

# Half Yearly Report December 2019

UBL Retirement Savings Fund



Rated **AM1** by JCR-VIS

## CORPORATE INFORMATION

as at December 31, 2019

### Board of Directors

Azhar Hamid  
Chairman

Yasir Qadri  
Chief Executive Officer

Syed Furrugh Zaeem  
Director

Naz Khan  
Director

Tauqeer Mazhar\*  
Director

Sadia Saeed  
Director

Imran Sarwar  
Director

### Audit Committee

Naz Khan  
Chair

Imran Sarwar  
Member

Sadia Saeed  
Member

Tauqeer Mazhar\*  
Member

### Risk and Compliance Committee

Imran Sarwar  
Chairman

Syed Furrugh Zaeem  
Member

Yasir Qadri  
Member

Azhar Hamid  
Member

Tauqeer Mazhar\*  
Member

### HR & Compensation Committee

Azhar Hamid  
Chairman

Naz Khan  
Member

Syed Furrugh Zaeem  
Member

Sadia Saeed  
Member

Yasir Qadri  
Member

### Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem  
Member

Mufti Muhammad Najeeb Khan  
Member

### Chief Financial Officer

Umair Ahmed

### Company Secretary

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

UBL Retirement Savings Fund  
Launch Date: 10 May 2010

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

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

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

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

UBL Financial Planning Fund  
Launch Date: 28 September 2017

Al-Ameen Islamic Financial Planning Fund - III  
Launch Date: 28 May 2018

UBL Dedicated Equity Fund  
Launch Date: 29 May 2018

UBL Financial Sector Fund  
Launch Date: 06 April 2018

### 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

\* Subsequent to the period ended 31 December 2019, Director resigned on 30 January 2020.

\*\* Appointed by the Board on 25 February 2020 after the previous Company Secretary had resigned.



## **Directors' Report**

The Board of Directors of UBL Fund Managers Limited is pleased to present to you the report of “**UBL Retirement Savings Fund**” (URSF – the Fund) for the six months period ended December 31, 2019.

### **Economy & Money Market Review – 1HFY'20**

During 1HFY20, economic slowdown persisted on account of stabilization measures taken by the government, as reflected in LSM numbers, where 4MFY20 numbers witnessed a decline of 6.48% YoY, major shrinkage came from automobiles, petroleum, Iron and steel products, pharmaceutical and chemicals. During the period under review, SBP increased policy rate by 100bps to 13.25% in July MPS meeting, but, thereafter maintaining the Status Quo in the next two MPS meetings held in Sept'19 and Nov'19, citing persistence inflationary pressure.

With the implementation of contractionary monetary & fiscal policy, the country's external position has started to strengthen as 5MFY20 current account deficit declined by 73% to USD 1.8bn vs. USD 6.7bn during SPLY mainly underpinned by a sharp plunge in trade deficit on account of import compression. Further, due to healthy financial flows, the overall balance of payments position posted a surplus of USD2bn during the same period. Going forward, we believe FY20 balance of payments position to remain healthy due to contained current deficit and adequate flows on financial account.

PBS revised its CPI base year to 2015-16; under the revised base average headline inflation for 1HFY20 clocked in at 11.1% relative to 5.98% in the SPLY, driven by higher perishable food item prices, uptick in utility tariffs and lagged impact of currency devaluation last year. Inflation is likely to remain elevated over the next few months before declining in 4QFY19 onwards.

On fiscal side, 3MFY20 detailed account manifested highly encouraging results with the consolidated fiscal deficit halved to 0.7% (PKR -286bn) as compared to 1.4% (PKR -542bn) in 1QFY20, whereas the primary balance showed a surplus of 0.6% (PKR 286bn) surpassing the IMF's primary deficit target of 0.2% (PKR -102bn). The above outstanding performance was mainly driven by promising growth in total revenues, up by ~35% YoY mainly driven by 172% YoY growth in non-tax revenues. Besides, the limited growth in current expenditures ~7% YoY also supported the overall fiscal performance. Further, with the successful IMF staff review, SBP received USD 452mn as second tranche of USD 6bn loan.

### **Stock Market Review 1HFY'20**

After a prolonged hiatus, the local bourse finally made a strong recovery from Sep'19, turning earlier 2MFY20 negative returns to positive trajectory and recording a hefty return of ~20% during 1HFY20. The turnaround was primarily due to improvement in the country's external accounts, impressive performance on the fiscal side as mentioned above, currency stabilization and successful IMF staff review. Other than that, decline in fixed income yields by 250-270bps from 13.9%-13.7% to 11.7%-11.0% range (3Y-10Y PIB) strengthened the view that interest have peaked out, underscoring expectations of a rate cut in the near-term. Along with that, a decline in real estate prices also triggered the investors to shift investment into equity markets.

