limited			59,500	-	35,500	24,000	496	570	74	2.08%	2.25%	0.00%
International Industries Limited		20	6,000	-	5,000	1,020	207	207	-	0.75%	0.82%	0.00%
International Steels Limited		-	8,000	-	5,000	3,000	254	257	3	0.94%	1.01%	0.00%
							<b>957</b>	<b>1,034</b>	<b>77</b>	<b>3.77%</b>	<b>4.08%</b>	<b>0.00%</b>

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

Name of Investee Company	Note	As at July 01, 2020	Number of shares				Balance as at March 31, 2021			Market value as a % of net assets	Market value as a % of total investments	Par Value as percentage of total paid up capital of the investee company
			Purchased during the period	Bonus/Rights	Sold during the period	As at March 31, 2021	Carrying value	Market value	Appreciation / (diminution)			
----- (Rupees in '000) -----												
<b>Insurance</b>												
Adamjee Insurance Company Limited	6.1.1	25,485	-	-	7,500	17,985	595	706	111	2.57%	2.79%	0.01%
IGI Holdings Limited		2,000	-	-	2,000	-	-	-	-	0.00%	0.00%	0.00%
							<b>595</b>	<b>706</b>	<b>111</b>	<b>2.57%</b>	<b>2.79%</b>	<b>0.01%</b>
<b>Inv. Banks/ Inv. Cos. / Securities Cos.</b>												
Arif Habib Limited		1,000	9,500	-	10,000	500	19	33	14	0.12%	0.13%	0.00%
							<b>19</b>	<b>33</b>	<b>14</b>	<b>0.12%</b>	<b>0.13%</b>	<b>0.00%</b>
<b>Cable and electrical goods</b>												
Waves Singer Pakistan Limited		-	19,000	-	19,000	-	-	-	-	0.00%	0.00%	0.00%
							<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Commercial banks</b>												
Allied Bank Limited		23,174	-	-	10,500	12,674	971	898	(73)	3.27%	3.54%	0.00%
Bank AL Habib Limited		26,000	-	-	8,700	17,300	905	1,125	220	4.10%	4.44%	0.00%
Bank Alfalah Limited	6.1.1	31,961	11,000	-	21,000	21,961	746	669	(77)	2.44%	2.64%	0.00%
Faysal Bank Limited		86	-	-	-	86	1	1	-	0.00%	0.00%	0.00%
Habib Bank Limited		18,301	5,000	-	10,500	12,801	1,371	1,487	116	5.42%	5.87%	0.00%
MCB Bank Limited		4,500	-	-	4,500	-	-	-	-	0.00%	0.00%	0.00%
National Bank of Pakistan		1,174	-	-	-	1,174	32	38	6	0.14%	0.15%	0.00%
United Bank Limited		20,909	9,800	-	15,400	15,309	1,649	1,821	172	6.64%	7.19%	0.00%
							<b>5,675</b>	<b>6,039</b>	<b>364</b>	<b>22.02%</b>	<b>23.84%</b>	<b>0.01%</b>
<b>Glass &amp; Ceramics</b>												
Shabbir Tiles & Ceramics Limited			20,000	-	20,000	-	-	-	-	0.00%	0.00%	0.00%
							<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Textile composite</b>												
Gul Ahmed Textile Mills Limited		11,854	12,000	-	23,500	354	12	17	5	0.06%	0.07%	0.00%
Kohinoor Textile Mills Limited	6.1.1	27,145	1,000	-	10,000	18,145	666	1,113	447	4.06%	4.39%	0.01%
Nishat Chunian Limited		-	10,000	-	9,000	1,000	37	46	9	0.17%	0.18%	0.00%
Nishat Mills Limited		9,690	3,200	-	3,000	9,890	840	915	75	3.34%	3.61%	0.00%
							<b>1,555</b>	<b>2,091</b>	<b>536</b>	<b>7.62%</b>	<b>8.25%</b>	<b>0.01%</b>
<b>Power generation and distribution</b>												
K-Electric Limited **		453	-	-	-	453	1	2	1	0.01%	0.01%	0.00%
Kot Addu Power Company Limited		-	8,000	-	500	7,500	296	298	2	1.09%	1.18%	0.00%
Lalpir Power Limited		357	-	-	357	-	-	-	-	0.00%	0.00%	0.00%
Pakgen Power Limited		13,918	-	-	9,000	4,918	59	151	92	0.55%	0.60%	0.00%
Saif Power Limited		184	-	-	-	184	3	3	-	0.01%	0.01%	0.00%
The Hub Power Company Limited		22,830	13,200	-	22,200	13,830	1,032	1,122	90	4.09%	4.43%	0.00%
							<b>1,391</b>	<b>1,576</b>	<b>185</b>	<b>5.75%</b>	<b>6.22%</b>	<b>0.00%</b>
<b>Vanaspati &amp; Allied Industries</b>												
Unity Foods Limited		-	43,000	16,542	50,000	9,542	267	284	17	1.04%	1.12%	0.00%
							<b>267</b>	<b>284</b>	<b>17</b>	<b>1.04%</b>	<b>1.12%</b>	<b>0.00%</b>
<b>Paper and board</b>												
Century Paper & Board Mills Limited		13,351	-	170	13,521	-	-	-	-	0.00%	0.00%	0.00%
Cherat Packaging Limited		3,000	-	-	3,000	-	-	-	-	0.00%	0.00%	0.00%
							<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Pharmaceuticals</b>												
Highnoon Laboratories Limited		-	1,800	-	300	1,500	949	974	25	3.55%	3.84%	0.00%
IBL HealthCare Limited		3,000	-	-	3,000	-	-	-	-	0.00%	0.00%	0.00%
The Searle Company Limited		1,900	3,500	377	4,000	1,777	384	439	55	1.60%	1.73%	0.00%
							<b>1,333</b>	<b>1,413</b>	<b>80</b>	<b>5.15%</b>	<b>5.58%</b>	<b>0.01%</b>
<b>Miscellaneous</b>												
Shifa International Hospitals Limited		-	1,500	-	1,500	-	-	-	-	0.00%	0.00%	0.00%
Synthetic Products Enterprises Limited		7,400	12,500	-	16,500	3,400	144	131	(13)	0.48%	0.52%	0.00%
Tri-Pack Films Limited		-	9,300	-	6,000	3,300	572	553	(19)	2.02%	2.18%	0.01%
							<b>716</b>	<b>684</b>	<b>(32)</b>	<b>2.49%</b>	<b>2.70%</b>	<b>0.01%</b>
<b>Total as at March 31, 2021</b>							<b>22,200</b>	<b>25,336</b>	<b>3,136</b>			
Total as at June 30, 2020 (audited)							32,116	33,993	1,877			

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

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

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

	March 31, 2021	
	(Number of shares)	(Rupees in '000)
Adamjee Insurance Company Limited	10,000	392
Bank Alfalah Limited	10,000	305
Kohinoor Textile Mills Limited	17,000	1,043
Oil And Gas Development Company Limited	5,000	508
Pakistan Petroleum Limited	10,000	873
	<b>52,000</b>	<b>3,121</b>

## 6. ADVANCE TAX

The income of the Fund is exempt under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section(s) 150 and 151 of ITO 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO 2001 from Commissioner Inland Revenue (CIR). As of March 31, 2020, various withholding agents have deducted advance tax under section(s) 150 and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

	Note	(Un-audited) March 31, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2020
<b>7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY</b>			
Remuneration payable to the Management Company	7.1	50	60
Sindh sales tax payable on remuneration of the Management Company	7.2	6	8
Selling and marketing expenses payable	7.3	-	36
Allocated expenses payable	7.4	1	7
		<u>57</u>	<u>111</u>

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

Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 2% per annum of the average daily net assets.

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

- 7.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

- 7.3** In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rate of 0.4% per annum of daily average net assets till October 14, 2020.

- 7.4** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rate of 0.1% per annum of the average daily net assets.

	Note	(Un-audited) March 31, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2020
<b>8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>			
Remuneration payable to the Trustee	8.1	5	6
Sindh sales tax on Trustee remuneration	8.2	1	1
		<u>6</u>	<u>7</u>

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

As per the Trust Deed and Offering Document, the tariff structure applicable to the Fund in respect of the trustee fee for the period ended March 31, 2021 is as follows:

Net assets	Tariff per annum
Up to Rs.1,000 million	0.20% p.a. of net assets of the Fund
On an amount exceeding Rs.1,000 million	Rs.2.00 million plus 0.10% p.a. of net assets of the Fund, on amount exceeding Rs.1,000 million

- 8.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

## 9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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

## 10. EARNINGS PER UNIT

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

## 11. TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund based on the current period results is 0.81% (March 31, 2020: 3.05%) which includes 0.19% (March 31, 2020: 0.28%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a equity scheme.

	Note	(Un-audited) March 31, 2021 ----- (Rupees in '000) -----	(Audited) June 30, 2020 -----
<b>12. ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration		401	408
Provision for Sindh Workers' Welfare Fund (SWWF)	12.1	190	13
Brokerage payable		18	465
Other Payables		1,123	-
Legal and professional fees payable		198	165
		<u>1,930</u>	<u>1,051</u>

- 12.1 This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 15.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re.0.75 (June 30, 2020: Re.0.03).

## 13. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

## 14. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

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

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

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

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

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

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

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
	----- (Rupees in '000) -----					
	<b>For the nine months period ended March 31, 2021 (Un-audited)</b>					
<b>Transactions during the period</b>						
Mark-up on bank account	-	271	-	-	-	-
Bank charges	-	6	-	-	-	-
Units issued	-	-	-	-	-	514
Units redeemed	-	-	-	-	-	2,000
Purchases of Securities	-	1,108	-	-	-	-
Sales of Securities	-	1,796	-	-	-	-
Dividend Income	-	145	-	-	-	-
Central Depository Service expenses (CDS)	-	-	7	-	-	-
Remuneration *	626	-	63	-	-	-
Allocated expenses by the Management Company	15	-	-	-	-	-
Selling and marketing expense	48	-	-	-	-	-

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
	----- (Rupees in '000) -----					
	<b>For the nine months period ended March 31, 2020 (Un-audited)</b>					
<b>Transactions during the period</b>						
Mark-up on bank account	-	1,017	-	-	-	-
Bank charges	-	13	-	-	-	-
Units issued	-	-	-	249,438	-	33,702
Units redeemed	-	-	-	370,290	-	3,559
Purchases of Securities	-	7,668	-	-	-	-
Sales of Securities	-	19,874	-	-	-	-
Central Depository Service expenses (CDS)	-	-	15	-	-	-
Remuneration *	3,447	-	372	-	-	-
Allocated expenses by the Management Company	153	-	-	-	-	-
Selling and marketing expense	610	-	-	-	-	-

	<b>As at March 31, 2021 (Un-audited)</b>					
<b>Balances held</b>						
Units held (units in '000)	-	-	-	-	-	250
Units held (Rupees in '000)	-	-	-	-	-	27,101
Bank balances	-	913	-	-	-	-
Investment of Equity in Securities	-	1,821	-	-	-	-
Remuneration payable	56	-	6	-	-	-
Mark-up receivable	-	23	-	-	-	-
Allocated expenses payable	1	-	-	-	-	-

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

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

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

## 16. FAIR VALUE MEASUREMENT

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

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

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

### 16.1 Fair value hierarchy

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

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

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

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

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

[illegible]

**16.1** 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.

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

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

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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

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.

## **18. GENERAL**

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

## **19. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

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

**SD**

**Chief Executive Officer**

**SD**

**Director**

**SD**

**Chief Financial Officer**

# UBLP-ETF

## UBL Pakistan Enterprise Exchange Traded Fund

### INVESTMENT OBJECTIVE

UBL Pakistan Enterprise Exchange Traded Fund (UBLP-ETF) aims to track the performance of the benchmark index in order to provide **long-term** capital appreciation and dividend yield to its investors.

<b>Management Company</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>	EY Ford Rhodes Chartered Accountants
<b>Bankers</b>	Soneri Bank Limited
<b>Management Co.Rating</b>	AM1 (VIS)

**UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
*AS AT 31 MARCH 2021*

		<b>31 March 2021 (Un-Audited) (Rupees in '000)</b>	<b>30 June 2020 (Audited) (Rupees in '000)</b>
<b>Assets</b>			
Bank balances	4	516	549
Investments	5	39,157	35,701
Profits & Dividend receivable		1,330	294
Deposits, Prepayments and other receivables		31	-
Preliminary expenses and floatation costs		121	144
Receivable from Management Company		329	483
Advance tax		91	46
<b>Total assets</b>		<b>41,575</b>	<b>37,217</b>
<b>Liabilities</b>			
Payable to the Management Company	7	188	180
Payable to Central Depository Company of Pakistan Limited - Trustee	8	9	8
Payable to Securities and Exchange Commission of Pakistan	9	7	2
Accrued expense and other payables	10	465	701
<b>Total liabilities</b>		<b>669</b>	<b>891</b>
<b>Net assets</b>		<b>40,906</b>	<b>36,326</b>
<b>Unit holders' fund (as per the statement attached)</b>		<b>40,906</b>	<b>36,326</b>
<b>Contingencies and Commitments</b>	11		
		(Number of units)	
<b>Number of units in issue</b>		<b>2,990,000</b>	<b>3,150,000</b>
		(Rupees)	
<b>Net assets value per unit</b>		<b>13.6811</b>	<b>11.5321</b>

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

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

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

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

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

UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
For the nine months period and quarter ended March 31, 2021

	Nine Months Period Ended March 31, 2021	For the period from March 24, 2020 to March 31, 2020	For the quarter ended March 31, 2021	For the quarter ended March 31, 2020
<b>Note</b>	<b>----- (Rupees in '000) -----</b>			
<b>Income</b>				
Profit on bank deposits	46	-	20	-
Dividend Income	2,674	-	1,325	-
<b>Total income</b>	<b>2,720</b>	<b>-</b>	<b>1,345</b>	<b>-</b>
<b>Expenses</b>				
Remuneration of the Management Company	233	2	79	2
Sindh Sales tax on the Management Company's remuneration	30	-	10	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	35	-	11	-
Sindh Sales tax on the Trustee's remuneration	5	-	2	-
Annual fee of Securities and Exchange Commission of Pakistan	7	-	2	-
Auditors' remuneration	218	-	42	-
Bank and other charges	29	-	12	-
Legal and professional charges	143	17	46	17
Brokerage expenses / Settlement expenses	89	-	43	-
Formation Cost	23	1	8	1
Other expenses	(336)	-	(93)	-
<b>Total operating expenses</b>	<b>476</b>	<b>20</b>	<b>162</b>	<b>20</b>
<b>Net income / (loss) from operating activities</b>	<b>2,244</b>	<b>(20)</b>	<b>1,183</b>	<b>(20)</b>
Provision for Sindh Workers' Welfare Fund	10.1 (24)	-	(10)	-
Element of loss and capital losses included in prices of units issued less those in units redeemed	(1,018)	10	(662)	10
<b>Net income / (loss) for the period before taxation</b>	<b>1,202</b>	<b>(10)</b>	<b>511</b>	<b>(10)</b>
Taxation	13 -	-	-	-
<b>Net income / (loss) for the period after taxation</b>	<b>1,202</b>	<b>(10)</b>	<b>511</b>	<b>(10)</b>
<b>Allocation of net income / (loss) for the period:</b>				
Net income / (loss) for the period after taxation	1,202	-	511	-
Income already paid on units redeemed	-	-	-	-
	<b>1,202</b>	<b>-</b>	<b>511</b>	<b>-</b>
<b>Accounting income available for distribution</b>				
- Relating to capital gains	-	-	-	-
- Excluding capital gains	1,202	-	511	-
	<b>1,202</b>	<b>-</b>	<b>511</b>	<b>-</b>

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

# UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND

## Condensed Interim Statement of Comprehensive Income (Un-Audited)

For the nine months period and quarter ended March 31, 2021

	<b>Nine Months Period Ended March 31, 2021</b>	For the period from March 24, 2020 to March 31, 2020	<b>For the quarter ended March 31, 2021</b>	For the quarter ended March 31, 2020
	<b>----- (Rupees in '000) -----</b>			
<b>Net income / (loss) for the period after taxation</b>	<b>1,202</b>	(10)	<b>511</b>	(10)
<b>Other comprehensive income for the period</b>				
<i>Items that may not be reclassified subsequently to income statement</i>				
Unrealised gain on re-measurement of investments classified as 'at fair value through other comprehensive income - net	(262)	706	(3,139)	706
Gain on sale of investments classified at 'fair value through other comprehensive income' (FVOCI)	5,401	-	2,211	-
<b>Total comprehensive income/(loss) for the period</b>	<b>6,341</b>	696	<b>(417)</b>	696

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

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

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

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

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

# UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND

## Condensed Interim Cash Flow Statement (Un-Audited)

For the nine months period ended March 31, 2021

	<b>Nine Months Period Ended March 31, 2021 (Rupees in '000)</b>	<b>For the period from March 24, 2020 to March 31, 2020 (Rupees in '000)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>1,202</b>	<b>(10)</b>
Net income/(loss) for the period before taxation		
<b>Adjustments:</b>		
Financial income	(2,720)	-
Provision for Sindh Workers' Welfare Fund	24	-
Element of loss and capital losses included in prices of units issued less those in units redeemed	1,018	-
	<b>(1,678)</b>	<b>-</b>
	<b>(476)</b>	<b>(10)</b>
<b>Decrease/(Increase) in assets</b>		
Investments	1,683	(11,370)
Receivable from Management Company	154	-
Advance tax	(45)	-
Deposits and other receivables	(31)	(56)
Formation cost	23	(999)
	<b>1,784</b>	<b>(12,425)</b>
<b>Increase/(Decrease) in liabilities</b>		
Payable to the Management Company	8	1,002
Payable to Central Depository Company of Pakistan Limited - Trustee	1	-
Payable to Securities and Exchange Commission of Pakistan	5	-
Payable against purchase of investments	-	82
Accrued expenses and other payables	(260)	89
	<b>(246)</b>	<b>1,173</b>
Mark-up received on bank balances and investments	<b>1,684</b>	<b>-</b>
<b>Net cash flows generated from / (used) in operating activities</b>	<b>2,746</b>	<b>(11,272)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of units	42,302	11,510
Payments on redemption of units	(45,081)	-
<b>Net cash (used) in / generated from financing activities</b>	<b>(2,779)</b>	<b>11,510</b>
<b>Cash and cash equivalents at end of the period</b>	<b>(33)</b>	<b>238</b>
Cash and cash equivalents at the beginning of the period	549	-
<b>Cash and cash equivalents at the end of the period</b>	<b>516</b>	<b>238</b>

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND**  
**Condensed Interim Statement of Movement in Unit Holders Funds (Un-Audited)**  
*For the nine months period ended March 31, 2021*

	Nine Months Period Ended March 31, 2021				For the period from March 24, 2020 to March 31, 2020			
	Capital value	Undistributed income	Realised and unrealised appreciation on investments classified at fair value through other comprehensive income	Total	Capital value	Undistributed income	Realised and unrealised appreciation on investments classified at fair	Total
	(Rupees in '000)				(Rupees in '000)			
<b>Net assets at beginning of the period</b>	32,581	(8)	3,753	36,326	-	-	-	-
Amount received on issuance of 3,070,000 (March-2020:1,150,000) units								
Capital value	35,403	-	-	35,403	11,500	-	-	11,500
Element of income during the period:								
- Relating to net income for the period after taxation	6,899	-	-	6,899	10	-	-	10
	42,302	-	-	42,302	11,510	-	-	11,510
Amount paid on redemption of 3,230,000 (March 2020: Nil) units								
- Capital Value	(37,249)	-	-	(37,249)	-	-	-	-
- Element of Income during the period								
- Relating to net income for the period after taxation	(7,832)	-	-	(7,832)	-	-	-	-
	(45,081)	-	-	(45,081)				
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	1,018	-	-	1,018	(10)	-	-	(10)
Total comprehensive income/(loss) for the period	-	1,202	5,139	6,341	-	(10)	706	696
Distribution during the period	-	-	-	-	-	-	-	-
Net income for the period less distribution	-	1,202	5,139	6,341	-	(10)	706	696
<b>Net assets at end of the period</b>	<b>30,820</b>	<b>1,194</b>	<b>8,892</b>	<b>40,906</b>	<b>11,500</b>	<b>(10)</b>	<b>706</b>	<b>12,196</b>
<b>Undistributed loss brought forward:</b>								
- Realised	(8)	-	-	-	-	-	-	-
- Unrealised	-	-	-	-	-	-	-	-
	(8)	-	-	-	-	-	-	-
Accounting income available for distribution:								
- Relating to capital gains	-	-	-	-	-	-	-	-
- Excluding capital gains	1,202	-	-	-	-	-	-	-
	1,202	-	-	-	-	-	-	-
Distribution during the period	-	-	-	-	-	-	-	-
<b>Undistributed income carried forward</b>	<b>1,194</b>	-	-	-	<b>-</b>	-	-	-
<b>Undistributed income carried forward</b>								
- Realised	1,194	-	-	-	-	-	-	-
- Unrealised	-	-	-	-	-	-	-	-
	1,194	-	-	-	-	-	-	-
				-- (Rupees) --				-- (Rupees) --
<b>Net assets value per unit at beginning of the period</b>				<b>11,5321</b>				<b>-</b>
<b>Net assets value per unit at end of the period</b>				<b>13,6811</b>				<b>10,6052</b>

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

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

- 1.1 UBL Pakistan Enterprise Exchange Traded Fund, was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on November 28, 2019 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on February 13, 2020 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from March 20, 2020.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.3 The Fund is an Open Ended Exchange Traded Mutual Fund and is listed on Pakistan Stock Exchange (PSX). The Fund has commenced its operations on March 20, 2020.
- 1.4 The objective of the Fund is to track the performance of the Benchmark index. The index shall be periodically re-balanced & reconstituted as specified in this document in order to provide long-term capital appreciation and dividends yield to the investors.
- 1.5 VIS Credit Rating Company has reaffirmed management quality rating of AM1 on December 31, 2020.
- 1.6 Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.

**2 STATEMENT OF COMPLIANCE**

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
  - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
  - Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed

differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2020.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

### **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND RISK MANAGEMENT POLICIES**

- 3.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020..
- 3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.
- 3.3 **Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period**

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

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

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

March 31,  
2021  
(Unaudited)  
----- (Rupees in '000) -----

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

Note

#### 4 BANK BALANCES

Cash at bank

In savings accounts

4.1

516

549

4.1 The rates of return on these balances is 7.00% (June 30, 2020: 8.35%) per annum.

#### 5 INVESTMENTS IN EQUITY SHARES

Financial assets classified as at fair value through profit or loss - listed equity securities

5.1

39,157

35,701

39,157

35,701

##### 5.1 Equity securities classified as 'Fair value through other comprehensive income'

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

Name of Investee Company	Note					Balance as at March 31, 2021			Market value as a % of net assets	Weightage in benchmark index (UBLP ETF)	Market value as a % of total investments	Par value as percentage of total paid up capital of the investee company
		As at July 01, 2020	Purchased during the period	Sold during the period	As at March 31, 2021	Carrying value	Market value	(Diminution) / appreciation				
----- (Rupees in '000) -----												
<b>Cement</b>												
Lucky Cement Limited		8,505	8,607	9,039	8,073	4,673	6,600	1,928	16%	17%	17%	0.002%
D.G Khan Cement Company Limited		-	27,250	13,496	13,754	1,591	1,657	66	4%	4%	4%	0.003%
						<b>6,264</b>	<b>8,258</b>	<b>1,994</b>	<b>20%</b>	<b>21%</b>	<b>21%</b>	<b>0.007%</b>
<b>Fertilizer</b>												
Engro Fertilizers Limited	5.1.1	39,690	39,748	41,465	37,973	2,258	2,370	112	6%	6%	6%	0.003%
Engro Corporation Limited		19,215	21,541	21,022	19,734	5,569	5,473	(96)	13%	14%	14%	0.003%
Fauji Fertilizer Company Limited	5.1.1	45,990	45,888	47,925	43,953	4,374	4,593	219	11%	12%	12%	0.003%
						<b>12,200</b>	<b>12,435</b>	<b>235</b>	<b>30%</b>	<b>32%</b>	<b>32%</b>	<b>0.010%</b>
<b>Commercial banks</b>												
Bank Alfalah Limited		46,935	29,055	75,990	-	-	-	-	0%	0%	0%	0.000%
Habib Bank Limited	5.1.1	48,510	48,232	50,696	46,046	5,420	5,350	(70)	13%	14%	14%	0.003%
United Bank Limited		32,130	32,062	33,395	30,797	3,495	3,663	168	9%	9%	9%	0.003%
MCB Bank Limited		27,405	27,345	28,737	26,013	4,273	4,478	205	11%	11%	11%	0.000%
						<b>13,187</b>	<b>13,491</b>	<b>303</b>	<b>33%</b>	<b>34%</b>	<b>34%</b>	<b>0.007%</b>
<b>Power generation and distribution</b>												
The Hub Power Company Limited	5.1.1	64,260	64,012	66,977	61,295	4,620	4,973	353	12%	13%	13%	0.005%
<b>Total as at March 31, 2021 (un-audited)</b>						<b>36,272</b>	<b>39,157</b>	<b>2,885</b>				
<b>Total as at June 30, 2020 (Audited)</b>						32,554	35,701	3,147				

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

	(Un-audited)		(Audited)	
	March 31, 2021	March 31, 2021	June 30, 2020	June 30, 2020
	(No of shares)	Rupees in '000	(No of shares)	Rupees in '000
Engro Fertilizers Limited	10,000	624	10,000	603
Fauji Fertilizer Company Limited	15,000	1,567	15,000	1,650
Habib Bank Limited	15,000	1,743	15,000	1,453
The Hub Power Company Limited	15,000	1,217	15,000	1,088
	<b>55,000</b>	<b>5,151</b>	<b>55,000</b>	<b>4,794</b>

#### 6 ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the ITO, 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

		March 31, 2021 (Unaudited) ----- (Rupees in '000) -----	June 30, 2020 (Audited)
	Note		
<b>7</b>	<b>PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY</b>		
Remuneration payable to the Management Company	7.1	27	20
Sindh sales tax payable on remuneration of the Management Company	7.2	3	2
Other payable		158	158
		<u>188</u>	<u>180</u>

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

The Management Company has charged its remuneration at the rate of 0.65% per annum of the average daily net assets during the year (June 30, 2020: 0.65% per annum of the average daily net assets). The remuneration is payable to the Management Company monthly in arrears.

- 7.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

		March 31, 2021 (Unaudited) ----- (Rupees in '000) -----	June 30, 2020 (Audited)
	Note		
<b>8</b>	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE</b>		
Remuneration payable to the Trustee	8.1	8	7
Sindh sales tax on Trustee remuneration	8.2	1	1
		<u>9</u>	<u>8</u>

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.1% (June 30, 2020: 0.1%) per annum of average daily net assets of the Fund during the period.

- 8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

		March 31, 2021 (Unaudited) ----- (Rupees in '000) -----	June 30, 2020 (Audited)
	Note		
<b>9</b>	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>		
Annual fee payable	9.1	7	2

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

		March 31, 2021 (Unaudited) ----- (Rupees in '000) -----	June 30, 2020 (Audited) (Rupees in '000) -----
<b>10</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
	Auditors' remuneration payable	188	316
	Annual listing fee payable	28	28
	Legal and professional charges payable	163	115
	Brokerage payable	32	20
	Dividend payable	-	170
	Withholding tax payable	-	31
	Zakat payable	5	5
	Provision for Sindh Workers' Welfare Fund	28	4
	Other payable	21	12
		<b>465</b>	<b>701</b>

- 10.1 This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re 0.009 (June 30, 2020: Re. nil ).

## **11 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

## **12 TOTAL EXPENSE RATIO**

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.40% (March 31, 2020: 1.46%) which includes 0.19% (March 31, 2020: 0.02%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 1.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a exchange traded fund.

## **13 TAXATION**

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## 14 EARNINGS PER UNIT

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

## 15 FAIR VALUE MEASUREMENT

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

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

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

### 15.1 Fair value hierarchy

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

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

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

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

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

	Carrying Amount			Fair value		
	----- As at March 31, 2021 -----			----- As at March 31, 2021 -----		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Level 1	Level 2	Level 3
----- Rupees in '000 -----						
<b>Financial assets measured at fair value</b>						
Investments	-	39,157	-	39,157	-	-
	Carrying Amount			Fair value		
	----- As at June 30, 2020 -----			----- As at June 30, 2020 -----		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Level 1	Level 2	Level 3
----- Rupees in '000 -----						
<b>Financial assets measured at fair value</b>						
Investments	-	35,701	-	35,701	-	-
	-	35,701	-	35,701	-	-

## 16 IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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

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 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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

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

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

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

Details of transactions with related parties / connected persons during the period and balances held with them at the quarter ended March 31, 2021 are as follows:

	Management Company	Associated Companies	Trustee	Funds Under Common Management	Directors and Key Executives	Other Connected persons / related parties
	(Rupees in '000)					
<b>Transactions during the quarter ended March 31, 2021</b>						
Units issued	903	-	-	-	-	833
Units redeemed	-	-	-	-	-	-
Securities transferred to the fund	-	3,810	-	-	-	-
Purchase of equity securities	-	97	-	-	-	-
Securities transferred by the fund	-	3,979	-	-	-	-
Sale of equity securities	-	52	-	-	-	-
Dividend	-	332	-	-	-	-
Remuneration (including sales tax)	263	-	40	-	-	-

Transactions during the period From 24 March  
2020 To 31 March 2020

Units issued	10,000	-	-	-	-	1,717
Units redeemed	-	-	-	-	-	101
Purchase of equity securities	-	10,345	-	-	-	-
Sale of equity securities	-	5,168	-	-	-	-
Remuneration (including sales tax)	2	-	-	-	-	-

**Balances held as at March 31, 2021**

Units held (in Units '000)	1,543	-	-	-	-	833
Units held (in Rupees '000)	21,110	-	-	-	-	11,390
Investments	-	3,663	-	-	-	-
Receivable from Management company	329	-	-	-	-	-
Remuneration payable	30	-	9	-	-	-
Dividend Receivable	-	332	-	-	-	-
Other payable to management company	158	-	-	-	-	-

**Balances held as at June 30, 2020**

Units held (in Units '000)	640	-	-	-	-	-
Units held (in Rupees '000)	7,381	-	-	-	-	-
Investments	-	31,775	-	-	-	-
Remuneration payable	22	-	8	-	-	-
Receivable from Management Company - net	325	-	-	-	-	-

**18 GENERAL**

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

**19 DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

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

SD  
**CHIEF EXECUTIVE OFFICER**

SD  
**CHIEF FINANCIAL OFFICER**

SD  
**DIRECTOR**

# UFPF

## UBL Financial Planning Fund

### INVESTMENT OBJECTIVE

The objective of the fund is to generate returns on investments as per the respective Allocation Plan by investing in Mutual Funds in line with the risk tolerance of the Investor

<b>Management Company</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>Auditor</b>	EY Ford Rhodes Chartered Accountants
<b>Bankers</b>	United Bank Limited
<b>Management Co.Rating</b>	AM1 (VIS)

**UBL FINANCIAL PLANNING FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2021**

		March 31, 2021 (Un-audited)				June 30, 2020 (Audited)			
		UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total
Note		(Rupees in '000)							
<b>ASSETS</b>									
Bank balances	4	1,015	3,109	8	4,132	919	46	32	997
Investments	5	-	-	117,271	117,271	51,450	199,425	154,142	405,017
Prepayments, mark-up and other receivables		16	461	1,462	1,939	138	261	1,386	1,785
Advance tax	6	1	-	-	1	1	-	-	1
<b>TOTAL ASSETS</b>		<b>1,032</b>	<b>3,570</b>	<b>118,741</b>	<b>123,343</b>	<b>52,508</b>	<b>199,732</b>	<b>155,560</b>	<b>407,800</b>
<b>LIABILITIES</b>									
Payable to UBL Fund Managers Limited - Management Company	7	450	434	37	921	449	493	31	973
Payable to Central Depository Company of Pakistan - Trustee	8	3	4	8	15	6	14	10	30
Annual fee payable to Securities and Exchange Commission of Pakistan (SECP)	9	1	17	21	39	19	47	35	101
Accrued expenses and other payables	10	578	3,115	654	4,347	376	4,819	386	5,581
<b>TOTAL LIABILITIES</b>		<b>1,032</b>	<b>3,570</b>	<b>720</b>	<b>5,322</b>	<b>850</b>	<b>5,373</b>	<b>462</b>	<b>6,685</b>
<b>NET ASSETS</b>		<b>-</b>	<b>-</b>	<b>118,021</b>	<b>118,021</b>	<b>51,658</b>	<b>194,359</b>	<b>155,098</b>	<b>401,115</b>
<b>UNIT HOLDERS' FUND</b>									
<b>(AS PER STATEMENT ATTACHED)</b>									
		<b>-</b>	<b>-</b>	<b>118,021</b>	<b>118,021</b>	<b>51,658</b>	<b>194,359</b>	<b>155,098</b>	<b>401,115</b>
<b>CONTINGENCIES AND COMMITMENTS</b>									
	11								
<b>NUMBER OF UNITS IN ISSUE</b>		<b>-</b>	<b>-</b>	<b>1,117,286</b>		<b>497,900</b>	<b>1,912,893</b>	<b>1,531,338</b>	
<b>NET ASSETS VALUE PER UNIT</b>		<b>-</b>	<b>-</b>	<b>105.6315</b>		<b>103.7512</b>	<b>101.6049</b>	<b>101.2829</b>	

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL FINANCIAL PLANNING FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTH & QUARTER ENDED MARCH 31, 2021**

	Nine months period ended March 31, 2021			Total	Nine months period ended March 31, 2020			Total	For the quarter ended March 31, 2021			Total	For the quarter ended March 31, 2020			Total
	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III		UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III		UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III		UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	
<b>INCOME</b>																
Mark-up on bank accounts	11	220	49	280	256	135	88	479	-	86	46	132	127	82	11	220
Unrealised gain / (loss) on re-measurement of investments classified as 'at fair value through profit or loss	-	-	5,173	5,173	2,191	353	6,496	9,040	-	(2,625)	2,987	362	(5,922)	(14,737)	(9,855)	(30,514)
Income from term deposit receipt (TDR)	-	-	-	-	-	6,269	-	6,269	-	-	-	-	-	2,075	-	2,075
Net gain on redemption of investments classified as 'at fair value through profit or loss	388	4,758	1,207	6,353	(1,786)	(5,810)	(5,979)	(13,575)	-	4,729	1,200	5,929	(2,514)	(7,022)	(9,102)	(18,638)
Other income	-	-	103	103	1,572	1,811	867	4,250	-	-	103	103	68	10	184	262
<b>Total income</b>	<b>399</b>	<b>4,978</b>	<b>6,532</b>	<b>11,909</b>	<b>2,233</b>	<b>2,758</b>	<b>1,472</b>	<b>6,463</b>	<b>-</b>	<b>2,190</b>	<b>4,336</b>	<b>6,526</b>	<b>(8,241)</b>	<b>(19,592)</b>	<b>(18,762)</b>	<b>(46,595)</b>
<b>EXPENSES</b>																
Remuneration of the Management Company	-	-	-	-	-	932	-	932	-	-	-	-	-	309	-	309
Sales tax on management fee	-	-	-	-	-	121	-	121	-	-	-	-	-	40	-	40
Allocation of expenses relating to the Fund	7	62	107	176	81	181	138	400	-	13	68	81	24	59	43	126
Remuneration of the Trustee	5	60	75	140	56	127	97	280	-	25	48	73	16	42	31	89
Sales tax on remuneration of the Trustee	1	8	10	19	7	16	12	35	-	4	6	10	2	5	3	10
Annual fee to SECP	1	17	21	39	16	36	28	80	-	7	13	20	5	12	9	26
Amortization of preliminary expenses and floatation costs	-	-	-	-	167	167	-	334	-	-	-	-	37	55	-	92
Auditors' remuneration	86	62	114	262	84	84	84	252	67	19	71	157	21	21	21	63
Legal and professional charges	31	31	75	137	38	38	38	114	15	15	59	89	12	12	12	36
Bank charges and other expenses	6	15	17	38	12	55	29	96	5	14	15	34	2	3	12	17
<b>Total expenses</b>	<b>137</b>	<b>255</b>	<b>419</b>	<b>811</b>	<b>461</b>	<b>1,757</b>	<b>426</b>	<b>2,644</b>	<b>87</b>	<b>97</b>	<b>280</b>	<b>464</b>	<b>119</b>	<b>558</b>	<b>131</b>	<b>808</b>
<b>Net income / (loss) for the period from operating activities</b>	<b>262</b>	<b>4,723</b>	<b>6,113</b>	<b>11,098</b>	<b>1,772</b>	<b>1,001</b>	<b>1,046</b>	<b>3,819</b>	<b>(87)</b>	<b>2,093</b>	<b>4,056</b>	<b>6,062</b>	<b>(8,360)</b>	<b>(20,150)</b>	<b>(18,893)</b>	<b>(47,403)</b>
Provision for Sindh Workers' Welfare Fund (SWWF)	(7)	(92)	(120)	(219)	(35)	(20)	(21)	(76)	-	(40)	(80)	(120)	164	395	370	929
<b>Net income / (loss) for the period before taxation</b>	<b>255</b>	<b>4,631</b>	<b>5,993</b>	<b>10,879</b>	<b>1,737</b>	<b>981</b>	<b>1,025</b>	<b>3,743</b>	<b>(87)</b>	<b>2,053</b>	<b>3,976</b>	<b>5,942</b>	<b>(8,196)</b>	<b>(19,755)</b>	<b>(18,523)</b>	<b>(46,474)</b>
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net income / (loss) for the period after taxation</b>	<b>255</b>	<b>4,631</b>	<b>5,993</b>	<b>10,879</b>	<b>1,737</b>	<b>981</b>	<b>1,025</b>	<b>3,743</b>	<b>(87)</b>	<b>2,053</b>	<b>3,976</b>	<b>5,942</b>	<b>(8,196)</b>	<b>(19,755)</b>	<b>(18,523)</b>	<b>(46,474)</b>
<i>Allocation of net income for the period:</i>																
Net income for the period after taxation	255	4,631	5,993	10,879	1,737	981	1,025	3,743	(87)	2,053	3,976	5,942	(8,196)	(19,755)	(18,523)	(46,474)
Income already paid on units redeemed	(255)	(4,631)	(1,133)	(6,019)	(1,737)	(56)	(1,025)	(2,818)	87	(4,609)	(1,134)	(5,656)	(1,644)	(31)	968	(707)
	-	-	4,860	4,860	-	925	-	925	-	(2,556)	2,842	286	(9,840)	(19,786)	(17,555)	(47,181)
<i>Accounting income / (loss) available for distribution</i>																
- Relating to capital gains	-	-	4,860	4,860	-	2,749	-	2,749	-	(2,632)	2,668	36	-	(13,534)	-	(13,534)
- Excluding capital gains	-	-	-	-	-	(1,824)	-	(1,824)	-	76	174	250	-	(6,252)	-	(6,252)
	-	-	4,860	4,860	-	925	-	925	-	(2,556)	2,842	286	-	(19,786)	-	(47,181)

Earning per unit 13

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL FINANCIAL PLANNING FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTH & QUARTER ENDED MARCH 31, 2021**

Nine months period ended March 31, 2021				Total	Nine months period ended March 31, 2020			Total	For the quarter ended March 31, 2021			Total	For the quarter ended March 31, 2020			Total
UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	UBL Active Principal Preservation Plan I		UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	UBL Active Principal Preservation Plan I		UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	UBL Active Principal Preservation Plan I		UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III		
(Rupees in '000)																
Net income / (loss) for the period after taxation	255	4,631	5,993	10,879	1,737	981	1,025	3,743	(87)	2,053	3,976	5,942	(8,196)	(19,755)	(18,523)	(46,474)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the period	255	4,631	5,993	10,879	1,737	981	1,025	3,743	(87)	2,053	3,976	5,942	(8,196)	(19,755)	(18,523)	(46,474)

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL FINANCIAL PLANNING FUND**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2021**

	Nine months period ended March 31, 2021				Nine months period ended March 31, 2020			
	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total
	(Rupees in '000)							
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>								
Net income for the period before taxation	255	4,631	5,993	10,879	1,737	981	1,025	3,743
<b>Adjustments for:</b>								
Mark-up on bank accounts	(11)	(220)	(49)	(280)	(256)	(135)	(88)	(479)
Unrealised gain on re-measurement of investments classified as 'at fair value through profit or loss	-	-	(5,173)	(5,173)	(2,191)	(353)	(6,496)	(9,040)
Income from term deposit receipt (TDR)	-	-	-	-	-	(6,269)	-	(6,269)
Net gain on sale of investments classified as classified as 'at fair value through profit or loss	(388)	(4,758)	(1,207)	(6,353)	1,786	5,810	5,979	13,575
Amortization of preliminary expenses and floatation costs	-	-	-	-	167	167	-	334
Provision for Sindh Workers' Welfare Fund (SWWF)	7	92	120	219	35	20	21	76
	(392)	(4,886)	(6,309)	(11,587)	(459)	(760)	(584)	(1,803)
<b>Decrease / (increase) in assets</b>								
Investments	51,838	204,183	43,251	299,272	109,364	84,437	39,522	233,323
Markup & Other receivables	-	-	-	-	(32)	(34)	(1,363)	(1,429)
Prepayments, mark-up and other receivables	(16)	(16)	(65)	(97)	(7)	(8)	(7)	(22)
	51,822	204,167	43,186	299,175	109,325	84,395	38,152	231,872
<b>Increase / (decrease) in liabilities</b>								
Payable to UBL Fund Managers Limited - Management Company	1	(59)	6	(52)	10	38	28	76
Payable to Central Depository Company of Pakistan - Trustee	(3)	(10)	(2)	(15)	(11)	(14)	(7)	(32)
Annual fee payable to Securities and Exchange Commission of Pakistan (SECP)	(18)	(30)	(14)	(62)	(113)	(204)	(77)	(394)
Accrued expenses and other payables	196	(1,796)	147	(1,453)	375	(728)	(1,187)	(1,540)
	176	(1,895)	137	(1,582)	261	(908)	(1,243)	(1,890)
Mark-up and dividend received	148	36	39	222	255	6,403	88	6,746
<b>Net cash generated from operating activities</b>	52,009	202,053	43,046	297,108	111,119	90,111	37,438	238,668
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>								
Net payment against redemption of units	(51,913)	(198,990)	(43,070)	(293,973)	(106,273)	(90,564)	(38,908)	(235,745)
<b>Net cash used in from financing activities</b>	(51,913)	(198,990)	(43,070)	(293,973)	(106,273)	(90,564)	(38,908)	(235,745)
<b>Net increase / (decrease) in cash and cash equivalent</b>	96	3,063	(24)	3,135	4,846	(453)	(1,470)	2,923
Cash and cash equivalents at beginning of the period	919	46	32	997	1,195	521	1,751	3,467
<b>Cash and cash equivalents at end of the period</b>	1,015	3,109	8	4,132	6,041	68	281	6,390