Fund performance and operational review is as follows:

URSF is an open-end fund that aims to provide a secure source of savings and regular income after retirement to the Participants. The Participants would contribute to the Fund during their working life and would typically withdraw from the Fund on or after retirement. The Fund comprises of four sub funds namely Equity sub-fund, Debt sub-fund, Money Market and Commodity sub-fund. The Fund as a whole earned a net income of PKR 328.159 million during



the half year ended December 31, 2019 and fund size stood at PKR 2,939.00 million as at the end of December 31, 2019.

UBL Retirement Savings Fund	ESF	DSF	MMSF	CSF
Gross Income (PKR Mn)	237.153	44.804	63.830	0.738
Net Income (PKR Mn)	238.018	37.191	52.359	0.591
Fund Size as of Dec 31 '19 (PKR Mn)	1249.553	698.259	983.397	8.040
NAV as of Dec 31 '19 (PKR)	672.3117	244.8115	200.0676	134.0961
FYTD Return (%)	23.53	11.52	11.49	7.94

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

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

UBL Retirement Savings Fund	Since Inception	12 Month Rolling
<b>High Volatility</b>	19.4%	11.4%
<b>Medium volatility</b>	15.5%	11.1%
<b>Low volatility</b>	12.4%	10.8%
<b>Lower volatility</b>	8.8%	10.5%

## Future Outlook

With stabilization policy in place, the country's overall macro-economic conditions have started to reap the fruits, as witnessed in improvement twin deficit, balance of payment and SBP's reserves. We expect inflation is likely to remain elevated for the next few months before easing off in 4QFY20. We believe interest rates have peaked out; however SBP is likely to maintain a status quo for next 1-2 MPS meeting before changing its stance in order to attract the more foreign flows in debt market, and on account of higher inflation reading for the near term.

On a cautious note, the assassination of Iranian Commander Qassem Soleimani by a US drone attack has created security concerns in the Middle East. Iran and its supporters, (as per news flows) have promised to retaliate and thus an escalation on that front cannot be ruled out.

Following this event, Brent Oil prices have increased by 6% to USD ~70.0/bbl, elevated oil prices could elongate stabilization efforts on account of heavy reliance on energy imports. Nevertheless, we think any significant Balance of Payment (BoP) crisis is unlikely, as hot-money flows and other bilateral and multilateral support will mitigate the increase in imports and current account deficit.



Notwithstanding the recent US-Iran tensions, we maintain our sanguine view on the Equity market. The market has rallied ~45% from its bottom in mid-Aug-2019; we think it can extend further with major catalysts in the offing including; a successful Eurobond, panda bond offering, likely favorable IMF review in for 2nd & 3rd quarter with improvement in macro-economic indicators yet to become more pronounced in the form of lower inflation readings. From a fundamental perspective, despite recent run-up, the market valuations remain attractive primarily due to double-digit growth in corporate profitability and current earnings yield differential from 10Y PIB yield is ~3.5% which is still much higher than the average yield difference of 0.7% over the last 10 years. In addition to this, the market is currently trading at P/B of 1.2x which is significantly lower than the historical average of 1.8x.

### **Acknowledgements**

We would like to thank our valued participants 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 and Central Depository Company 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**

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

**Karachi, Dated: 25 February 2020**

# URSF

## UBL Retirement Savings Fund

### INVESTMENT OBJECTIVE

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

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

## **AUDITORS' REPORT TO THE UNITHOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION**

### **Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **UBL RETIREMENT SAVINGS FUND** (here-in-after referred to as the "Fund") as at December 31, 2019, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unitholders' funds, condensed interim statement of cash flows and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year then ended. The UBL Fund Managers Limited (**the Pension Fund Manager**) is responsible for the preparation and presentation of this condensed interim financial information in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2019 and December 31, 2018 have not been subject to limited scope review, as we are only required to review the cumulative figures for the half year ended December 31, 2019.

### **Scope of Review**

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

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2019 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### **Other Matters**

The condensed interim financial information for the half year ended December 31, 2018 and the annual financial statements of the Fund for the year ended June 30, 2019 were reviewed and audited respectively by another firm of Chartered Accountants, whose review report dated February 27, 2019 and audit report dated September 23, 2019, expressed an unmodified conclusion and an unmodified opinion respectively.