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL FINANCIAL PLANNING FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN-AUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2021**

	Nine months period ended March 31, 2021									Total	Nine months period ended March 31, 2020									Total	
	UBL Active Principal Preservation Plan I			UBL Active Principal Preservation Plan II			UBL Active Principal Preservation Plan III				UBL Active Principal Preservation Plan I			UBL Active Principal Preservation Plan II			UBL Active Principal Preservation Plan III				
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total		Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total		
	(Rupees in '000)										(Rupees in '000)										
Net assets at beginning of the period	46,371	5,287	51,658	189,746	4,613	194,359	152,963	2,135	155,098	401,115	163,614	5,138	168,752	304,219	4,497	308,716	189,616	831	190,447	667,915	
Issuance of units:																					
UBL Active Principal Preservation Plan I (Nil Units) (2019: Nil Units)																					
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- Element relating to the income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
UBL Active Principal Preservation Plan II (Nil Units) (2019: Nil Units)																					
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- Element relating to the income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
UBL Active Principal Preservation Plan III (Nil Units) (2019: Nil Units)																					
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- Element relating to the income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Redemption of units																					
UBL Active Principal Preservation Plan I (497,900 Units) (2019: 730,446 Units)	(51,658)	-	(51,658)	-	-	-	-	-	-	(51,658)	(103,607)	-	(103,607)	-	-	-	-	-	-	-	(103,607)
- Capital value	-	(255)	(255)	-	-	-	-	-	-	(255)	(929)	(1,737)	(2,666)	-	-	-	-	-	-	-	(2,666)
- Element relating to the income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
UBL Active Principal Preservation Plan II (1,912,893 Units) (2019: 888,325 Units)	-	-	-	(194,359)	-	(194,359)	-	-	-	(194,359)	-	-	-	(90,642)	-	(90,642)	-	-	-	-	(90,642)
- Capital value	-	-	-	-	(4,631)	(4,631)	-	-	-	(4,631)	-	-	-	134	(56)	78	-	-	-	-	78
- Element relating to the income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
UBL Active Principal Preservation Plan III (414,052 Units) (2019: 277,443 Units)	-	-	-	-	-	-	(41,936)	-	(41,936)	(41,936)	-	-	-	-	-	-	(36,041)	-	(36,041)	(36,041)	(36,041)
- Capital value	-	-	-	-	-	-	(1)	(1,133)	(1,134)	(1,134)	-	-	-	-	-	-	(1,842)	(1,025)	(2,867)	(2,867)	(2,867)
- Element relating to the income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	255	255	-	4,631	4,631	-	5,993	5,993	10,879	-	1,737	1,737	-	981	981	-	1,025	1,025	3,743	
Net assets at end of the maturity / period	(5,287)	5,287	-	(4,613)	4,613	-	111,026	6,995	118,021	118,021	59,078	5,138	64,216	213,711	5,422	219,133	151,733	831	152,564	435,913	
Undistributed income brought forward:																					
- Realised	-	3,968	3,968	-	3,959	3,959	-	(2,884)	(2,884)	5,043	-	9,274	9,274	-	10,714	10,714	-	6,511	6,511	26,499	
- Unrealised	-	1,319	1,319	-	654	654	-	5,019	5,019	6,992	-	(4,136)	(4,136)	-	(6,217)	(6,217)	-	(5,680)	(5,680)	(16,033)	
Accounting income available for distribution:	-	5,287	5,287	-	4,613	4,613	-	2,135	2,135	12,035	-	5,138	5,138	-	4,497	4,497	-	831	831	10,466	
- Relating to capital gains	-	-	-	-	-	-	-	4,860	4,860	4,860	-	-	-	-	2,749	2,749	-	-	-	2,749	
- Excluding capital gains	-	-	-	-	-	-	-	4,860	4,860	4,860	-	-	-	-	(1,824)	(1,824)	-	-	-	(1,824)	
Distribution during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Undistributed income carried forward	-	5,287	5,287	-	4,613	4,613	-	6,995	6,995	16,895	-	5,138	5,138	-	5,422	5,422	-	831	831	11,391	
Undistributed income carried forward																					
- Realised	-	5,287	5,287	-	4,613	4,613	-	1,822	1,822	11,722	-	2,947	2,947	-	5,069	5,069	-	(5,665)	(5,665)	2,351	
- Unrealised	-	-	-	-	-	-	-	5,173	5,173	5,173	-	2,191	2,191	-	353	353	-	6,496	6,496	9,040	
	-	5,287	5,287	-	4,613	4,613	-	6,995	6,995	16,895	-	5,138	5,138	-	5,422	5,422	-	831	831	11,391	
	-- (Rupees) --			-- (Rupees) --			-- (Rupees) --				-- (Rupees) --			-- (Rupees) --			-- (Rupees) --				
Net assets value per unit at end of the period	0.0000			0.0000			105.6315				114.1761			111.1485			111.2335				

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL FINANCIAL PLANNING FUND**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2021**

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

- 1.1** UBL Financial Planning Fund (the Fund) was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on August 07, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 29, 2017 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from September 28, 2017.
- 1.2** The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.3** The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for subscription on a continuous basis to the public. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.
- 1.4** The objective of the Fund is to generate returns on Investments as per respective Allocation Plans by investing in Mutual Funds in line with the risk tolerance of the Investor. The duration of the Fund and Allocation Plans initially launched therein is perpetual, however, additional Allocation Plans may have a set time frame. The maturity of Active Principal Preservation Plan I and II was 30 Months from the close of the initial offer period of February 16, 2018 and June 01, 2018 (i.e. maturing on August 24, 2020 and November 30, 2020) respectively. The maturity of Active Principal Preservation Plan III is perpetual. Accordingly, Plan-I and Plan-II matured on August 24, 2020 and November 30, 2020 and its net assets value as at said date was Rs.41.115 million and Rs.194.528 million and Rs.104.4951 and Rs.103.9423 per unit respectively.
- 1.5** VIS Credit Rating Company Limited has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company on December 31, 2020.
- 1.6** Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.

**2. STATEMENT OF COMPLIANCE**

- 2.1** These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, *Interim Financial Reporting*, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
  - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
  - Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2** The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2020.
- 2.3** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

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

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

**3.2** The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.

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

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

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

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

Note	March 31, 2021 (Un-audited)				June 30, 2020 (Audited)			
	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total
	----- (Rupees in '000) -----				----- (Rupees in '000) -----			

#### 4. BANK BALANCES

Savings account	4.1	1,015	3,109	8	4,132	919	46	32	997
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4.1 These carry mark-up at the rates ranging from 5.50% to 6.50% (June 30, 2020: 4.75% to 6.50%) per annum and maintained with United Bank Limited (a related party).

#### 5. INVESTMENTS

##### Investments by Category

##### 5.1 At fair value through profit or loss

Units of mutual funds	5.1.1	-	-	117,271	117,271	51,450	199,425	154,142	405,017
		-	-	117,271	117,271	51,450	199,425	154,142	405,017

### 5.1.1 Units of mutual funds classified as 'at fair value through profit or loss

Name of Investee Fund (funds under common management)	Number of units				Balance as at March 31, 2021			as a % of net assets of each plan	as a % of total investments of each plan
	As at July 01, 2020	Purchased during the period	Redeemed during the period	As at March 31, 2021			Unrealised gain / (loss)		
					Carrying value	Market value			
					----- (Rupees in '000) -----				
<b>Held by UBL Active Principal Preservation Plan I</b>									
UBL Money Market Fund	510,855	-	510,855	-	-	-	-	0.00%	0.00%
					-	-	-	<b>0.00%</b>	<b>0.00%</b>
<b>Held by UBL Active Principal Preservation Plan II</b>									
UBL Money Market Fund	1,980,112	-	1,980,112	-	-	-	-	0.00%	0.00%
					-	-	-	<b>0.00%</b>	<b>0.00%</b>
<b>Held by UBL Active Principal Preservation Plan III</b>									
UBL Money Market Fund	1,530,494	-	417,464	1,113,030	112,098	117,271	5,173	99.36%	100.00%
					<b>112,098</b>	<b>117,271</b>	<b>5,173</b>	<b>99.36%</b>	<b>100.00%</b>
<b>Total as at March 31, 2021</b>					<b>112,098</b>	<b>117,271</b>	<b>5,173</b>		
Total as at June 30, 2020 (Audited)					398,025	405,017	6,992		

## 6. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Fund also obtained exemption from section 150A of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the ITO, 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

Note	March 31, 2021				June 30, 2020 (Audited)			
	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total
(Rupees in '000)								
7.1	-	-	-	-	-	24	-	24
7.2	-	-	-	-	-	3	-	3
7.3	1	4	32	37	-	36	26	62
	<b>449</b>	<b>430</b>	<b>5</b>	<b>884</b>	<b>449</b>	<b>430</b>	<b>5</b>	<b>884</b>
	<b>450</b>	<b>434</b>	<b>37</b>	<b>921</b>	<b>449</b>	<b>493</b>	<b>31</b>	<b>973</b>

## 7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

- 7.1 The Management Company has charged 1% per annum of the term deposit receipt. No management fee is being charged in UBL Active Principal Preservation Plan I, UBL Active Principal Preservation Plan II and UBL Active Principal Preservation Plan III as no investment is made in term deposits by all plans.
- 7.2 Sales tax at the rate of 13% (June 30, 2020: 13%) on gross value of management fee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.
- 7.3 The Management Company can charge expenses related to registrar services, accounting, operations and valuation services to the CIS as per SECP vide SRO 639 dated June 20, 2019.

Note	March 31, 2021				June 30, 2020 (Audited)			
	Principal	Principal	Principal	Total	Principal	Principal	Principal	Total
	(Rupees in '000)							

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

Remuneration payable	8.1	3	4	7	13	5	12	9	27
Sales tax on remuneration payable	8.2	0	0	1	2	1	2	1	3
		<u>3</u>	<u>4</u>	<u>8</u>	<u>15</u>	<u>6</u>	<u>14</u>	<u>10</u>	<u>30</u>

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.07% (June 30, 2020: 0.07%) per annum of average daily net assets of the Fund during the period.
- 8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

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

Note	March 31, 2021				June 30, 2020 (Audited)			
	Principal	Principal	Principal	Total	Principal	Principal	Principal	Total
	(Rupees in '000)							
9.1	1	17	21	39	19	47	35	101
	1	17	21	39	19	47	35	101

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

Note	March 31, 2021				June 30, 2020 (Audited)			
	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total
	(Rupees in '000)							

#### 10. ACCRUED EXPENSES AND OTHER PAYABLES

Auditors' remuneration		123	123	92	338	154	154	95	403
Withholding tax payable		-	800	-	800	-	848	-	848
Capital gain tax payable		16	14	197	227	5	5	144	154
Provision for Sindh Workers' Welfare Fund (SWWF)	10.1	171	418	228	817	165	326	108	599
Others		268	1,760	137	2,165	52	3,486	39	3,577
		<u>578</u>	<u>3,115</u>	<u>654</u>	<u>4,347</u>	<u>376</u>	<u>4,819</u>	<u>386</u>	<u>5,581</u>

**10.1** This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 15.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re.Nil (June 30, 2020: Re.0.331) in UBL Active Principal Preservation Plan I, Re.Nil (June 30, 2020: Rs.0.17) in UBL Active Principal Preservation Plan II and Re.0.204 (June 30, 2020: Rs.0.071) in UBL Active Principal Preservation Plan III.

## **11. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

## **12. TOTAL EXPENSE RATIO**

Total Expense Ratio of UBL Active Principal Preservation Plan III is 0.38% as on March 31, 2021 (2019: 0.24%) and these include 0.11% representing Government Levy, Sindh Worker's Welfare Fund and SECP fee respectively (2019: 0.03%). The ratio of plan is within the maximum limit of 0.5% in case of UBL Active Principal Preservation Plan III (as the management fee is not charged) as prescribed under the NBFC Regulation 60(5) for a collective investment scheme categorised as a Fund of Fund Scheme.

## **13. TAXATION**

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## **14. EARNINGS PER UNIT**

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

## 15. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

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

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

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
	(Rupees in '000)					
For the nine months period ended March 31, 2021						
UBL Active Principal Preservation Plan I						
Transactions during the period						
Mark-up on bank accounts	-	11	-	-	-	-
Units redeem during the period						40,105
Bank and other charges	-	-	-	-	-	-
Remuneration*	-	-	6	-	-	-
Allocated expenses	7	-	-	-	-	-
Purchase of investments	-	-	-	-	-	-
Redemption of investments	-	-	-	51,839	-	-
As at March 31, 2021						
Balances held						
Units held (units in '000)	-	-	-	-	-	-
Units held (Rupees in '000)	-	-	-	-	-	-
Bank balances	-	1,015	-	-	-	-
Remuneration payable*	-	-	3	-	-	-
Allocated expenses payable	1	-	-	-	-	-
Other payable	449	-	-	-	-	-
Units of mutual funds held	-	-	-	-	-	-
Mark-up receivable	-	-	-	-	-	-
	(Rupees in '000)					
For the nine months period ended March 31, 2021						
UBL Active Principal Preservation Plan II						
Transactions during the period						
Units redeem during the period						91,498
Mark-up on bank accounts	-	280	-	-	-	-
Bank and other charges	-	10	-	-	-	-
Remuneration*	-	-	68	-	-	-
Allocated expenses	62	-	-	-	-	-
Purchase of investments	-	-	-	-	-	-
Redemption of investments	-	-	-	204,184	-	-

	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
<b>As at March 31, 2021</b>						
<b>Balances held</b>						
Bank balances	-	3,109	-	-	-	-
Remuneration payable*	-	-	4	-	-	-
Allocated expenses payable	4	-	-	-	-	-
Other payable	430	-	-	-	-	-
Mark-up receivable on bank balances	-	280	-	-	-	-
<b>For the nine months period ended March 31, 2021</b>						
<b>UBL Active Principal Preservation Plan III</b>						
<b>Transactions during the period</b>						
Mark-up on bank accounts	-	49	-	-	-	-
Bank and other charges	-	11	-	-	-	-
Remuneration*	-	-	85	-	-	-
Allocated expenses	107	-	-	-	-	-
Redemption of investments	-	-	-	43,251	-	-
<b>As at March 31, 2021</b>						
<b>Balances held</b>						
Units held (units in '000)	-	-	-	-	-	391
Units held (Rupees in '000)	-	-	-	-	-	41,319
Bank balances	-	8	-	-	-	-
Remuneration payable	-	-	8	-	-	-
Allocated expenses payable	32	-	-	-	-	-
Other payable	5	-	-	-	-	-
Units of mutual funds held	-	-	-	117,271	-	-
Mark-up receivable	-	18	-	-	-	-
<b>For the nine months period ended March 31, 2020</b>						
<b>UBL Active Principal Preservation Plan I</b>						
<b>Transactions during the period</b>						
Mark-up on bank accounts	-	256	-	-	-	-
Bank and other charges	-	5	-	-	-	-
Remuneration*	-	-	63	-	-	-
Allocated expenses	81	-	-	-	-	-
Purchase of investments	-	-	-	131,362	-	-
Redemption of investments	-	-	-	240,727	-	-
<b>As at June 30, 2020 (Audited)</b>						
<b>Balances held</b>						
Units held (units in '000)	-	-	-	-	-	387
Units held (Rupees in '000)	-	-	-	-	-	40,105
Bank balances	-	919	-	-	-	-
Remuneration payable	-	-	6	-	-	-
Other payable	449	-	-	-	-	-
Units of mutual funds held	-	-	-	51,450	-	-
Sales load Payable	1	-	-	-	-	-
Mark-up receivable	-	137	-	-	-	-

	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected person parties
<b>UBL Active Principal Preservation Plan II</b>	<b>(Rupees in '000)</b>					
<b>Transactions during the period</b>	<b>For the nine months period ended March 31, 2020</b>					
Income from term deposit receipt (TDR)	-	6,269	-	-	-	-
Mark-up on bank accounts	-	135	-	-	-	-
Bank and other charges	-	48	-	-	-	-
Other Payable	-	-	-	-	-	-
Remuneration*	1,053	-	143	-	-	-
Allocated expenses	181	-	-	-	-	-
Purchase of investment	-	-	-	229,914	-	-
Redemption of investments	-	-	-	320,619	-	-
<b>Balances held</b>	<b>As at June 30, 2020 (Audited)</b>					
Units held (units in '000)	-	-	-	-	-	901
Units held (Rupees in '000)	-	-	-	-	-	91,498
Bank balances	-	46	-	-	-	-
Remuneration payable	27	-	14	-	-	-
Allocated expenses payable	36	-	-	-	-	-
Other payable	430	-	-	-	-	-
Units of mutual funds held	-	-	-	199,425	-	-
Mark-up receivable	-	95	-	-	-	-
<b>UBL Active Principal Preservation Plan III</b>	<b>For the nine months period ended March 31, 2020</b>					
<b>Transactions during the period</b>						
Mark-up on bank accounts	-	88	-	-	-	-
Bank and other charges	-	22	-	-	-	-
Remuneration*	-	-	109	-	-	-
Allocated expenses	138	-	-	-	-	-
Purchase of investments	-	-	-	193,416	-	-
Redemption of investments	-	-	-	232,938	-	-
<b>Balances held</b>	<b>As at June 30, 2020 (Audited)</b>					
Units held (units in '000)	-	-	-	-	-	391
Units held (Rupees in '000)	-	-	-	-	-	39,602
Bank balances	-	32	-	-	-	-
Remuneration payable	-	-	10	-	-	-
Allocated expenses payable	26	-	-	-	-	-
Units of mutual funds held	-	-	-	154,142	-	-
Mark-up receivable	-	8	-	-	-	-

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

## 16. FAIR VALUE MEASUREMENT

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

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

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

### 15.1 Fair value hierarchy

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

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

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

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

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

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

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue

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

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.

## 18. GENERAL

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

## 19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

# USSF

## UBL Special Savings Fund

### INVESTMENT OBJECTIVE

UBL Special Savings Fund shall be an open-end Capital Protected Fund that aims to not only provide its unitholders capital preservation but competitive regular returns from a portfolio of fixed income investments in line with the risk tolerance of the Investor.

<b>Management Company</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>Auditor</b>	KPMG - Taseer Hadi & Co
<b>Bankers</b>	Allied Bank Limited JS Bank Limited Soneri Bank Limited Habib Metropolitan Bank Limited
<b>Management Co.Rating</b>	AM1 (VIS)

# UBL Special Savings Fund

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

As at 31 March 2021

		31 March 2021							
		USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total	
Note		(Rupees in '000)							
Assets									
	Bank balances	4	1,391	11,976	3,665	3,696	50,797	8,731	80,256
	Investments	5	288,811	621,574	62,853	173,428	-	122,265	1,268,931
	Profit receivable		4,124	10,218	768	2,763	1,800	1,526	21,199
	Deposits, prepayments and other receivables		11	79	9	9	9	4	121
	Preliminary expenses and floatation cost	6	229	-	-	-	-	-	229
	Advance income tax	7	214	108	112	4	-	-	438
	Total assets		294,780	643,955	67,407	179,900	52,606	132,526	1,371,174
Liabilities									
	Payable to UBL Fund Managers Limited - Management Company	8	1,825	1,248	236	682	414	189	4,594
	Payable to Central Depository Company of Pakistan Limited - Trustee	9	17	39	4	11	29	8	108
	Payable to Securities and Exchange Commission of Pakistan	10	47	102	13	29	336	21	548
	Accrued expenses and other payables	11	2,140	4,881	999	970	23,427	795	33,212
	Total liabilities		4,029	6,270	1,252	1,692	24,206	1,013	38,462
	Net assets		290,751	637,685	66,155	178,208	28,400	131,513	1,332,712
	Unit holders' fund (as per statement attached)		290,751	637,685	66,155	178,208	28,400	131,513	1,332,712
Contingencies and commitments									
12		(Number of units)							
	Number of units in issue		2,751,627	6,059,607	612,685	1,703,597	282,188	1,284,839	
		(Rupees)							
	Net assets value per unit		105.6652	105.2354	107.9756	104.6067	100.6415	102.3575	

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Financial Officer

SD  
Chief Executive Officer

SD  
Director

# UBL Special Savings Fund

## Condensed Interim Statement of Assets and Liabilities (Audited)

As at 31 March 2021

		30 June 2020						
		USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
Note		(Rupees in '000)						
<b>Assets</b>								
Bank balances	4	7,125	14,078	2,905	3,676	47,493	11,749	87,026
Investments	5	321,618	719,304	117,833	193,417	5,150,623	172,920	6,675,715
Profit receivable		11,159	24,993	4,214	6,531	27,344	4,094	78,335
Deposits, prepayments and other receivables		5	77	5	74	-	-	161
Preliminary expenses and floatation cost	6	512	-	-	-	-	-	512
Advance income tax	7	214	108	112	4	-	-	438
<b>Total assets</b>		340,633	758,560	125,069	203,702	5,225,460	188,763	6,842,187
<b>Liabilities</b>								
Payable to UBL Fund Managers Limited - Management Company	8	3,368	2,431	563	339	1,388	487	8,576
Payable to Central Depository Company of Pakistan Limited - Trustee	9	19	44	7	12	294	11	387
Payable to Securities and Exchange Commission of Pakistan	10	77	162	40	42	912	32	1,265
Accrued expenses and other payables	11	6,216	12,779	1,979	3,029	58,233	17,116	99,352
<b>Total liabilities</b>		9,680	15,416	2,589	3,422	60,827	17,646	109,580
<b>Net assets</b>		330,953	743,144	122,480	200,280	5,164,633	171,117	6,732,607
<b>Unit holders' fund (as per statement attached)</b>		330,953	743,144	122,480	200,280	5,164,633	171,117	6,732,607
<b>Contingencies and commitments</b>								
	12	(Number of units)						
<b>Number of units in issue</b>		3,091,239	6,943,525	1,099,609	1,885,931	51,110,917	1,656,741	
(Rupees)								
<b>Net assets value per unit</b>		107.0617	107.0269	111.3854	106.1967	101.0475	103.2856	

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Financial Officer

SD  
Chief Executive Officer

SD  
Director

UBL Special Savings Fund  
Condensed Interim Income Statement (Un-Audited)  
For the nine months period ended 31 March 2021

		For the nine months period ended 31 March 2021						
		USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
Note		(Rupees in '000)						
<b>Income</b>								
Profit on bank deposits and profit / return on investments calculated using the effective yield method		24,627	57,753	6,941	17,799	136,935	10,688	254,741
Realised (loss) / gain on sale of investments		4,189	2,265	2,867	285	30,413	973	40,992
Other income		46	191	108	21	-	70	436
<b>Total Income</b>		<b>28,862</b>	<b>60,209</b>	<b>9,916</b>	<b>18,105</b>	<b>167,348</b>	<b>11,731</b>	<b>296,169</b>
<b>Expenses</b>								
Remuneration of the Management Company		2,344	5,111	635	1,431	1,681	1,071	12,273
Sindh sales tax on the Management Company's remuneration		305	664	83	186	218	139	1,595
Allocation of expenses relating to the Fund		-	-	-	-	1,681	-	1,681
Selling and marketing expenses		1,159	1,592	411	1,354	-	-	4,516
Remuneration of Central Depository Company of Pakistan Limited - Trustee		159	347	43	97	1,140	73	1,859
Annual fee of Securities and Exchange Commission of Pakistan		47	102	13	29	336	21	548
Auditors' remuneration		43	43	44	42	66	56	294
Formation cost		283	-	-	-	-	-	283
Bank charges		7	8	1	3	8	3	30
Listing fees		3	3	3	3	2	3	17
Legal and professional charges		23	23	23	23	23	23	138
Brokerage expenses		-	-	-	-	206	-	206
Other expenses		-	-	-	-	-	-	-
<b>Total operating expenses</b>		<b>4,373</b>	<b>7,893</b>	<b>1,256</b>	<b>3,168</b>	<b>5,361</b>	<b>1,389</b>	<b>23,440</b>
<b>Net income for the period from operating activities</b>		<b>24,489</b>	<b>52,316</b>	<b>8,660</b>	<b>14,937</b>	<b>161,987</b>	<b>10,342</b>	<b>272,729</b>
Provision for Sindh Workers' Welfare Fund (SWWF)	11.1	(480)	(1,026)	(170)	(293)	(3,176)	(203)	(5,348)
<b>Net income for the period before taxation</b>		<b>24,009</b>	<b>51,290</b>	<b>8,490</b>	<b>14,644</b>	<b>158,811</b>	<b>10,139</b>	<b>267,383</b>
Taxation	13	-	-	-	-	-	-	-
<b>Net income for the period after taxation</b>		<b>24,009</b>	<b>51,290</b>	<b>8,490</b>	<b>14,644</b>	<b>158,811</b>	<b>10,139</b>	<b>267,383</b>
<b>Allocation of net income for the period after taxation</b>								
Net income for the period after taxation		24,009	51,290	8,490	14,644	158,811	10,139	267,383
Income already paid on units redeemed		(452)	(1,711)	(1,088)	(301)	(240)	(476)	(4,268)
		<b>23,557</b>	<b>49,579</b>	<b>7,402</b>	<b>14,343</b>	<b>158,571</b>	<b>9,663</b>	<b>263,115</b>
<b>Accounting income available for distribution</b>								
- Relating to capital gains		4,120	2,225	2,597	275	30,334	809	40,360
- Excluding capital gains		19,437	47,354	4,805	14,068	128,237	8,854	222,755
		<b>23,557</b>	<b>49,579</b>	<b>7,402</b>	<b>14,343</b>	<b>158,571</b>	<b>9,663</b>	<b>263,115</b>
<b>Earnings per unit</b>								

15

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Financial Officer

SD  
Chief Executive Officer

SD  
Director

UBL Special Savings Fund  
Condensed Interim Income Statement (Un-Audited)  
For the nine months period ended 31 March 2021

	For the nine months period ended 31 March 2020						For the period from 13 September 2019 to 31 March 2020	For the period from 9 August 2019 to 31 March 2020
Note	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total	
	(Rupees in '000)							
<b>Income</b>								
Profit on bank deposits and profit / return on investments calculated using the effective yield method	37,102	75,950	21,941	20,899	432,177	14,022	602,091	
Realised (loss) / gain on sale of investments	(4,108)	(365)	2,915	47	1,426	1,201	1,116	
Other income	383	628	477	44	4	126	1,662	
<b>Total Income</b>	<b>33,377</b>	<b>76,213</b>	<b>25,333</b>	<b>20,990</b>	<b>433,607</b>	<b>15,349</b>	<b>604,869</b>	
<b>Expenses</b>								
Remuneration of the Management Company	2,970	6,183	1,698	1,569	3,258	1,103	16,781	
Sindh sales tax on the Management Company's remuneration	386	804	221	204	424	143	2,182	
Allocation of expenses relating to the Fund	-	-	-	-	3,266	-	3,266	
Selling and marketing expenses	1,188	-	-	-	-	-	1,188	
Remuneration of Central Depository Company of Pakistan Limited - Trustee	201	419	115	106	2,209	74	3,124	
Annual fee of Securities and Exchange Commission of Pakistan	59	124	34	31	652	22	922	
Auditors' remuneration	88	66	57	53	30	35	329	
Formation cost	284	-	-	-	-	-	284	
Bank charges	30	26	14	11	22	9	112	
Listing fees	4	4	4	4	3	3	22	
Legal and professional charges	28	28	28	28	14	15	141	
Brokerage expenses	31	27	28	13	96	9	204	
Other expenses	5	4	4	2	11	1	27	
<b>Total operating expenses</b>	<b>5,274</b>	<b>7,685</b>	<b>2,203</b>	<b>2,021</b>	<b>9,985</b>	<b>1,414</b>	<b>28,582</b>	
<b>Net income for the period from operating activities</b>	<b>28,103</b>	<b>68,528</b>	<b>23,130</b>	<b>18,969</b>	<b>423,622</b>	<b>13,935</b>	<b>576,287</b>	
Provision for Sindh Workers' Welfare Fund (SWWF)	(551)	(1,344)	(454)	(372)	(8,307)	(273)	(11,301)	
<b>Net income for the period before taxation</b>	<b>27,552</b>	<b>67,184</b>	<b>22,676</b>	<b>18,597</b>	<b>415,315</b>	<b>13,662</b>	<b>564,986</b>	
Taxation	-	-	-	-	-	-	-	
<b>Net income for the period after taxation</b>	<b>27,552</b>	<b>67,184</b>	<b>22,676</b>	<b>18,597</b>	<b>415,315</b>	<b>13,662</b>	<b>564,986</b>	
<b>Allocation of net income for the period after taxation</b>								
Net income for the period after taxation	27,552	67,184	22,676	18,597	415,315	13,662	564,986	
Income already paid on units redeemed	(1,543)	(4,650)	(9,131)	(611)	(89,835)	(536)	(106,306)	
	<b>26,009</b>	<b>62,534</b>	<b>13,545</b>	<b>17,986</b>	<b>325,480</b>	<b>13,126</b>	<b>458,680</b>	
<b>Accounting income available for distribution</b>								
- Relating to capital gains	-	-	1,475	44	1,426	1,195	4,140	
- Excluding capital gains	26,009	62,534	12,070	17,942	324,054	11,931	454,540	
	<b>26,009</b>	<b>62,534</b>	<b>13,545</b>	<b>17,986</b>	<b>325,480</b>	<b>13,126</b>	<b>458,680</b>	

**Earnings per unit**

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Financial Officer

SD  
Chief Executive Officer

SD  
Director

# UBL Special Savings Fund

## Condensed Interim Income Statement (Un-Audited)

For the nine months period ended 31 March 2021

	Quarter ended 31 March 2021						Total
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	
	(Rupees in '000)						
<b>Income</b>							
Profit on bank deposits and profit / return on investments calculated using the effective yield method	7,797	18,226	1,961	5,654	25,442	3,367	62,447
Realised (loss) / gain on sale of investments	4,176	1,531	2,351	253	(3,722)	2	4,591
Other income	9	31	13	10	-	7	70
<b>Total Income</b>	<b>11,982</b>	<b>19,788</b>	<b>4,325</b>	<b>5,917</b>	<b>21,720</b>	<b>3,376</b>	<b>67,108</b>
<b>Expenses</b>							
Remuneration of the Management Company	731	1,577	172	443	324	329	3,576
Sindh sales tax on the Management Company's remuneration	95	205	23	58	42	43	466
Allocation of expenses relating to the Fund	-	-	-	-	324	-	324
Selling and marketing expenses	365	520	120	443	-	-	1,448
Remuneration of Central Depository Company of Pakistan Limited - Trustee	50	107	12	30	220	23	442
Annual fee of Securities and Exchange Commission of Pakistan	15	31	4	9	65	6	130
Auditors' remuneration	8	8	9	7	13	13	58
Formation cost	93	-	-	-	-	-	93
Bank charges	4	6	-	-	-	-	10
Listing fees	1	1	1	1	-	1	5
Legal and professional charges	8	8	8	8	8	8	48
Brokerage expenses	-	-	-	-	161	-	161
Other expenses	-	-	-	-	-	-	-
<b>Total operating expenses</b>	<b>1,370</b>	<b>2,462</b>	<b>347</b>	<b>997</b>	<b>1,156</b>	<b>422</b>	<b>6,761</b>
<b>Net income for the quarter from operating activities</b>	<b>10,612</b>	<b>17,327</b>	<b>3,977</b>	<b>4,920</b>	<b>20,565</b>	<b>2,954</b>	<b>60,348</b>
Provision for Sindh Workers' Welfare Fund (SWWF)	(208)	(339)	(78)	(96)	(403)	(58)	(1,182)
<b>Net income for the quarter before taxation</b>	<b>10,404</b>	<b>16,987</b>	<b>3,899</b>	<b>4,824</b>	<b>20,162</b>	<b>2,896</b>	<b>59,166</b>
Taxation	-	-	-	-	-	-	-
<b>Net income for the quarter after taxation</b>	<b>10,404</b>	<b>16,987</b>	<b>3,899</b>	<b>4,824</b>	<b>20,162</b>	<b>2,896</b>	<b>59,166</b>
<b>Allocation of net income for the quarter after taxation</b>							
Net income for the quarter after taxation	10,404	16,987	3,899	4,824	20,162	2,896	59,166
Income already paid on units redeemed	(246)	(211)	(260)	(80)	(3)	(78)	(878)
	<b>10,158</b>	<b>16,776</b>	<b>3,639</b>	<b>4,744</b>	<b>20,159</b>	<b>2,818</b>	<b>58,288</b>
<b>Accounting income available for distribution</b>							
- Relating to capital gains	4,108	1,510	2,189	244	-	2	8,053
- Excluding capital gains	6,050	15,266	1,450	4,500	20,159	2,816	50,235
	<b>10,158</b>	<b>16,776</b>	<b>3,639</b>	<b>4,744</b>	<b>20,159</b>	<b>2,818</b>	<b>58,288</b>

### Earnings per unit

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Financial Officer

SD  
Chief Executive Officer

SD  
Director

# UBL Special Savings Fund

## Condensed Interim Income Statement (Un-Audited)

For the nine months period ended 31 March 2021

	Quarter ended 31 March 2020						Total
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	
	(Rupees in '000)						
<b>Income</b>							
Profit on bank deposits and profit / return on investments calculated using the effective yield method	11,291	23,237	4,669	6,985	189,506	6,240	241,928
Realised gain / (loss) on sale of investments	(285)	(139)	(282)	104	2,028	1,702	3,128
Other income	93	149	71	31	4	79	427
<b>Total Income</b>	11,099	23,247	4,458	7,120	191,538	8,021	245,483
<b>Expenses</b>							
Remuneration of the Management Company	887	1,879	341	515	1,458	501	5,581
Sindh sales tax on the Management Company's remuneration	115	244	44	67	190	65	725
Allocation of expenses relating to the Fund	-	-	-	-	1,459	-	1,459
Selling and marketing expenses	355	-	-	-	-	-	355
Remuneration of Central Depository Company of Pakistan Limited - Trustee	60	127	23	35	989	34	1,268
Annual fee of Securities and Exchange Commission of Pakistan	17	38	7	10	292	10	374
Auditors' remuneration	38	23	22	15	12	14	124
Formation cost	94	-	-	-	-	-	94
Bank charges	3	10	11	2	12	4	42
Listing fees	1	1	1	1	1	1	6
Legal and professional charges	13	13	13	13	6	6	64
Brokerage expenses	3	9	2	3	72	-	89
Other expenses	1	2	1	1	8	-	13
<b>Total operating expenses</b>	1,587	2,346	465	662	4,499	635	10,194
<b>Net income for the quarter from operating activities</b>	9,512	20,901	3,993	6,458	187,039	7,386	235,289
Provision for Sindh Workers' Welfare Fund (SWWF)	11.1 (186)	(410)	(79)	(127)	(3,667)	(144)	(4,613)
<b>Net income for the quarter before taxation</b>	9,326	20,491	3,914	6,331	183,372	7,242	230,676
Taxation	13 -	-	-	-	-	-	-
<b>Net income for the quarter after taxation</b>	9,326	20,491	3,914	6,331	183,372	7,242	230,676
<b>Allocation of net income for the quarter after taxation</b>							
Net income for the quarter after taxation	9,326	20,491	3,914	6,331	183,372	7,242	230,676
Income already paid on units redeemed	(252)	(537)	(662)	(396)	(84,164)	(105)	(86,116)
	9,074	19,954	3,252	5,935	99,208	7,137	144,560
<b>Accounting income available for distribution</b>							
- Relating to capital gains	-	-	-	44	1,426	1,195	2,665
- Excluding capital gains	9,074	19,954	3,252	5,891	97,782	5,942	141,895
	9,074	19,954	3,252	5,935	99,208	7,137	144,560
<b>Earnings per unit</b>							

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Financial Officer

SD  
Chief Executive Officer

SD  
Director

**UBL Special Savings Fund**  
**Condensed Interim Statement of Comprehensive Income (Un-Audited)**  
*For the nine months period ended 31 March 2021*

	For the nine months period ended 31 March 2021						
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
	(Rupees in '000)						
<b>Net income for the period after taxation</b>	<b>24,009</b>	<b>51,290</b>	<b>8,490</b>	<b>14,644</b>	<b>158,811</b>	<b>10,139</b>	<b>267,384</b>
<b>Other comprehensive income for the period</b>							
<b>Items to be reclassified to income statement in subsequent periods:</b>							
Unrealised (loss)/ gain on re-measurement of investments - classified at fair value through other comprehensive income	(15,310)	(29,272)	(6,930)	(8,281)	(51,478)	(4,463)	(115,734)
<b>Total comprehensive income for the period</b>	<b>8,699</b>	<b>22,019</b>	<b>1,560</b>	<b>6,363</b>	<b>107,333</b>	<b>5,676</b>	<b>151,650</b>

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

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

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

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

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

**UBL Special Savings Fund**  
**Condensed Interim Statement of Comprehensive Income (Un-Audited)**  
*For the nine months period ended 31 March 2021*

	For the nine months period ended 31 March 2020						Total
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	
	(Rupees in '000)						
<b>Net income for the period after taxation</b>	27,552	67,184	22,676	18,597	415,315	13,662	564,986
<b>Other comprehensive income for the period</b>							
<b>Items to be reclassified to income statement in subsequent periods:</b>							
Unrealised (loss)/ gain on re-measurement of investments - classified at fair value through other comprehensive income	29,196	53,217	12,049	7,622	52,115	2,509	156,708
	29,196	53,217	12,049	7,622	52,115	2,509	156,708
<b>Total comprehensive income for the period</b>	<u>56,748</u>	<u>120,401</u>	<u>34,725</u>	<u>26,219</u>	<u>467,430</u>	<u>16,171</u>	<u>721,694</u>

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

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

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

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

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

**UBL Special Savings Fund**  
**Condensed Interim Statement of Comprehensive Income (Un-Audited)**  
*For the nine months period ended 31 March 2021*

	Quarter ended 31 March 2021						Total
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	
	(Rupees in '000)						
<b>Net income for the quarter after taxation</b>	<b>10,404</b>	<b>16,987</b>	<b>3,899</b>	<b>4,824</b>	<b>20,162</b>	<b>2,896</b>	<b>59,172</b>
<b>Other comprehensive income for the quarter</b>							
<b>Items to be reclassified to income statement in subsequent quarters:</b>							
Unrealised (loss)/ gain on re-measurement of investments - classified at fair value through other comprehensive income	(8,407)	(11,093)	(3,987)	(2,839)	(3,480)	(1,178)	(30,984)
<b>Total comprehensive income for the quarter</b>	<b>1,997</b>	<b>5,894</b>	<b>(88)</b>	<b>1,985</b>	<b>16,682</b>	<b>1,718</b>	<b>28,188</b>

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

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

SD  
**Chief Financial Officer**

SD  
**Chief Executive Officer**

SD  
**Director**

**UBL Special Savings Fund**  
**Condensed Interim Statement of Comprehensive Income (Un-Audited)**

*For the nine months period ended 31 March 2021*

	Quarter ended 31 March 2020						Total
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	
	(Rupees in '000)						
<b>Net income for the quarter after taxation</b>	9,326	20,491	3,914	6,331	183,372	7,242	230,676
<b>Other comprehensive income for the quarter</b>							
<b>Items to be reclassified to income statement in subsequent quarters:</b>							
Unrealised (loss)/ gain on re-measurement of investments - classified at fair value through other comprehensive income	12,251	25,439	5,241	4,282	57,499	3,505	108,217
	12,251	25,439	5,241	4,282	57,499	3,505	108,217
<b>Total comprehensive income for the quarter</b>	<u>21,577</u>	<u>45,930</u>	<u>9,155</u>	<u>10,613</u>	<u>240,871</u>	<u>10,747</u>	<u>338,893</u>

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

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

SD  
**Chief Financial Officer**

SD  
**Chief Executive Officer**

SD  
**Director**

**UBL Special Savings Fund**  
**Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)**  
*For the nine months period ended 31 March 2021*

	USSP-I				USSP-II				USSP-III			
	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total
	(Rupees in '000)				(Rupees in '000)				(Rupees in '000)			
<b>Net assets at beginning of the period</b>	313,268	664	17,021	330,953	700,054	1,516	41,574	743,144	111,736	5,371	5,373	122,480
<b>Issuance of 0, 123,487 , 0, 0, 1,365,045 and 0 units</b>												
- Capital value	-	-	-	-	12,876	-	-	12,876	-	-	-	-
- Element of income during the period	-	-	-	-	-	-	-	-	-	-	-	-
- relating to other comprehensive income	-	-	-	-	162	-	-	162	-	-	-	-
- relating to net income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-
Total proceeds on issuance of units	-	-	-	-	13,038	-	-	13,038	-	-	-	-
<b>Redemption of 339,612, 1,007,405 , 486,924, 182,334, 52,193,774 and 371,902 units</b>												
- Capital value	(35,643)	-	-	(35,643)	(105,041)	-	-	(105,041)	(52,616)	-	-	(52,616)
- Element of income during the period	-	-	-	-	-	-	-	-	-	-	-	-
- relating to other comprehensive income	(24)	(452)	-	(476)	(1,189)	(1,711)	-	(2,900)	(474)	(1,088)	-	(1,562)
- relating to net income for the period after taxation	(35,667)	(452)	-	(36,119)	(106,230)	(1,711)	-	(107,941)	(53,090)	(1,088)	-	(54,178)
Total payments on redemption of units	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	24,009	(15,310)	8,699	-	51,290	(29,272)	22,019	-	8,490	(6,930)	1,560
Distribution during the period												
- UBL Special Savings Plan I @ Rs. 2.1136 per unit paid on 25 December 2020	-	(6,175)	-	(6,175)	-	-	-	-	-	-	-	-
- UBL Special Savings Plan I @ Rs. 2.2616 per unit paid on 29 December 2020	-	(6,607)	-	(6,607)	-	-	-	-	-	-	-	-
- UBL Special Savings Plan II @ Rs. 2.337 per unit paid on 25 December 2020	-	-	-	-	-	(14,502)	-	(14,502)	-	-	-	-
- UBL Special Savings Plan II @ Rs. 2.913 per unit paid on 29 December 2020	-	-	-	-	-	(18,073)	-	(18,073)	-	-	-	-
- UBL Special Savings Plan III @ Rs. 1.9714 per unit paid on 25 December 2020	-	-	-	-	-	-	-	-	-	(1,329)	-	(1,329)
- UBL Special Savings Plan III @ Rs. 3.5286 per unit paid on 29 December 2020	-	-	-	-	-	-	-	-	-	(2,379)	-	(2,379)
- UBL Special Savings Plan IV @ Rs. 2.2931 per unit paid on 25 December 2020	-	-	-	-	-	-	-	-	-	-	-	-
- UBL Special Savings Plan IV @ Rs. 2.8492 per unit paid on 29 December 2020	-	-	-	-	-	-	-	-	-	-	-	-
- UBL Special Savings Plan V @ Rs. 1.7018 per unit paid on 22 July 2020	-	-	-	-	-	-	-	-	-	-	-	-
- UBL Special Savings Plan V @ Rs. 0.8152 per unit paid on 01 October 2020	-	-	-	-	-	-	-	-	-	-	-	-
- UBL Special Savings Plan V @ Rs. 2.3547 per unit paid on 10 February 2021	-	-	-	-	-	-	-	-	-	-	-	-
- UBL Special Savings Plan V @ Rs. 0.2786 per unit paid on 10 March 2021	-	-	-	-	-	-	-	-	-	-	-	-
- UBL Special Savings Plan VI @ Rs. 2.6466 per unit paid on 25 December 2020	-	-	-	-	-	-	-	-	-	-	-	-
- UBL Special Savings Plan VI @ Rs. 2.4031 per unit paid on 29 December 2020	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net income for the period less distribution</b>	-	11,227	(15,310)	(4,083)	-	18,714	(29,272)	(10,556)	-	4,782	(6,930)	(2,147)
<b>Net assets at end of the period</b>	<b>277,601</b>	<b>11,439</b>	<b>1,711</b>	<b>290,751</b>	<b>606,862</b>	<b>18,519</b>	<b>12,302</b>	<b>637,685</b>	<b>58,646</b>	<b>9,065</b>	<b>(1,557)</b>	<b>66,155</b>

**UBL Special Savings Fund**  
**Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)**  
*For the nine months period ended 31 March 2021*

	For the nine months period ended 31 March 2021															
	USSP-IV				USSP-V				USSP-VI				Total			
	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total
	(Rupees in '000)				(Rupees in '000)				(Rupees in '000)				(Rupees in '000)			
<b>Net assets at beginning of the period</b>	188,548	704	11,028	200,280	5,111,287	1,807	51,539	5,164,633	165,411	356	5,350	171,117	6,590,304	10,418	131,885	6,732,607
<b>Issuance of 0, 123,487 , 0, 0, 1,365,045 and 0 units</b>																
- Capital value	-	-	-	-	136,504	-	-	136,504	-	-	-	-	149,380	-	-	149,380
- Element of income during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- relating to other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- relating to net income for the period after taxation	-	-	-	-	-	-	-	-	-	-	-	-	162	-	-	162
Total proceeds on issuance of units	-	-	-	-	136,504	-	-	136,504	-	-	-	-	149,542	-	-	149,542
<b>Redemption of 339,612, 1,007,405 , 486,924, 182,334, 52,193,774 and 371,902 units</b>																
- Capital value	(18,863)	-	-	(18,863)	(5,219,377)	-	-	(5,219,377)	(37,581)	-	-	(37,581)	(5,469,121)	-	-	(5,469,121)
- Element of income during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- relating to other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- relating to net income for the period after taxation	(90)	(301)	-	(391)	100	(240)	-	(140)	(379)	(476)	-	(855)	(2,056)	(4,266)	-	(6,322)
Total payments on redemption of units	(18,953)	(301)	-	(19,254)	(5,219,277)	(240)	-	(5,219,517)	(37,960)	(476)	-	(38,436)	(5,471,177)	(4,268)	-	(5,475,443)
Income already paid on units redeemed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	14,644	(8,281)	6,363	-	158,811	(51,478)	107,333	-	10,139	(4,463)	5,676	-	267,383	(115,734)	151,649
Distribution during the period																
- UBL Special Savings Plan I @ Rs. 2.1136 per unit paid on 25 December 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,175)	-	(6,175)
- UBL Special Savings Plan I @ Rs. 2.2616 per unit paid on 29 December 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,607)	-	(6,607)
- UBL Special Savings Plan II @ Rs. 2.337 per unit paid on 25 December 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	(14,502)	-	(14,502)
- UBL Special Savings Plan II @ Rs. 2.913 per unit paid on 29 December 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	(18,073)	-	(18,073)
- UBL Special Savings Plan III @ Rs. 1.9714 per unit paid on 25 December 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,329)	-	(1,329)
- UBL Special Savings Plan III @ Rs. 3.5286 per unit paid on 29 December 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,379)	-	(2,379)
- UBL Special Savings Plan IV @ Rs. 2.2931 per unit paid on 25 December 2020	-	(4,094)	-	(4,094)	-	-	-	-	-	-	-	-	-	(4,094)	-	(4,094)
- UBL Special Savings Plan IV @ Rs. 2.8492 per unit paid on 29 December 2020	-	(5,087)	-	(5,087)	-	-	-	-	-	-	-	-	-	(5,087)	-	(5,087)
- UBL Special Savings Plan V @ Rs. 1.7018 per unit paid on 22 July 2020	-	-	-	-	-	(86,945)	-	(86,945)	-	-	-	-	-	(86,945)	-	(86,945)
- UBL Special Savings Plan V @ Rs. 0.8152 per unit paid on 01 October 2020	-	-	-	-	-	(21,871)	-	(21,871)	-	-	-	-	-	(21,871)	-	(21,871)
- UBL Special Savings Plan V @ Rs. 2.3547 per unit paid on 10 February 2021	-	-	-	-	-	(48,652)	-	(48,652)	-	-	-	-	-	(48,652)	-	(48,652)
- UBL Special Savings Plan V @ Rs. 0.2786 per unit paid on 10 March 2021	-	-	-	-	-	(3,085)	-	(3,085)	-	-	-	-	-	(3,085)	-	(3,085)
- UBL Special Savings Plan VI @ Rs. 2.6466 per unit paid on 25 December 2020	-	-	-	-	-	-	-	-	-	(3,587)	-	(3,587)	-	(3,587)	-	(3,587)
- UBL Special Savings Plan VI @ Rs. 2.4031 per unit paid on 29 December 2020	-	-	-	-	-	-	-	-	-	(3,257)	-	(3,257)	-	(3,257)	-	(3,257)
<b>Net income for the period less distribution</b>	-	5,463	(8,281)	(2,818)	-	(1,742)	(51,478)	(53,220)	-	3,295	(4,463)	(1,168)	-	41,740	(115,734)	(73,994)
<b>Net assets at end of the period</b>	<b>169,595</b>	<b>5,866</b>	<b>2,747</b>	<b>178,208</b>	<b>28,514</b>	<b>(175)</b>	<b>61</b>	<b>28,400</b>	<b>127,451</b>	<b>3,175</b>	<b>887</b>	<b>131,513</b>	<b>1,268,669</b>	<b>47,890</b>	<b>16,151</b>	<b>1,332,712</b>

**UBL Special Savings Fund**  
**Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)**  
*For the nine months period ended 31 March 2021*

**Undistributed income brought forward:**

- Realised income
- Unrealised income

**Accounting income available for distribution:**

- Relating to capital gains
- Excluding capital gains

**Distribution during the period**

- UBL Special Savings Plan I @ Rs. 2.1136 per unit paid on 25 December 2020
- UBL Special Savings Plan I @ Rs. 2.2616 per unit paid on 29 December 2020
- UBL Special Savings Plan II @ Rs. 2.337 per unit paid on 25 December 2020
- UBL Special Savings Plan II @ Rs. 2.913 per unit paid on 29 December 2020
- UBL Special Savings Plan III @ Rs. 1.9714 per unit paid on 25 December 2020
- UBL Special Savings Plan III @ Rs. 3.5286 per unit paid on 29 December 2020
- UBL Special Savings Plan IV @ Rs. 2.2931 per unit paid on 25 December 2020
- UBL Special Savings Plan IV @ Rs. 2.8492 per unit paid on 29 December 2020
- UBL Special Savings Plan V @ Rs. 1.7018 per unit paid on 22 July 2020
- UBL Special Savings Plan V @ Rs. 0.8152 per unit paid on 01 October 2020
- UBL Special Savings Plan V @ Rs. 2.3547 per unit paid on 10 February 2021
- UBL Special Savings Plan V @ Rs. 0.2786 per unit paid on 10 March 2021
- UBL Special Savings Plan VI @ Rs. 2.6466 per unit paid on 25 December 2020
- UBL Special Savings Plan VI @ Rs. 2.4031 per unit paid on 29 December 2020

**Undistributed income carried forward**

**Undistributed income carried forward comprise of:**

- Realised income
- Unrealised income

**Net assets value per unit at end of the period**

USSP-I				USSP-II				USSP-III			
Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total
(Rupees in '000)				(Rupees in '000)				(Rupees in '000)			
	664				1,516				5,371		
	-				-				-		
	664				1,516				5,371		
	4,120				2,225				2,597		
	19,437				47,354				4,805		
	23,557				49,579				7,402		
	(6,175)				-				-		
	(6,607)				-				-		
	-				(14,502)				-		
	-				(18,073)				-		
	-				-				(1,329)		
	-				-				(2,379)		
	-				-				-		
	-				-				-		
	-				-				-		
	-				-				-		
	-				-				-		
	-				-				-		
	11,439				18,519				9,065		
	11,439				18,519				9,065		
	-				-				-		
	11,439				18,519				9,065		
			(Rupees)				(Rupees)				(Rupees)
			105.6652				105.2354				107.9756

## UBL Special Savings Fund

### Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)

For the nine months period ended 31 March 2021

For the nine months period ended 31 March 2021																
USSP-IV				USSP-V				USSP-VI				Total				
Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	
(Rupees in '000)				(Rupees in '000)				(Rupees in '000)				(Rupees in '000)				
<b>Undistributed income brought forward:</b>																
- Realised income	704			1,807				356				10,418				
- Unrealised income	-			-				-				-				
	<u>704</u>			<u>1,807</u>				<u>356</u>				<u>10,418</u>				
<b>Accounting income available for distribution:</b>																
- Relating to capital gains	275			30,334				809				40,360				
- Excluding capital gains	14,068			128,237				8,854				222,755				
	<u>14,343</u>			<u>158,571</u>				<u>9,663</u>				<u>263,115</u>				
Distribution during the period																
- UBL Special Savings Plan I @ Rs. 2.1136 per unit paid on 25 December 2020	-			-				-				(6,175)				
- UBL Special Savings Plan I @ Rs. 2.2616 per unit paid on 29 December 2020	-			-				-				(6,607)				
- UBL Special Savings Plan II @ Rs. 2.337 per unit paid on 25 December 2020	-			-				-				(14,502)				
- UBL Special Savings Plan II @ Rs. 2.913 per unit paid on 29 December 2020	-			-				-				(18,073)				
- UBL Special Savings Plan III @ Rs. 1.9714 per unit paid on 25 December 2020	-			-				-				(1,329)				
- UBL Special Savings Plan III @ Rs. 3.5286 per unit paid on 29 December 2020	-			-				-				(2,379)				
- UBL Special Savings Plan IV @ Rs. 2.2931 per unit paid on 25 December 2020	(4,094)			-				-				(4,094)				
- UBL Special Savings Plan IV @ Rs. 2.8492 per unit paid on 29 December 2020	(5,087)			-				-				(5,087)				
- UBL Special Savings Plan V @ Rs. 1.7018 per unit paid on 22 July 2020	-			(86,945)				-				(86,945)				
- UBL Special Savings Plan V @ Rs. 0.8152 per unit paid on 01 October 2020	-			(21,871)				-				(21,871)				
- UBL Special Savings Plan V @ Rs. 2.3547 per unit paid on 10 February 2021	-			(48,652)				-				(48,652)				
- UBL Special Savings Plan V @ Rs. 0.2786 per unit paid on 10 March 2021	-			(3,085)				-				(3,085)				
- UBL Special Savings Plan VI @ Rs. 2.6466 per unit paid on 25 December 2020	-			-				(3,587)				(3,587)				
- UBL Special Savings Plan VI @ Rs. 2.4031 per unit paid on 29 December 2020	-			-				(3,257)				(3,257)				
	<u>5,866</u>			<u>(175)</u>				<u>3,175</u>				<u>47,890</u>				
<b>Undistributed income carried forward</b>																
	<u>5,866</u>			<u>(175)</u>				<u>3,175</u>				<u>47,890</u>				
<b>Undistributed income carried forward comprise of:</b>																
- Realised income	5,866			(175)				3,175				47,890				
- Unrealised income	-			-				-				-				
	<u>5,866</u>			<u>(175)</u>				<u>3,175</u>				<u>47,890</u>				
			(Rupees)				(Rupees)				(Rupees)					
<b>Net assets value per unit at end of the period</b>			<u>104.6067</u>				<u>100.6415</u>				<u>102.3575</u>					

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Financial Officer

SD  
Chief Executive Officer

SD  
Director

## UBL Special Savings Fund

### Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)

For the nine months period ended 31 March 2021

	USSP-I				USSP-II				USSP-III			
	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total
	(Rupees in '000)				(Rupees in '000)				(Rupees in '000)			
<b>Net assets at beginning of the period</b>	471,249	136	(11,665)	459,720	925,449	1,024	(24,654)	901,819	267,855	(60)	(2,970)	264,825
<b>Issuance of 8,016, 10,878, 21,849, 388,886,68, 450,254, 2,341,626 units</b>												
- Capital value	783	-	-	293	1,059	-	-	1,059	2,160	-	-	2,160
- Element of income during the period												
relating to other comprehensive income			9	9							35	35
relating to net income for the period after taxation	41	-	-	5	75	-	-	75	72	-	-	72
Total proceeds on issuance of units	824	-	-	298	1,134	-	-	1,134	2,232	-	35	2,267
<b>Redemption of 1,439,365, 2,084,536,1,499,825 , 336,827, 18,843,888 and 452,842 units</b>												
- Capital value	(140,491)	-	-	(140,491)	(203,058)	-	-	(203,058)	(148,274)	-	-	(148,274)
- Element of income during the period												
relating to other comprehensive income	-	-	(3,225)	(3,225)	-	-	(3,809)	(3,809)	-	-	(3,637)	(3,637)
relating to net income for the period after taxation	(19)	(1,543)	-	(1,562)	-	(4,650)	-	(4,650)	(11)	(9,131)	-	(9,142)
Total payments on redemption of units	(140,510)	(1,543)	(3,225)	(145,278)	(203,058)	(4,650)	(3,809)	(211,517)	(148,285)	(9,131)	(3,637)	(161,053)
Total comprehensive income for the period	-	27,552	29,196	56,748	-	67,184	53,217	120,401	-	18,762	6,808	25,570
Distribution during the period												
- UBL Special Savings Plan I @ Rs. 4.5 per unit paid on 28 December 2019	(5)	(16,945)	(8)	(16,958)	-	-	-	-	-	-	-	-
- UBL Special Savings Plan II @ Rs. 5.5 per unit paid on 28 December 2019	-	-	-	-	-	(42,254)	-	(42,254)	-	-	-	-
- UBL Special Savings Plan III @ Rs. 5.5 per unit paid on 28 December 2019	-	-	-	-	-	-	-	-	(45)	(7,765)	(33)	(7,843)
- UBL Special Savings Plan IV @ Rs. 5.5 per unit paid on 28 December 2019	-	-	-	-	-	-	-	-	-	-	-	-
- UBL Special Savings Plan V @ Rs. 5.4336 per unit paid on 10 February 2020	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net income for the period less distribution</b>	(5)	10,607	29,188	39,790	-	67,184	53,217	78,147	(45)	10,997	6,775	17,727
<b>Net assets at end of the period</b>	331,558	9,200	14,307	355,065	723,525	21,304	24,754	769,583	121,757	5,720	5,444	132,921

## UBL Special Savings Fund

### Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)

For the nine months period ended 31 March 2021

	USSP-I				USSP-II				USSP-III			
	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total
	(Rupees in '000)				(Rupees in '000)				(Rupees in '000)			
<b>Undistributed income brought forward:</b>												
- Realised income		136				1,024				(60)		
- Unrealised income		-				-				-		
		<u>136</u>				<u>1,024</u>				<u>(60)</u>		
<b>Accounting income available for distribution:</b>												
- Relating to capital gains		-				-				1,475		
- Excluding capital gains		<u>26,009</u>				<u>62,534</u>				<u>12,070</u>		
		26,009				62,534				13,545		
Distribution during the period												
- UBL Special Savings Plan I @ Rs. 4.5 per unit paid on 28 December 2019		(16,945)				-				-		
- UBL Special Savings Plan II @ Rs. 5.5 per unit paid on 28 December 2019		-				(42,254)				-		
- UBL Special Savings Plan III @ Rs. 5.5 per unit paid on 28 December 2019		-				-				(7,765)		
- UBL Special Savings Plan IV @ Rs. 5.5 per unit paid on 28 December 2019		-				-				-		
- UBL Special Savings Plan V @ Rs. 5.4336 per unit paid on 10 February 2020		-				-				-		
<b>Undistributed income carried forward</b>		<u><u>9,200</u></u>				<u><u>21,304</u></u>				<u><u>5,720</u></u>		
<b>Undistributed income carried forward comprise of:</b>												
- Realised income		9,200				21,304				5,720		
- Unrealised income		<u>-</u>				<u>-</u>				<u>-</u>		
		<u><u>9,200</u></u>				<u><u>21,304</u></u>				<u><u>5,720</u></u>		
				(Rupees)				(Rupees)				(Rupees)
<b>Net assets value per unit at end of the period</b>				<u><u>108.2973</u></u>				<u><u>107.1221</u></u>				<u><u>110.6948</u></u>

## UBL Special Savings Fund

### Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)

For the nine months period ended 31 March 2021

	For the nine months period ended 31 March 2020				For the period from 13 September 2019 to 31 March 2020				For the period from 9 August 2019 to 31 March 2020				Total			
	USSP-IV				USSP-V				USSP-VI							
	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total
	(Rupees in '000)				(Rupees in '000)				(Rupees in '000)				(Rupees in '000)			
<b>Net assets at beginning of the period</b>	183,380	(78)	(515)	182,787	-	-	-	-	-	-	-	-	1,847,933	1,022	(39,804)	1,809,151
<b>Issuance of 8,016, 10,878, 21,849, 388,886,68 , 450,254, 2,341,626 units</b>																
- Capital value	38,760	-	-	38,760	6,845,025	-	-	6,845,025	234,162	-	-	213,597	7,121,949	-	-	7,121,949
- Element of income during the period relating to other comprehensive income relating to net income for the period after taxation	-	-	(84)	(84)	-	-	11,423	11,423	-	-	(27)	(27)	-	-	11,356	11,356
	282	-	-	282	40,969	-	-	40,969	2,880	-	-	2,880	44,319	-	-	44,319
Total proceeds on issuance of units	39,042	-	(84)	38,958	6,885,994	-	11,423	6,897,417	237,042	-	(27)	216,450	7,166,268	-	11,356	7,177,624
<b>Redemption of 1,439,365, 2,084,536,1,499,825 , 336,827, 18,843,888 and 452,842 units</b>																
- Capital value	(33,571)	-	-	(33,571)	(1,884,389)	-	-	(1,884,389)	(45,284)	-	-	(45,284)	(2,455,067)	-	-	(2,455,067)
- Element of income during the period relating to other comprehensive income relating to net income for the period after taxation	-	-	(330)	(330)	-	-	1,639	1,639	-	-	247	247	-	-	(9,115)	(9,115)
	281	(611)	-	(330)	77,833	(89,835)	-	(12,002)	(870)	(536)	-	(1,406)	76,884	(106,306)	-	(29,422)
Total payments on redemption of units	(33,290)	(611)	(330)	(34,231)	(1,806,556)	(89,835)	1,639	(1,894,752)	(46,154)	(536)	247	(46,443)	(2,378,183)	(106,306)	(9,115)	(2,493,604)
Income already paid on units redeemed																721,694
Total comprehensive income for the period	-	18,597	7,622	26,219	-	231,943	(5,384)	226,559	-	13,662	2,509	16,171	-	564,986	156,708	382,801
Distribution during the period																
- UBL Special Savings Plan I @ Rs. 4.5 per unit paid on 28 December 2019	-	-	-	-	-	-	-	-	-	-	-	-	(5)	(16,945)	(8)	(16,958)
- UBL Special Savings Plan II @ Rs. 5.5 per unit paid on 28 December 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	(42,254)	-	(42,254)
- UBL Special Savings Plan III @ Rs. 5.5 per unit paid on 28 December 2019	-	-	-	-	-	-	-	-	-	-	-	-	(45)	(7,765)	(33)	(7,843)
- UBL Special Savings Plan IV @ Rs. 5.5 per unit paid on 28 December 2019	(259)	(10,976)	78	(11,157)	-	-	-	-	-	-	-	-	(259)	(10,976)	(78)	(11,157)
- UBL Special Savings Plan V @ Rs. 5.4336 per unit paid on 10 February 2020					(35,230)	(304,999)	(12,374)	(352,603)					(35,230)	(304,999)	(12,374)	(352,603)
<b>Net income for the period less distribution</b>	(259)	7,621	7,700	15,062	(35,230)	110,316	39,741	114,827	-	13,662	2,509	16,171	(35,539)	182,047	144,371	290,879
<b>Net assets at end of the period</b>	188,543	6,932	6,771	202,576	5,044,208	20,481	52,803	5,117,492	190,888	13,126	2,729	206,743	6,600,479	76,763	106,808	6,784,050

# UBL Special Savings Fund

## Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)

For the nine months period ended 31 March 2021

For the nine months period ended 31 March 2020				For the period from 13 September 2019 to 31 March 2020				For the period from 9 August 2019 to 31 March 2020				Total			
USSP-IV				USSP-V				USSP-VI							
Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total
(Rupees in '000)				(Rupees in '000)				(Rupees in '000)				(Rupees in '000)			
<b>Undistributed income brought forward:</b>															
- Realised income	(78)			-				-					1,022		
- Unrealised income	-			-				-					-		
	(78)			-				-					1,022		
<b>Accounting income available for distribution:</b>															
- Relating to capital gains	44			1,426				1,195				4,140			
- Excluding capital gains	17,942			324,054				11,931				454,540			
	17,986			325,480				13,126				458,680			
Distribution during the period															
- UBL Special Savings Plan I @ Rs. 4.5 per unit paid on 28 December 2019	-			-				-				(16,945)			
- UBL Special Savings Plan II @ Rs. 5.5 per unit paid on 28 December 2019	-			-				-				(42,254)			
- UBL Special Savings Plan III @ Rs. 5.5 per unit paid on 28 December 2019	-			-				-				(7,765)			
- UBL Special Savings Plan IV @ Rs. 5.5 per unit paid on 28 December 2019	(10,976)			-				-				(10,976)			
- UBL Special Savings Plan V @ Rs. 5.4336 per unit paid on 10 February 2020	-			(304,999)				-				(304,999)			
<b>Undistributed income carried forward</b>	<b>6,932</b>			<b>20,481</b>				<b>13,126</b>				<b>76,763</b>			
<b>Undistributed income carried forward comprise of:</b>															
- Realised income	6,932			20,481				13,126				76,763			
- Unrealised income	-			-				-				-			
	<b>6,932</b>			<b>20,481</b>				<b>13,126</b>				<b>76,763</b>			
			(Rupees)				(Rupees)				(Rupees)				
<b>Net assets value per unit at end of the period</b>			<b>107.2349</b>				<b>103.1620</b>				<b>109.4583</b>				

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Financial Officer

SD  
Chief Executive Officer

SD  
Director

UBL Special Savings Fund  
Condensed Interim Cash Flow Statement (Un-Audited)

For the nine months period ended 31 March 2021

	For the nine months period ended 31 March 2021						
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
	(Rupees in '000)						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Net income for the period before taxation	24,009	51,290	8,490	14,644	158,811	10,139	267,384
<b>Adjustments:</b>							
Profit on bank deposits and profit / return on investments calculated using the effective yield method	(24,627)	(57,753)	(6,941)	(17,799)	(136,935)	(10,688)	(254,743)
Provision for Sindh Workers' Welfare Fund	480	1,026	170	293	3,176	203	5,348
Formation cost	283	-	-	-	-	-	283
Realised gain on sale of investments	(4,189)	(2,265)	(2,867)	(285)	(30,413)	(973)	(40,992)
	(28,053)	(58,991)	(9,638)	(17,791)	(164,172)	(11,458)	(290,104)
<b>Net cash generated from operations before working capital changes</b>	(4,044)	(7,701)	(1,148)	(3,147)	(5,361)	(1,319)	(22,720)
<b>Working capital changes</b>							
<i>(Increase) / decrease in assets</i>							
Investments	21,686	70,723	50,917	11,993	5,129,558	47,165	5,332,042
Deposits, prepayments and other receivables	(6)	(2)	(4)	65	(9)	(4)	40
Advance tax	-	-	-	-	-	-	-
	21,680	70,721	50,913	12,058	5,129,549	47,161	5,332,082
<i>Increase / (decrease) in liabilities</i>							
Payable to the Management Company	(1,543)	(1,183)	(327)	343	(974)	(298)	(3,982)
Payable to Central Depository Company of Pakistan Limited - Trustee	(2)	(5)	(3)	(1)	(265)	(3)	(279)
Payable to Securities and Exchange Commission of Pakistan	(30)	(60)	(27)	(13)	(576)	(11)	(717)
Dividend payable	-	-	-	-	-	-	-
Accrued expenses and other payables	(4,556)	(8,924)	(1,150)	(2,352)	(37,982)	(16,524)	(71,488)
	(6,131)	(10,172)	(1,507)	(2,023)	(39,797)	(16,836)	(76,466)
Profits received during the period	31,662	72,527	10,387	21,565	162,479	13,256	311,876
<b>Net cash generated from operating activities</b>	43,167	125,375	58,645	28,453	5,246,870	42,262	5,544,772
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Proceeds from issuance of units	-	13,038	-	-	136,504	-	149,542
Payments on redemption of units	(36,119)	(107,941)	(54,178)	(19,254)	(5,219,517)	(38,436)	(5,475,445)
Total distribution to unit holders	(12,782)	(32,574)	(3,708)	(9,179)	(160,552)	(6,844)	(225,639)
<b>Net cash (used) in financing activities</b>	(48,901)	(127,477)	(57,886)	(28,433)	(5,243,565)	(45,280)	(5,551,542)
<b>Net (decrease) / increase in cash and cash equivalents</b>	(5,734)	(2,102)	759	20	3,305	(3,018)	(6,770)
Cash and cash equivalents at beginning of the period	7,125	14,078	2,905	3,676	47,493	11,749	87,026
<b>Cash and cash equivalents at end of the period</b>	1,391	11,976	3,664	3,696	50,798	8,731	80,256

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Financial Officer

SD  
Chief Executive Officer

SD  
Director

UBL Special Savings Fund  
Condensed Interim Cash Flow Statement (Un-Audited)  
For the nine months period ended 31 March 2021

	For the nine months period ended 31 March 2020				For the period from 13 September 2019 to 31 March 2020	For the period from 9 August 2019 to 31 March 2020	
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	Total
	(Rupees in '000)						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Net income for the period before taxation	27,552	67,184	22,676	18,597	415,315	13,662	564,986
<b>Adjustments:</b>							
Profit on bank deposits and profit / return on investments calculated using the effective yield method	(37,102)	(75,950)	(21,941)	(20,899)	(432,177)	(14,022)	(602,091)
Provision for Sindh Workers' Welfare Fund	551	1,344	454	372	8,307	273	11,301
Formation cost	284	-	-	-	-	-	284
Realised loss / (gain) on sale of investments	4,108	365	(2,915)	(47)	(1,426)	(1,201)	(1,116)
	(32,159)	(74,241)	(24,402)	(20,574)	(425,296)	(14,950)	(591,622)
<b>Net cash generated from operations before working capital changes</b>	(4,607)	(7,057)	(1,726)	(1,977)	(9,981)	(1,288)	(26,636)
<b>Working capital changes</b>							
<i>(Increase) / decrease in assets</i>							
Investments	107,115	156,239	147,967	(42,788)	(5,014,816)	(195,246)	(4,841,529)
Deposits, prepayments and other receivables	(30)	22,135	181	9,885	(4)	(3)	32,164
Advance tax	-	(69)	(96)	(1)	-	-	(166)
	107,085	178,305	148,052	(32,904)	(5,014,820)	(195,249)	(4,809,531)
<i>Increase / (decrease) in liabilities</i>							
Payable to the Management Company	804	1,286	(1,480)	125	1,975	345	3,055
Payable to Central Depository Company of Pakistan Limited - Trustee	(20)	(33)	(14)	(2)	294	12	237
Payable to Securities and Exchange Commission of Pakistan	(170)	(89)	11	21	652	22	447
Dividend payable	-	(627)	-	-	-	-	(627)
Accrued expenses and other payables	712	(29,566)	(357)	(172)	712	26,852	(1,819)
	1,326	(29,029)	(1,840)	(28)	3,633	27,231	1,293
Profits received during the period	34,705	71,579	23,284	16,339	419,080	10,364	575,351
<b>Net cash generated from / (used in) operating activities</b>	138,509	213,798	167,770	(18,570)	(4,602,088)	(158,942)	(4,259,523)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Proceeds from issuance of units	833	1,134	2,189	38,777	6,897,417	237,015	7,177,365
Payments on redemption of units	(145,278)	(211,517)	(161,053)	(34,231)	(1,894,752)	(46,443)	(2,493,274)
Total distribution to unit holders	(16,958)	(42,254)	(7,765)	(10,976)	(352,603)	-	(430,556)
<b>Net cash (used in) / generated from financing activities</b>	(161,403)	(252,637)	(166,629)	(6,430)	4,650,062	190,572	4,253,535
<b>Net (decrease) / increase in cash and cash equivalents</b>	(22,894)	(38,839)	1,141	(25,000)	47,974	31,630	(5,988)
Cash and cash equivalents at beginning of the period	23,311	39,497	543	37,274	-	-	100,625
<b>Cash and cash equivalents at end of the period</b>	417	658	1,684	12,274	47,974	31,630	94,637

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

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Financial Officer

SD  
Chief Executive Officer

SD  
Director

# UBL Special Savings Fund

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

For the nine months period ended 31 March 2021

### 1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Special Savings Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and was approved as an open end mutual fund by the Securities and Exchange Commission of Pakistan ("SECP"). It was constituted under a Trust Deed, dated 19 October 2018 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company and Central Depository Company of Pakistan Limited ("CDC") as the Trustee. The Fund commenced its operations from 9 November 2018.

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

The Fund has been categorized by the Management Company as Capital Protected Fund. The Fund consists of six plans namely, UBL Special Savings Fund - Plan I ("USSP I"), UBL Special Savings Fund - Plan II ("USSP II"), UBL Special Savings Fund - Plan III ("USSP III"), UBL Special Savings Fund - Plan IV ("USSP IV"), UBL Special Savings Fund - Plan V ("USSP V") and UBL Special Savings Fund - Plan VI ("USSP VI") The investment objectives of each plan is as follows:

The "UBL Special Savings Plan-I (USSP-I)" is an allocation plan under "UBL Special Savings Fund" with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for thirty six (36) months & beyond from commencement of life of Plan. The Plan is due to mature on 27 Dec 2021.

The "UBL Special Savings Plan-II (USSP-II)" is an allocation plan under "UBL Special Savings Fund" with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for thirty six (36) months & beyond from commencement of life of Plan. The duration of the plan is perpetual.

The "UBL Special Savings Plan-III (USSP-III)" is an allocation plan under "UBL Special Savings Fund" with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for thirty six (36) months & beyond from commencement of life of Plan. The duration of the plan is perpetual.

The "UBL Special Savings Plan-IV (USSP-IV)" is an allocation plan under "UBL Special Savings Fund" with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for twenty four (24) months & beyond from commencement of life of Plan. The duration of the plan is perpetual.

The "UBL Special Savings Plan-V (USSP-V)" is an Allocation Plan under "UBL Special Savings Fund" with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for thirty six (36) months & beyond from Commencement of Life of Plan. The duration of the plan is perpetual.

The "UBL Special Savings Plan-VI (USSP-VI)" is an Allocation Plan under "UBL Special Savings Fund" with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for twenty four (24) months & beyond from Commencement of Life of Plan. The duration of the plan is perpetual.

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

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

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

### 2 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2** The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2020.
- 2.3** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

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

- 3.1** The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.
- 3.2** The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Fund accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.

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

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

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

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

#### 4 BANK BALANCES

Note	31 March 2021 (Un-Audited)						Total
	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	
	(Rupees in '000)						
Savings accounts	1,391	11,976	3,665	3,696	50,789	8,731	80,248
Current accounts	-	-	-	-	8	-	8
	<u>1,391</u>	<u>11,976</u>	<u>3,665</u>	<u>3,696</u>	<u>50,797</u>	<u>8,731</u>	<u>80,256</u>
30 June 2020 (Audited)							
	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
	(Rupees in '000)						
Saving accounts	7,125	14,078	2,905	3,676	47,484	11,749	87,017
Current accounts	-	-	-	-	9	-	9
	<u>7,125</u>	<u>14,078</u>	<u>2,905</u>	<u>3,676</u>	<u>47,493</u>	<u>11,749</u>	<u>87,026</u>

4.1 These carry profit rates ranging from 5.50% to 8.00% (30 June 2020: 6.50% to 8.50%) per annum.

#### 5 INVESTMENTS

Note	31 March 2021 (Un-Audited)						Total
	USSP-I	USSP-II	USSP-III	USSP-IV	USSP-V	USSP-VI	
	(Rupees in '000)						
<b>At fair value through other comprehensive income</b>							
Government securities							
- Pakistan investment bonds	254,860	621,574	43,452	173,428	-	122,265	1,215,579
- Market treasury bills	33,951	-	19,401	-	-	-	53,352
	<u>288,811</u>	<u>621,574</u>	<u>62,853</u>	<u>173,428</u>	<u>-</u>	<u>122,265</u>	<u>1,268,931</u>
30 June 2020 (Audited)							
	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
	(Rupees in '000)						
<b>At fair value through other comprehensive income</b>							
Government securities							
- Pakistan investment bonds	321,618	719,304	117,833	190,350	860,781	132,791	2,342,677
- Market treasury bills	-	-	-	3,067	4,289,842	40,129	4,333,038
	<u>321,618</u>	<u>719,304</u>	<u>117,833</u>	<u>193,417</u>	<u>5,150,623</u>	<u>172,920</u>	<u>6,675,715</u>

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

Investment in Government Securities - at fair value through other comprehensive income									
Issue date	Tenor	Face value				Amortised Cost as at 31 March 2021	Market value as at 31 March 2021	Market value as a percentage of	
		As at 01 July 2020	Purchased during the period	Sold / matured during the period	As at 31 March 2021			Total investments of plan	Net assets of the Plan
----- (Rupees in '000) ----- % -----									
Held by USSP I									
Pakistan investment bonds									
12 July 2018	3 years	220,000	-	15,000	205,000	201,954	204,797	70.91	70.44
12 July 2018	5 years	100,000	1,000	50,000	51,000	45,858	50,063	17.33	17.22
		<u>320,000</u>	<u>1,000</u>	<u>65,000</u>	<u>256,000</u>	<u>247,812</u>	<u>254,860</u>	<u>88.24</u>	<u>87.66</u>
Market treasury bills									
February 25, 2021	6 months	35,000	-	-	35,000	33,982	33,951	11.76	11.68
		<u>35,000</u>	<u>-</u>	<u>-</u>	<u>35,000</u>	<u>33,982</u>	<u>33,951</u>	<u>11.76</u>	<u>11.68</u>

Issue date	Tenor	Face value				Amortised Cost as at 31 March 2021	Market value as at 31 March 2021	Market value as a percentage of	
		As at 01 July 2020	Purchased during the period	Sold / matured during the period	As at 31 March 2021			Total investments of plan	Net assets of the Plan
----- (Rupees in '000) -----							----- % -----		
Held by USSP II									
Pakistan investment bonds									
12 July 2018	3 years	523,000	-	70,800	452,200	444,051	451,753	72.68	70.84
12 July 2018	5 years	193,000	-	20,000	173,000	159,035	169,821	27.32	26.63
		<b>716,000</b>	<b>-</b>	<b>90,800</b>	<b>625,200</b>	<b>603,086</b>	<b>621,574</b>	<b>100.00</b>	<b>97.47</b>
Held by USSP III									
Pakistan investment bonds									
12 July 2018	3 years	57,000	-	42,000	15,000	14,880	14,985	23.84	22.65
12 July 2018	5 years	60,000	-	31,000	29,000	26,152	28,467	45.29	43.03
		<b>117,000</b>	<b>-</b>	<b>73,000</b>	<b>44,000</b>	<b>43,449</b>	<b>43,452</b>	<b>69.13</b>	<b>65.68</b>
Market treasury bills									
February 25, 2021	6 months	20,000	-	-	20,000	19,418	19,401	6.72	6.67
		<b>20,000</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>19,418</b>	<b>19,401</b>	<b>6.72</b>	<b>6.67</b>
Held by USSP IV									
Pakistan investment bonds									
12 July 2018	3 years	190,000	-	16,400	173,600	170,350	173,428	100.00	97.32
		<b>190,000</b>	<b>-</b>	<b>16,400</b>	<b>173,600</b>	<b>170,350</b>	<b>173,428</b>	<b>100.00</b>	<b>97.32</b>
Market treasury bills									
13 February 2020	1 year	<b>3,200</b>	-	<b>3,200</b>	-	-	-	-	-
		<b>3,200</b>	<b>-</b>	<b>3,200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Held by USSP V									
Pakistan investment bonds									
12 July 2018	3 years	600,000	-	600,000	-	-	-	-	-
19 September 2019	3 years	175,000	-	175,000	-	-	-	-	-
19 September 2019	5 years	75,000	-	75,000	-	-	-	-	-
18 June 2020	3 years	-	1,075,000	1,075,000	-	-	-	-	-
		<b>850,000</b>	<b>1,075,000</b>	<b>1,925,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Market treasury bills									
10 October 2019	1 year	998,000	-	998,000	-	-	-	-	-
27 February 2020	1 year	250,000	-	250,000	-	-	-	-	-
26 March 2020	1 year	375,000	-	375,000	-	-	-	-	-
9 April 2020	6 months	92,000	-	92,000	-	-	-	-	-
23 April 2020	6 months	2,200,000	-	2,200,000	-	-	-	-	-
23 April 2020	1 year	375,000	-	375,000	-	-	-	-	-
18 June 2020	1 year	125,000	-	125,000	-	-	-	-	-
16 July 2020	1 year	-	75,000	75,000	-	-	-	-	-
January 14, 2021	3 months	-	770,000	770,000	-	-	-	-	-
16 July 2020	6 months	-	75,000	75,000	-	-	-	-	-
		<b>4,415,000</b>	<b>920,000</b>	<b>5,335,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Issue date	Tenor	Face value				Amortised Cost as at 31 March 2021	Market value as at 31 March 2021	Market value as a percentage of	
		As at 01 July 2020	Purchased during the period	Sold / matured during the period	As at 31 March 2021			Total investments of plan	Net assets of the Plan
----- (Rupees in '000) -----							----- % -----		
Held by USSP VI									
Pakistan investment bonds									
12 July 2018	3 years	81,000	8,000	3,000	86,000	84,932	85,915	70.27	65.33
19 September 2019	3 years	50,000	-	14,000	36,000	36,216	36,350	29.73	27.64
		<b>131,000</b>	<b>8,000</b>	<b>17,000</b>	<b>122,000</b>	<b>121,148</b>	<b>122,265</b>	<b>100.00</b>	<b>92.97</b>
Market treasury bills									
10 October 2019	1 year	22,000	-	22,000	-	-	-	-	-
26 March 2020	1 year	19,500	-	19,500	-	-	-	-	-
		<b>41,500</b>	<b>-</b>	<b>41,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 6. PRELIMINARY EXPENSES AND FLOATATION COST

	31 March 2021 (Un-Audited)						
	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
----- (Rupees in '000) -----							
Deferred formation cost at start of the period	512	-	-	-	-	-	512
Amortisation during the period	(283)	-	-	-	-	-	(283)
Unamortised formation cost at end of the period	<b>229</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>229</b>
-----							
	30 June 2020 (Audited)						
	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
----- (Rupees in '000) -----							
Deferred formation cost at start of the year	890	-	-	-	-	-	890
Amortisation during the year	(378)	-	-	-	-	-	(378)
Unamortised formation cost at end of the year	<b>512</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>512</b>

- 6.1. As per the Offering Document all preliminary and floatation expenses of the Fund including expenses incurred in connection with the establishment and authorisation of the Fund, including execution and registration of the Constitutive Documents, issue, legal costs, printing, circulation and publication of the Offering Document, and all expenses incurred for announcing the Fund and other expenses during and up to the Initial Public Offer (IPO), shall be borne and reimbursed by the Fund to the Management Company subject to the audit of expenses. Deferred formation cost shall be borne by the Fund and amortised within the maturity of plan which is 36 months.

## 7. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Fund also obtained exemption from section 150A of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificates from CIR, various withholding agents have deducted advance tax under section 151 of the ITO 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

## 8. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

		31 March 2021 (Un-Audited)						
	Note	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
(Rupees in '000)								
Management remuneration payable	8.1	281	612	64	171	36	127	1,291
Payable against formation cost		1,137	-	-	-	-	-	1,137
Sales load and other payables		42	116	52	68	54	62	394
Payable against selling and marketing expense	8.2	365	520	120	443	-	-	1,448
Payable against allocation of expenses relating to the fund	8.3	-	-	-	-	324	-	324
Others		-	-	-	-	-	-	-
		<u>1,825</u>	<u>1,248</u>	<u>236</u>	<u>682</u>	<u>414</u>	<u>189</u>	<u>4,594</u>
30 June 2020 (Audited)								
		USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
(Rupees in '000)								
Management remuneration payable		323	718	119	194	483	184	2,021
Payable against formation cost		1,137	-	-	-	-	-	1,137
Sales load and other payables		1,552	1,692	433	125	20	282	4,104
Payable against selling and marketing expense		355	-	-	-	-	-	355
Payable against allocation of expenses relating to the fund		-	-	-	-	874	-	874
Others		1	21	11	20	11	21	85
		<u>3,368</u>	<u>2,431</u>	<u>563</u>	<u>339</u>	<u>1,388</u>	<u>487</u>	<u>8,576</u>

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

Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 1% and 0.1% (30 June 2020: 1% and 0.1%) per annum of average daily net assets of USSP I, USSP II, USSP III, USSP IV, USSP VI and USSP V respectively. This includes Sindh sales tax charged on management remuneration at the rate of 13% (30 June 2020 :13%) per annum.

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

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

	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI
	%					
From 1st July 2020 to 14 July 2020	0.40	0.00	0.00	0.00	0.00	0.00
From 15 July 2020 to 31 March 2021	0.50	0.33	0.70	1.00	0.00	0.00

**8.3** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company based on its own discretion has charged allocated expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rate of 0.1% per annum of the average daily net assets of USSP V.

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

		31 March 2021 (Un-Audited)						
	Note	USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
		(Rupees in '000)						
Trustee remuneration	9.1	15	34	3	10	26	7	95
Sindh Sales Tax on Trustee remuneration	9.2	2	5	1	1	3	1	13
		<u>17</u>	<u>39</u>	<u>4</u>	<u>11</u>	<u>29</u>	<u>8</u>	<u>108</u>
30 June 2020 (Audited)								
		USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
		(Rupees in '000)						
Trustee remuneration		17	39	6	11	260	10	343
Sindh Sales Tax on Trustee remuneration		2	5	1	1	34	1	44
		<u>19</u>	<u>44</u>	<u>7</u>	<u>12</u>	<u>294</u>	<u>11</u>	<u>387</u>

**9.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.06% (30 June, 2020: 0.06%) per annum of average daily net assets of the Fund during the period.

**9.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (30 June, 2020: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

**10. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

		31 March 2021 (Un-Audited)						
		USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
		(Rupees in '000)						
Annual fee payable		47	102	13	29	336	21	548
		<u>47</u>	<u>102</u>	<u>13</u>	<u>29</u>	<u>336</u>	<u>21</u>	<u>548</u>
30 June 2020 (Audited)								
		USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
		(Rupees in '000)						
Annual fee payable		77	162	40	42	912	32	1,265
		<u>77</u>	<u>162</u>	<u>40</u>	<u>42</u>	<u>912</u>	<u>32</u>	<u>1,265</u>

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

## 11. ACCRUED EXPENSES AND OTHER PAYABLES

Note

		31 March 2021 (Un-Audited)						
		USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
		(Rupees in '000)						
Provision for Sindh Workers' Welfare Fund (SWWF)	11.1	1,890	3,432	824	822	15,497	646	23,111
Auditors remuneration payable		45	30	30	30	33	33	201
Withholding tax payable		-	77	-	-	161	-	238
Zakat deducted at source		48	580	14	73	-	39	754
Other payables		157	762	131	45	7,736	77	8,908
		<u>2,140</u>	<u>4,881</u>	<u>999</u>	<u>970</u>	<u>23,427</u>	<u>795</u>	<u>33,212</u>
		30 June 2020 (Audited)						
		USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI	Total
		(Rupees in '000)						
Provision for Sindh Workers' Welfare Fund (SWWF)		1,409	2,410	655	529	12,321	443	17,767
Auditors remuneration payable		49	49	49	50	29	40	266
Withholding tax payable		4,572	9,109	1,102	2,334	44,439	3,192	64,748
Zakat deducted at source		50	580	14	73	0	39	756
Other payables		136	631	159	43	1444	13,402	15,815
		<u>6,216</u>	<u>12,779</u>	<u>1,979</u>	<u>3,029</u>	<u>58,233</u>	<u>17,116</u>	<u>99,352</u>

- 11.1 This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the SWWF not been provided for, the net assets value per unit would have been higher by USSP I Rs 0.6868, USSP II Rs 0.5665, USSP III Rs 1.3448, USSP IV Rs 0.4826, USSF V Rs 54.9184 and USSF VI Rs 0.5029 (June 30, 2020: USSP I Rs 0.4559 USSP II Rs 0.3472, USSP III Rs 0.5954, USSP IV Rs 0.2805, USSF V Rs 0.2411 and USSF VI Rs 0.2675).

## 12. CONTINGENCIES AND COMMITMENTS

Other than already disclosed in this condensed interim financial statements, there are no contingencies and commitments outstanding as at 31 March 2021.

## 13. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending 30 June, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax

#### 14. TOTAL EXPENSE RATIO (TER)

The Annualized Total Expense Ratio (TER) of the fund based on the current period results are as follows:

		31 March 2021 (Un-Audited)					
		USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI
		----- % -----					
Total expense ratio		2.07	1.75	2.25	2.42	0.51	1.49
Government levy, SWWF and SECP fee		0.36	0.36	0.43	0.36	0.23	0.35
		----- % -----					
		31 March 2020 (Un-Audited)					
		USSP I	USSP II	USSP III	USSP IV	USSP V	USSP VI
		----- % -----					
Total expense ratio		1.95	1.46	1.56	1.53	0.45	1.37
Government levy, SWWF and SECP fee		0.34	0.38	0.43	0.40	0.24	0.36

The above ratios are within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective income scheme categorized as capital protected income fund

#### 15. EARNINGS PER UNIT

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

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

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations and the Trust Deed respectively. Other transactions with the related parties / connected persons have been carried out at agreed terms.

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

	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
----- (For the nine months period ended 31 March 2021) (Un-Audited) -----						
----- (Rupees in '000) -----						
<b>USSP I</b>						
Purchase of securities	-	-	-	994	-	-
Sale of securities	-	-	-	-	-	-
Remuneration	2,344	-	140	-	-	-
Sindh Sales Tax on remuneration	305	-	19	-	-	-
Selling and marketing expense	1,159	-	-	-	-	-

	-----Balances held as at 31 March 2021 (Un-Audited) -----					
	----- (Rupees in '000) -----					
Remuneration payable*	281	-	17	-	-	-
Sales load and other payables	42	26	-	-	-	-
Formation cost payable	1,137	-	-	-	-	-
Payable against selling and marketing	365	-	-	-	-	-

\* This balance is inclusive of Sindh Sales Tax.

	----- (For the nine months period ended 31 March 2021) (Un-Audited) -----					
	----- (Rupees in '000) -----					
Sale of securities	-	-	-	18,993	-	-
Remuneration	5,111	-	307	-	-	-
Sindh Sales Tax on remuneration	664	-	40	-	-	-
Selling and marketing expense	1,592	-	-	-	-	-

	-----Balances held as at 31 March 2021 (Un-Audited) -----					
	----- (Rupees in '000) -----					
Remuneration payable*	612	-	39	-	-	-
Payable against selling and marketing	520	-	-	-	-	-
Sales load and other payables	116	564	-	-	-	-

\* This balance is inclusive of Sindh Sales Tax.

	----- (For the nine months period ended 31 March 2021) (Un-Audited) -----					
	----- (Rupees in '000) -----					
Sale of securities	-	-	-	994	-	-
Dividend paid	-	-	-	-	-	-
Remuneration	635	-	38	-	-	-
Sindh Sales Tax on remuneration	83	-	5	-	-	-
Selling and marketing expense	411	-	-	-	-	-
	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties

	-----Balances held as at 31 March 2021 (Un-Audited) -----					
	----- (Rupees in '000) -----					
Units held (units in '000)	-	-	-	-	-	-
Units held (Rupees in '000)	-	-	-	-	-	-
Remuneration payable*	64	-	4	-	-	-
Payable against selling and marketing	120	-	-	-	-	-
Sales load and other payables	52	43	-	-	-	-
Dividend payable	-	-	-	-	-	-

\* This balance is inclusive of Sindh Sales Tax.

**USSP IV**

(For the nine months period ended 31 March 2021) (Un-Audited)					
(Rupees in '000)					
Purchase of securities	-	-	-	-	-
Dividend paid	-	-	-	-	4,403
Remuneration	1,431	-	86	-	-
Sindh Sales Tax on remuneration	186	-	11	-	-
Selling and marketing expense	1,354	-	-	-	-

**Balances held as at 31 March 2021 (Un-Audited)**

(Rupees in '000)					
Units held (units in '000)	-	-	-	-	856
Units held (Rupees in '000)	-	-	-	-	89,558
Remuneration payable*	171	-	11	-	-
Payable against selling and marketing	443	-	-	-	-
Sales load and other payables	68	11	-	-	-
Dividend payable	-	-	-	-	-
Deposit with CDC	-	-	-	-	-

\* This balance is inclusive of Sindh Sales Tax.

**USSP V**

(For the nine months period ended 31 March 2021) (Un-Audited)					
(Rupees in '000)					
Units issued	-	-	-	-	1,117
Units redeemed	-	-	-	-	-
Sale of securities	-	-	-	1,073,936	-
Dividend paid	-	-	-	-	1,274
Remuneration	1,681	-	1,009	-	-
Sindh Sales Tax on remuneration	218	-	131	-	-
Reimbursement of expenses	1,681	-	-	-	-

Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
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**Balances held as at 31 March 2021 (Un-Audited)**

(Rupees in '000)					
Units held (units in '000)	-	-	-	-	255
Units held (Rupees in '000)	-	-	-	-	25,656
Remuneration payable*	36	-	29	-	-
Sales load and other payables	54	15	-	-	-
Reimbursement of expenses	324	-	-	-	-

\* This balance is inclusive of Sindh Sales Tax.

**USSP VI**

----- (For the nine months period ended 31 March 2021) (Un-Audited) -----					
----- (Rupees in '000) -----					
Units issued	-	-	-	-	-
Units redeemed	-	-	-	160	-
Purchase of securities	-	-	-	7,996	-
Sale of securities	-	-	-	36,142	-
Dividend paid	-	-	-	-	2,162
Remuneration	1,071	-	65	-	-
Sindh Sales Tax on remuneration	139	-	8	-	-

## ----- Balances held as at 31 March 2021 (Un-Audited) -----

----- (Rupees in '000) -----					
Units held (units in '000)	-	-	-	4	428
Units held (Rupees in '000)	-	-	-	453	43,821
Remuneration payable*	127	-	8	-	-
Sales load and other payables	62	58	-	-	-

\* This balance is inclusive of Sindh Sales Tax.

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

----- (For the nine months period ended 31 March 2020) (Un-audited) -----					
----- (Rupees in '000) -----					
Purchase of securities	-	-	-	-	-
Sale of securities	-	44,330	10,341	-	-
Remuneration	2,970	-	-	-	-
Sindh sales tax on remuneration	386	-	-	-	-
Selling and marketing expense	188	-	-	-	-
Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties

## ----- Balances held as at 30 June 2020 (Audited) -----

----- (Rupees in '000) -----					
Remuneration payable*	323	-	19	-	-
Sales load and other payables	1,553	27	-	-	-
Formation cost payable	1,137	-	-	-	-
Payable against selling and marketing	355	-	-	-	-

\* This balance is inclusive of Sindh Sales Tax.

**USSP II**

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

-	-	-	4,641	-	-
6,183	-	371	-	-	-
804	-	48	-	-	-
-	-	-	-	-	-

----- Balances held as at 30 June 2020 (Audited) -----

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

Remuneration payable\*  
Payable against selling and marketing  
Sales load and other payables

718	-	44	-	-	-
-	-	-	-	-	-
1,713	564	-	-	-	-

\* This balance is inclusive of Sindh Sales Tax.

**USSP III**

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

-	-	-	8,526	-	-
-	-	-	-	-	1,614
1,698	-	102	-	-	-
221	-	13	-	-	-
-	-	-	-	-	-

----- Balances held as at 30 June 2020 (Audited) -----

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

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

-	-	-	-	-	293
-	-	-	-	-	32,636
119	-	7	-	-	-
-	-	-	-	-	-
444	43	-	-	-	-
-	-	-	-	-	-

\* This balance is inclusive of Sindh Sales Tax.

**USSP IV**

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

-	-	-	8,362	-	-
-	-	-	-	-	4,709
1,569	-	94	-	-	-
204	-	12	-	-	-
-	-	-	-	-	-

	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
----- Balances held as at 30 June 2020 (Audited) -----						
----- (Rupees in '000) -----						
Units held (units in '000)	-	-	-	-	-	856
Units held (Rupees in '000)	-	-	-	-	-	90,904
Remuneration payable*	194	-	12	-	-	-
Payable against selling and marketing	-	-	-	-	-	-
Sales load and other payables	145	11	-	-	-	-
Dividend payable	-	-	-	-	-	-
Deposit with CDC	-	-	69	-	-	-

\* This balance is inclusive of Sindh Sales Tax.

#### USSP V

----- (Transaction during the period from 13 September 2019 to 31 March 2020) -----						
----- (Rupees in '000) -----						
Units issued	-	-	-	-	-	6,505,127
Units redeemed	-	-	-	-	-	1,668,551
Dividend Paid	-	-	-	-	-	339,862
Sale of securities	-	-	-	1,863.00	-	-
Remuneration	3,258	-	1,955	-	-	-
Sindh sales tax on remuneration	424	-	254	-	-	-
Reimbursement of expenses	3,266	-	-	-	-	-

----- Balances held as at 30 June 2020 (Audited) -----						
----- (Rupees in '000) -----						
Units held (units in '000)	-	-	-	-	-	50,460
Units held (Rupees in '000)	-	-	-	-	-	5,098,857
Remuneration payable*	483	-	294	-	-	-
Sales load and other payables	31	15	-	-	-	-
Reimbursement of expenses	874	-	-	-	-	-

\* This balance is inclusive of Sindh Sales Tax.

#### USSP VI

----- (Transaction during the period from 9 August 2019 to 31 March 2020) -----						
----- (Rupees in '000) -----						
Units issued	-	-	-	-	600	-
Units redeemed	-	-	-	-	-	-
Purchase of securities	-	-	-	1,863	-	-
Sale of securities	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Remuneration	1,103	-	65	-	-	-
Sindh sales tax on remuneration	143	-	9	-	-	-

----- Balances held as at 30 June 2020 (Audited) -----						
----- (Rupees in '000) -----						
Units held (units in '000)	-	-	-	-	6	159
Units held (Rupees in '000)	-	-	-	-	620	16,422
Remuneration payable*	184	-	11	-	-	-
Sales load and other payables	303	58	-	-	-	-

\* This balance is inclusive of Sindh Sales Tax.

## 17. FAIR VALUE MEASUREMENT

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

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

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

### 17.1. Fair value hierarchy

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

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

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

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

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

On-balance sheet financial instruments	31 March 2021 (Un-Audited)							
	USSP I							
	Carrying amount					Fair value		
	At fair value through profit or loss	Designated as at fair value through profit or loss	At fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3
	(Rupees in '000)							
<b>Financial assets measured at fair value</b>								
Investments	-	-	288,811	-	288,811	-	288,811	-
<b>Financial assets not measured at fair value</b>								
Bank balances	-	-	-	1,391	1,391			
Profits receivables	-	-	-	4,124	4,124			
Deposits and other receivables	-	-	-	7	7			
	-	-	-	5,522	5,522			
<b>Financial liabilities not measured at fair value</b>								
Payable to UBL Fund Managers Limited - Management Company	-	-	-	1,825	1,825			
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	17	17			
Dividend payable	-	-	-	-	-			
Accrued expenses and other payables	-	-	-	250	250			
	-	-	-	2,091	2,091			

On-balance sheet financial instruments	USSP II					Fair value			
	Carrying amount					Level 1	Level 2	Level 3	Total
	At fair value through profit or loss	Designated as at fair value through profit or loss	At fair value through other comprehensive income	Amortised cost	Total				
(Rupees in '000)									
Financial assets measured at fair value									
Investments	-	-	621,574	-	621,574	-	621,574	-	621,574
Financial assets not measured at fair value									
Bank balances	-	-	-	11,976	11,976				
Profits receivables	-	-	-	10,218	10,218				
Deposits and other receivables	-	-	-	75	75				
	-	-	-	22,269	22,269				
Financial liabilities not measured at fair value									
Payable to UBL Fund Managers Limited - Management Company	-	-	-	1,248	1,248				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	39	39				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	1,449	1,449				
	-	-	-	2,737	2,737				
On-balance sheet financial instruments	USSP III					Fair value			
	Carrying amount					Level 1	Level 2	Level 3	Total
	At fair value through profit or loss	Designated as at fair value through profit or loss	At fair value through other comprehensive income	Amortised cost	Total				
(Rupees in '000)									
Financial assets measured at fair value									
Investments	-	-	62,853	-	62,853	-	62,853	-	62,853
Financial assets not measured at fair value									
Bank balances	-	-	-	3,665	3,665				
Profits receivables	-	-	-	768	768				
Deposits and other receivables	-	-	-	5	5				
	-	-	-	4,438	4,438				
Financial liabilities not measured at fair value									
Payable to UBL Fund Managers Limited - Management Company	-	-	-	236	236				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	4	4				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	174	174				
	-	-	-	414	414				

On-balance sheet financial instruments	USSP IV								
	Carrying amount					Fair value			
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)								
<b>Financial assets measured at fair value</b>									
Investments	-	-	173,428	-	173,428	-	173,428	-	173,428
<b>Financial assets not measured at fair value</b>									
Bank balances	-	-	-	3,696	3,696				
Profits receivables	-	-	-	2,763	2,763				
Deposits and other receivables	-	-	-	-	-				
	-	-	-	6,458	6,458				
<b>Financial liabilities not measured at fair value</b>									
Payable to UBL Fund Managers Limited - Management Company	-	-	-	682	682				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	11	11				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	148	148				
	-	-	-	841	841				

On-balance sheet financial instruments	USSP V								
	Carrying amount					Fair value			
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)								
<b>Financial assets measured at fair value</b>									
Investments	-	-	-	-	-	-	-	-	-
<b>Financial assets not measured at fair value</b>									
Bank balances	-	-	-	50,797	50,797				
Profits receivables	-	-	-	1,800	1,800				
Deposits and other receivables	-	-	-	1	1				
	-	-	-	52,598	52,598				
<b>Financial liabilities not measured at fair value</b>									
Payable to UBL Fund Managers Limited - Management Company	-	-	-	414	414				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	29	29				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	7,930	7,930				
	-	-	-	8,373	8,373				

On-balance sheet financial instruments	USSP VI								
	Carrying amount				Fair value				
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----									
<b>Financial assets measured at fair value</b>									
Investments	-	-	122,265	-	122,265	-	122,265	-	122,265
<b>Financial assets not measured at fair value</b>									
Bank balances	-	-	-	8,731	8,731				
Profits receivables	-	-	-	1,526	1,526				
Deposits and other receivables	-	-	-	-	-				
	-	-	-	10,257	10,257				
<b>Financial liabilities not measured at fair value</b>									
Payable to UBL Fund Managers Limited - Management Company	-	-	-	189	189				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	8	8				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	149	149				
	-	-	-	346	346				
30 June 2020 (Audited)									
USSP I									
On-balance sheet financial instruments	Carrying amount				Fair value				
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----								
<b>Financial assets measured at fair value</b>									
Investments	-	-	321,618	-	321,618	-	321,618	-	321,618
<b>Financial assets not measured at fair value</b>									
Bank balances	-	-	-	7,125	7,125				
Profits receivables	-	-	-	11,159	11,159				
Deposits and other receivables	-	-	-	5	5				
	-	-	-	18,289	18,289				
<b>Financial liabilities not measured at fair value</b>									
Payable to UBL Fund Managers Limited - Management Company	-	-	-	3,368	3,368				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	19	19				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	4,807	4,807				
	-	-	-	8,194	8,194				

On-balance sheet financial instruments	USSP II					Fair value			
	Carrying amount					Level 1	Level 2	Level 3	Total
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total				
(Rupees in '000)									
<b>Financial assets measured at fair value</b>									
Investments	-	-	719,304	-	719,304	-	719,304	-	719,304
<b>Financial assets not measured at fair value</b>									
Bank balances	-	-	-	14,078	14,078				
Profits receivables	-	-	-	24,993	24,993				
Deposits and other receivables	-	-	-	77	77				
	-	-	-	39,148	39,148				
<b>Financial liabilities not measured at fair value</b>									
Payable to UBL Fund Managers Limited - Management Company	-	-	-	2,431	2,431				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	44	44				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	10,369	10,369				
	-	-	-	12,844	12,844				
<b>On-balance sheet financial instruments</b>									
	USSP III					Fair value			
	Carrying amount					Level 1	Level 2	Level 3	Total
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total				
(Rupees in '000)									
<b>Financial assets measured at fair value</b>									
Investments	-	-	117,833	-	117,833	-	117,833	-	117,833
<b>Financial assets not measured at fair value</b>									
Bank balances	-	-	-	2,905	2,905				
Profits receivables	-	-	-	4,214	4,214				
Deposits and other receivables	-	-	-	5	5				
	-	-	-	7,124	7,124				
<b>Financial liabilities not measured at fair value</b>									
Payable to UBL Fund Managers Limited - Management Company	-	-	-	563	563				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	7	7				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	1,324	1,324				
	-	-	-	1,894	1,894				

On-balance sheet financial instruments	USSP IV								
	Carrying amount					Fair value			
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
<b>Financial assets measured at fair value</b>									
Investments	-	-	193,417	-	193,417	-	193,417	-	193,417
<b>Financial assets not measured at fair value</b>									
Bank balances	-	-	-	3,676	3,676				
Profits receivables	-	-	-	6,531	6,531				
Deposits and other receivables	-	-	-	74	74				
	-	-	-	10,281	10,281				
<b>Financial liabilities not measured at fair value</b>									
Payable to UBL Fund Managers Limited - Management Company	-	-	-	339	339				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	12	12				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	2,500	2,500				
	-	-	-	2,851	2,851				
(Rupees in '000)									
On-balance sheet financial instruments	USSP V								
	Carrying amount					Fair value			
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
<b>Financial assets measured at fair value</b>									
Investments	-	-	5,150,623	-	5,150,623	-	5,150,623	-	5,150,623
<b>Financial assets not measured at fair value</b>									
Bank balances	-	-	-	47,493	47,493				
Profits receivables	-	-	-	27,344	27,344				
Deposits and other receivables	-	-	-	-	-				
	-	-	-	74,837	74,837				
<b>Financial liabilities not measured at fair value</b>									
Payable to UBL Fund Managers Limited - Management Company	-	-	-	1,388	1,388				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	294	294				
Dividend payable	-	-	-	-	-				
Accrued expenses and other payables	-	-	-	45,912	45,912				
	-	-	-	47,594	47,594				

On-balance sheet financial instruments	USSP VI							
	Carrying amount					Fair value		
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3
								Total
	(Rupees in '000)							
<b>Financial assets measured at fair value</b>								
Investments	-	-	172,920	-	172,920	-	172,920	-
<b>Financial assets not measured at fair value</b>								
Bank balances	-	-	-	11,749	11,749			
Profits receivables	-	-	-	4,094	4,094			
Deposits and other receivables	-	-	-	-	-			
	-	-	-	15,843	15,843			
<b>Financial liabilities not measured at fair value</b>								
Payable to UBL Fund Managers Limited - Management Company	-	-	-	487	487			
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	11	11			
Dividend payable	-	-	-	-	-			
Accrued expenses and other payables	-	-	-	16,673	16,673			
	-	-	-	17,171	17,171			

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

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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

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.

#### 19. GENERAL

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

#### 20. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Financial Officer

SD  
Chief Executive Officer

SD  
Director

# USSF II

## UBL Special Savings Fund II

### INVESTMENT OBJECTIVE

UBL Special Savings Fund shall be an open-end Capital Protected Fund that aims to not only provide its unitholders capital preservation but competitive regular returns from a portfolio of fixed income investments in line with the risk tolerance of the Investor.

<b>Management Company</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>Auditor</b>	KPMG - Taseer Hadi & Co
<b>Bankers</b>	Soneri Bank Limited
<b>Management Co.Rating</b>	AM1 (VIS)

**UBL Special Savings Plan VIII (USSP-VIII) Under UBL Special Savings Fund II**  
**Condensed Interim Statement of Assets and Liabilities**  
**As at March 31, 2021**

		(Un-Audited) March 31, 2021	(Audited) June 30, 2020
	Note	---- (Rupees in '000) ----	
<b>Assets</b>			
Bank balances	4	10,400	43,426
Investment	5	130,113	108,143
Profit receivable		560	2,918
Formation Cost		346	853
Prepayments and other receivables		9	8
Advance tax	6	1,562	1,562
<b>Total assets</b>		<b>142,991</b>	<b>156,910</b>
<b>Liabilities</b>			
Payable to UBL Fund Managers Limited - Management Company	7	1,247	1,145
Payable to Central Depository Company of Pakistan Limited - Trustee	8	8	9
Payable to Securities and Exchange Commission of Pakistan	9	22	10
Accrued expenses and other payables	10	793	1,460
<b>Total liabilities</b>		<b>2,071</b>	<b>2,624</b>
<b>Net assets</b>		<b>140,920</b>	<b>154,286</b>
<b>Unit holders' fund</b> (as per statement attached)		<b>140,920</b>	<b>154,286</b>
<b>Contingencies and commitments</b>	11		
		(Number of Units)	
<b>Number of units in issue</b>		<b>1,368,371</b>	<b>1,517,331</b>
		(Rupees)	
<b>Net assets value per unit</b>		<b>102.9837</b>	<b>101.6827</b>
<b>Face value per unit</b>		<b>100.0000</b>	<b>100.0000</b>

The annexed notes 1 to 19 form an integral part of these financial statements.

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

SD  
**Chief Executive Officer**

SD  
**Chief Financial Officer**

SD  
**Director**

**UBL Special Savings Plan VIII (USSP-VIII) Under UBL Special Savings Fund II**  
**Condensed Interim Income Statement (Un-audited)**  
**For the Nine months period and Quarter ended March 31, 2021**

	Nine Months Period Ended	For the period from	Quarter Ended
	March 31, 2021	February 10, 2020 'to March 31, 2020	March 31, 2021
Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----
<b>Income</b>			
Markup on bank deposits and mark-up / return on investments calculated using the effective interest method	8,596	1,926	2,669
Capital (loss) on sale of investments - net	(544)	-	0
<b>Total income</b>	<b>8,052</b>	<b>1,926</b>	<b>2,669</b>
<b>Expenses</b>			
Remuneration of UBL Fund Managers Limited - Management Company	925	120	296
Allocation of expenses relating to the Fund	109	14	35
Remuneration of Central Depository Company of Pakistan Limited - Trustee	74	10	24
Annual fee of Securities and Exchange Commission of Pakistan	22	3	7
Formation costs	507	46	101
Auditors' remuneration	353	103	116
Listing fees	14	10	0
Legal and professional charges	123	37	28
Brokerage expenses	6	-	(0)
Bank charges	3	-	-
<b>Total operating expenses</b>	<b>2,136</b>	<b>342</b>	<b>607</b>
<b>Net income from operating activities</b>	<b>5,916</b>	<b>1,584</b>	<b>2,062</b>
Provision for Sindh Workers' Welfare Fund	(116)	(31)	(40)
<b>Net income for the quarter before taxation</b>	<b>5,800</b>	<b>1,553</b>	<b>2,022</b>
Taxation	-	-	-
<b>Net income for the quarter after taxation</b>	<b>5,800</b>	<b>1,553</b>	<b>2,022</b>
<b>Allocation of net income for the quarter after taxation</b>			
Net income for the year after taxation	5,800	1,553	2,022
Income already paid on units redeemed	(102)	-	(26)
<b>Accounting income available for distribution</b>	<b>5,698</b>	<b>1,553</b>	<b>1,995</b>
<b>Accounting income available for distribution</b>			
- Relating to capital gains	-	-	-
- Excluding capital gains	5,698	1,553	1,995
	<b>5,698</b>	<b>1,553</b>	<b>1,995</b>

The annexed notes 1 to 19 form an integral part of these financial statements.

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

SD  
**Chief Executive Officer**

SD  
**Chief Financial Officer**

SD  
**Director**

**UBL Special Savings Plan VIII (USSP-VIII) Under UBL Special Savings Fund II**  
**Condensed Interim Statement of Comprehensive Income (Un-audited)**  
**For the Nine months period and Quarter ended March 31, 2021**

	Nine Months Period Ended	For the period from February 10, 2020 'to March 31, 2020	Quarter Ended March 31,
	2021	2020	2021
	---- (Rupees in '000) ----		---- (Rupees in '000) ---
<b>Net income for the quarter after taxation</b>	<b>5,800</b>	1,553	<b>2,022</b>
<b>Other comprehensive income for the quarter</b>	<b>-</b>	-	<b>-</b>
Unrealised loss on re-measurement of investments - classified at fair value through other comprehensive income	(2,472)	121	(397)
<b>Total comprehensive income for the quarter</b>	<b>3,328</b>	1,674	<b>1,625</b>

The annexed notes 1 to 19 form an integral part of these financial statements.

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

SD  
**Chief Executive Officer**

SD  
**Chief Financial Officer**

SD  
**Director**

**UBL Special Savings Plan VIII (USSP-VIII) Under UBL Special Savings Fund II**  
**Condensed Interim Statement of Movement in Unit holders' Fund (Un-audited)**  
**For the Nine months period ended March 31, 2021**

	March 31, 2021				For the period from February 10, 2020 to March 31, 2020			
	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total
	(Rupees in '000)							
<b>Net assets at beginning of the quarter</b>	152,032	(247)	2,501	154,286	-	-	-	-
<b>Issuance of nil units (2020: 1,056,006 units)</b>								
- Capital value	-	-	-	-	105,601	-	-	105,601
- Element of income	-	-	-	-	-	-	-	-
- relating to other comprehensive income for the period	-	-	-	-	-	-	-	-
- relating to net income for the period after taxation	-	-	-	-	63	-	-	63
<b>Total amount received on issuance of units</b>	-	-	-	-	105,664	-	-	105,664
<b>Redemption of 148,959 units (2020: nil units)</b>								
- Capital value	(15,147)	-	-	(15,147)	-	-	-	-
- Element of income	-	-	-	-	-	-	-	-
- relating to other comprehensive income for the period	48	-	-	48	-	-	-	-
- relating to net income for the period after taxation	-	(102)	-	(102)	-	-	-	-
<b>Total amount paid on redemption of units</b>	(15,099)	(102)	-	(15,201)	-	-	-	-
<b>Total comprehensive income for the period</b>	-	5,800	(2,472)	3,328	-	1,553	121	1,673
Interim distribution during the period	-	-	-	-	-	-	-	-
Rs. 1.0495 per unit paid on December 23, 2020	-	(1,493)	-	(1,493)	-	-	-	-
<b>Net income for the period less distribution</b>	-	4,307	(2,472)	1,835	-	1,553	121	1,673
<b>Net assets at end of the quarter</b>	<b>136,933</b>	<b>3,958</b>	<b>29</b>	<b>140,920</b>	<b>105,664</b>	<b>1,553</b>	<b>121</b>	<b>107,337</b>
<b>Undistributed income brought forward:</b>								
- Realised income		(2,748)				-		
- Unrealised income		2,501				-		
		(247)				-		
<b>Accounting income available for distribution</b>								
- Relating to capital gains		-				-		
- Excluding capital gains		5,698				1,553		
		5,698				1,553		
<b>Interim distribution during the period</b>								
Rs. 1.0495 per unit paid on December 23, 2020		(1,493)				-		
<b>Undistributed income carried forward</b>		<b>3,958</b>				<b>1,553</b>		
<b>Undistributed income carried forward comprise of:</b>								
- Realised income		3,958				1,553		
- Unrealised income		-				-		
		<b>3,958</b>				<b>1,553</b>		
				(Rupees)				(Rupees)
<b>Net assets value per unit at beginning of the period</b>				<b>101.6827</b>				<b>100.0000</b>
<b>Net assets value per unit at end of the quarter</b>				<b>102.9837</b>				<b>101.6827</b>

The annexed notes 1 to 19 form an integral part of these financial statements.

For UBL Fund Managers Limited  
(Management Company)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL Special Savings Plan VIII (USSP-VIII) Under UBL Special Savings Fund II**  
**Condensed Interim Cash Flow Statement (Un-audited)**  
**For the Nine months period ended March 31, 2021**

	<b>Nine Months Period Ended</b>	<b>For the period from</b>
	<b>March 31, 2021</b>	<b>February 10, 2020 to March 31, 2020</b>
	<b>---- (Rupees in '000) ----</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	5,800	1,553
<b>Adjustments for non-cash and other items:</b>		
Markup on bank deposits and mark-up / return on investments calculated	(8,596)	(1,926)
Capital (loss) on sale of investments - net	544	-
Provision for Sindh Workers' Welfare Fund	116	31
Amortisation of preliminary expenses	507	46
	(7,429)	(1,849)
<b>Net cash used in operations before working capital changes</b>	<b>(1,629)</b>	<b>(296)</b>
<b>Working capital changes</b>		
<i>(Increase) / decrease in assets</i>		
Investment	(24,985)	(90,541)
Formation Cost	853	(1,000)
Prepayments and other receivables	(1)	(50)
Advance tax	-	(267)
	(24,133)	(91,857)
<i>Increase / (decrease) in liabilities</i>		
Payable to UBL Fund Managers Limited - Management Company	102	1,097
Payable to Central Depository Company of Pakistan Limited - Trustee	(1)	6
Payable to Securities and Exchange Commission of Pakistan	12	3
Accrued expenses and other payables	(1,636)	274
	(1,523)	1,380
Profit received	10,954	973
<b>Net cash flows (used in) / generated from operating activities</b>	<b>(16,332)</b>	<b>(89,800)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of units	-	105,664
Payments on redemption of units	(15,201)	-
Cash distribution to unit holders	(1,493)	-
<b>Net cash flows used in financing activities</b>	<b>(16,694)</b>	<b>105,664</b>
<b>Net increase in cash and cash equivalents</b>	<b>(33,026)</b>	<b>15,864</b>
Cash and cash equivalents at beginning of the period	43,426	-
<b>Cash and cash equivalents at end of the period</b>	<b>10,400</b>	<b>15,864</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Bank balances	10,400	15,864
<b>Cash and cash equivalents at end of the period</b>	<b>10,400</b>	<b>15,864</b>

The annexed notes 1 to 19 form an integral part of these financial statements.

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

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL Special Savings Plan VIII (USSP-VIII) Under UBL Special Savings Fund II**  
**Notes to and forming part of the Condensed Interim Financial Information (Un-Audited)**  
**For the Nine months period ended March 31, 2021**

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

UBL Special Savings Fund II was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on June 17, 2019 and was approved by the Securities and Exchange Commission of Pakistan (SECP) for registration on June 19, 2019 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Fund commenced its operations from February 10, 2020.

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

The Fund is an open ended mutual fund. The Fund currently comprises of one plan namely, UBL Special Savings Plan VIII (USSP VIII) (the "Plan") which is listed on the Pakistan Stock Exchange Limited. The Plan is categorised as open-end Capital Protected Fund that aims to not only provide its unit-holders capital preservation but competitive regular returns from a portfolio of fixed income investments in line with the risk tolerance of the Investor. Capital preservation is for the units held within Plan till thirty (30) months and beyond from commencement of Life of Plan.

Class A units are the capital preserved units which are issued in Pre-IPO, IPO and subscription period of the Plan. As per the first supplement to the offering document of the Fund dated December 4, 2019, the subscription period of the plan was for 60 days until April 3, 2020. The subscription period was extended to June 2, 2020 vide third supplement to the offering document dated March 30, 2020. Back end load is applicable after the subscription period until the completion of 30 months of life of the Plan.

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

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

**2. STATEMENT OF COMPLIANCE**

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2 The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2020.
- 2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2021.

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

- 3.1 The accounting policies applied and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.
- 3.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Funds' accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2020.
- 3.3 **Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period**

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

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

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

		Note	March 31, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
<b>4</b>	<b>BANK BALANCES</b>			
	In saving accounts	4.1	<u>10,400</u>	43,426
			<u>10,400</u>	<u>43,426</u>

4.1 The rates of return on these balances range from 7% to 7.25% (June 30, 2020: 7% to 9%) per annum.

## 5 INVESTMENTS

**Investments by category**  
**At fair value through profit or loss**  
Government securities  
- Pakistan Investment Bonds  
- Market Treasury bills

	Note	March 31, 2020 (Unaudited) (Rupees in '000)	June 30, 2020 (Audited)
5.1		81,611	104,259
5.2		<u>48,502</u>	3,884
		<u>130,113</u>	<u>108,143</u>

### 5.1 Pakistan Investment Bonds

USSP VIII											
Issue Date	Note	Tenor	Face Value			As at March 31, 2021	Carrying Value as at March 31, 2021	Market value as at March 31, 2021	Unrealized Appreciation	Market value as a percentage of	
			At the beginning of the period	Purchased during the period	Sold / Matured during the period					Total Investments	Net Assets
----- (Rupees in '000) -----											
September 19, 2019	5.1.1	3 Year	50,000	14,000	-	64,000	64,598	64,622	24	49.67%	45.86%
July 12, 2018	5.1.2	3 Year	-	17,000	-	17,000	16,998	16,989	(9)	13.06%	12.06%
September 19, 2019		5 Year	50,000	-	50,000	-	-	-	-	-	-
As at March 31, 2021 (Un-audited)			100,000	31,000	50,000	81,000	81,596	81,611	15	62.72%	57.91%
As at June 30, 2020 (Audited)			-	100,000	-	100,000	101,810	104,259	2,449	96.41%	67.57%

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

5.1.2 This Pakistan Investment Bonds carry coupon interest at the rate of 7.25% per annum.

### 5.2 Treasury bills

		USSP VIII							Market value as a percentage of	
Issue date	Tenor	At the beginning of the period	Face Value Purchased during the period	Sold / Matured during the period	As at March 31, 2021	Carrying Value as at March 31, 2021	Market value as at March 31, 2021	Unrealized Appreciation	Total Investments	Net Assets
		----- (Rupees in '000) -----								
December 5, 2019	1 Year	4,000	-	4,000	-	-	-	-	0.00%	0.00%
February 25, 2021	6 Months	-	50,000	-	50,000	-	-	-	0.00%	0.00%
November 19, 2020	3 Months	-	105,000	105,000	-	48,547	48,502	(45)	37.28%	34.42%
As at March 31, 2021 (Un-audited)		4,000	155,000	109,000	50,000	48,547	48,502	(45)	37.28%	34.42%
As at June 30, 2020 (Audited)		-	104,000	100,000	4,000	3,832	3,884	52	3.59%	2.52%

## 6. ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the ITO, 2001) from withholding tax under sections 150, 151 and 233 of the ITO, 2001. The Fund also obtained exemption from section 150A of the ITO, 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the ITO, 2001 which has been recorded as advance tax receivable in these condensed interim financial statements.

## 7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

	Note	March 31, 2021 (Un-audited) (Rupees in '000)	June 30, 2020 (Audited)
Remuneration payable to the Management Company	7.1	96	96
Sindh sales tax payable on remuneration of the Management Company	7.2	12	13
Back end load payable		94	-
Allocated expenses payable	7.3	35	26
Formation Cost		1,010	1,010
		<u>1,247</u>	<u>1,145</u>

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

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

From Jul 1, 2020 to Jul 7, 2020	From Aug 8, 2020 to Mar 31, 2021
0.75% of AUMs	0.75% of AUMs

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

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

From Jul 1, 2020 to Jul 7, 2020	From Aug 8, 2020 to Mar 31, 2021
0.1% of AUMs	0.1% of AUMs

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

	Note	March 31, 2021 (Un-audited) ----- (Rupees in 000) -----	June 30, 2020 (Audited)
Remuneration payable to the Trustee	8.1	7	8
Sindh sales tax on Trustee remuneration	8.2	1	1
		<u>8</u>	<u>9</u>

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.065% (June 30, 2020: 0.065%) per annum of average daily net assets of the Fund during the period.
- 8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

9	PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
		----- (Rupees in 000) -----	
	Annual fee payable	9.1	22
			10

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

10	ACCRUED EXPENSES AND OTHER PAYABLES	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
		----- (Rupees in 000) -----	
	Auditors' remuneration payable	336	270
	Withholding tax payable	-	874
	Annual listing fee payable	42	28
	Legal and professional charges payable	108	97
	Provision for Sindh Workers' Welfare Fund	233	117
	Other payables	74	74
		<u>793</u>	<u>1,460</u>

10.1 This represents provision for Sindh Workers' Welfare Fund (SWWF) as at March 31, 2021. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re 0.1701 (June 30, 2020: Re. 0.0771).

## 11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2021 and June 30, 2020.

## 12. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 2.06% (March 31, 2020: 1.01%) which includes 0.23% (March 31, 2020: 0.13%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a capital protected - income scheme.

## 13. TAXATION

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## 14. EARNINGS PER UNIT

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

## 15. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, the Central Depository Company of Pakistan Limited (Trustee), Directors and Officers of Management Company, persons having 10% or more beneficial ownership of the units of the Fund and other collective investment schemes managed by the Management Company.

Transactions with the connected persons are carried out at agreed / contracted rates.

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

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

Details of transactions with related parties / connected persons during the period and balances held with them at the Quarter ended March 31, 2021 are as follows:

### 15.1 Transactions during the period

	Nine months Ended March 31, 2021					
	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
	(Rupees in '000)					
Units issued	-	-	-	-	-	-
Profit on saving accounts	-	-	-	-	-	-
Purchase of securities	-	-	-	25,431	-	-
Listing Fee	-	-	-	-	-	-
Remuneration	925	-	7	-	-	-
Dividend paid	1,050	-	-	-	-	-
Allocation of expenses relating to the Fund	109	-	-	-	-	-

	Nine months Ended March 31, 2020					
	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
	(Rupees in '000)					
Units issued	100,000	-	-	-	-	-
Profit on saving accounts	-	-	-	-	-	-
Purchase of securities	-	-	-	-	-	-
Listing Fee	-	-	-	-	-	-
Remuneration	120	-	9	-	-	-
Dividend paid	-	-	-	-	-	-
Allocation of expenses relating to the Fund	14	-	-	-	-	-

### Balances held

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
	(Rupees in '000)					
	Nine months Ended March 31, 2021					
Units held (in units '000)	1,000	-	-	-	-	-
Units held (in rupees '000)	102,984	-	-	-	-	-
Bank balances	-	-	-	-	-	-
Remuneration payable	108	-	-	-	-	-
Payable against allocated expenses	35	-	-	-	-	-
Back end load payable	94	-	-	-	-	-
Formation Cost	1,010	-	-	-	-	-

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
	(Rupees in '000)					
	As at June 30, 2020 (Audited)					
Units held (in units '000)	1,000	-	-	-	-	-
Units held (in rupees '000)	101,683	-	-	-	-	-
Bank balances	-	-	-	-	-	-
Remuneration payable	109	-	9	-	-	-
Payable against allocated expenses	26	-	-	-	-	-
Formation Cost	1,010	-	-	-	-	-
Profit receivable	-	-	-	-	-	-
Listing Fee payable	-	-	-	-	-	-

## 16 FAIR VALUE MEASUREMENT

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

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

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

### 16.1 Fair value hierarchy

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

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

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

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

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

## 17 COVID – 19

The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

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

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.

## 18. GENERAL

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

## 19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on April 28, 2021 by the Board of Directors of the Management Company.

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

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director