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



**Chartered Accountants**

**Date:** February 26, 2020

**Place:** Karachi

**UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT DECEMBER 31, 2019**

	Note	December 31, 2019 (Un-Audited)				June 30, 2019 (Audited)					
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
----- (Rupees in '000) -----											
<b>ASSETS</b>											
Bank balances	4	107,045	211,485	878,695	6,586	1,203,811	89,278	315,280	376,284	5,443	786,285
Investments	5	1,167,938	489,711	98,947	233	1,756,829	917,741	371,149	492,328	460	1,781,678
Advance tax	6	915	594	1,056	32	2,597	880	419	604	28	1,931
Receivable against sale of investments		-	-	5,075	33	5,108	2,395	-	-	-	2,395
Dividend and mark-up receivable		3,231	11,426	10,183	70	24,910	4,258	10,438	2,505	39	17,240
Security deposits, prepayments and other receivables		7,581	321	1,244	1,597	10,743	4,242	4,735	9,775	1,063	19,815
<b>Total assets</b>		<b>1,286,710</b>	<b>713,537</b>	<b>995,200</b>	<b>8,551</b>	<b>3,003,998</b>	<b>1,018,794</b>	<b>702,021</b>	<b>881,496</b>	<b>7,033</b>	<b>2,609,344</b>
<b>LIABILITIES</b>											
Payable to UBL Fund Managers Limited - Pension Fund Manager	7	1,963	1,054	1,493	47	4,557	1,526	1,002	1,229	49	3,806
Payable to the Central Depository Company of Pakistan Limited - Trustee		116	79	138	1	334	114	77	95	2	288
Payable to the Securities and Exchange Commission of Pakistan		170	113	163	1	447	400	226	251	2	879
Payable against purchase of investment		5,868	-	-	-	5,868	3,839	-	-	-	3,839
Accrued expenses and other liabilities	8	29,040	14,032	10,009	462	53,543	20,771	8,038	3,965	397	33,171
<b>Total liabilities</b>		<b>37,157</b>	<b>15,278</b>	<b>11,803</b>	<b>511</b>	<b>64,749</b>	<b>26,650</b>	<b>9,343</b>	<b>5,540</b>	<b>450</b>	<b>41,983</b>
<b>NET ASSETS</b>		<b>1,249,553</b>	<b>698,259</b>	<b>983,397</b>	<b>8,040</b>	<b>2,939,249</b>	<b>992,144</b>	<b>692,678</b>	<b>875,956</b>	<b>6,583</b>	<b>2,567,361</b>
<b>PARTICIPANTS' SUB-FUNDS</b> (as per statement attached)		<b>1,249,553</b>	<b>698,259</b>	<b>983,397</b>	<b>8,040</b>	<b>2,939,249</b>	<b>992,144</b>	<b>692,678</b>	<b>875,956</b>	<b>6,583</b>	<b>2,567,361</b>
<b>Contingencies and commitments</b>											
----- (Number of units) -----											
<b>Number of Units in Issue</b>	10	<b>1,858,592</b>	<b>2,852,231</b>	<b>4,915,325</b>	<b>59,957</b>		<b>1,822,960</b>	<b>2,989,337</b>	<b>4,624,981</b>	<b>52,992</b>	
----- Rupees -----											
<b>Net Asset Value Per Unit</b>		<b>672.3117</b>	<b>244.8115</b>	<b>200.0676</b>	<b>134.0961</b>		<b>544.2488</b>	<b>231.7163</b>	<b>189.3967</b>	<b>124.2263</b>	

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

For UBL Fund Managers Limited  
(Pension Fund Manager)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2019**

	For the half year ended December 31, 2019					For the half year ended December 31, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
<b>Note</b>	----- (Rupees in '000) -----									
<b>Income</b>										
Financial income	4,894	46,420	65,071	439	116,824	2,850	29,678	30,096	142	62,766
(Loss) / gain on sale of investments - net	2,947	(1,351)	(1,200)	66	462	2,478	(1,069)	(1,006)	(156)	247
Dividend income	27,936	-	-	-	27,936	33,797	-	-	-	33,797
Unrealized gain / (loss) on revaluation of investments classified as financial assets at fair value through profit or loss - net	201,376	(265)	(41)	233	201,303	(138,753)	(2,222)	-	223	(140,752)
<b>Total income / (loss)</b>	<b>237,153</b>	<b>44,804</b>	<b>63,830</b>	<b>738</b>	<b>346,525</b>	<b>(99,628)</b>	<b>26,387</b>	<b>29,090</b>	<b>209</b>	<b>(43,942)</b>
<b>Expenses</b>										
Remuneration of UBL Fund Managers Limited - Pension Fund Manager	7,652	5,156	7,352	56	20,216	9,875	5,150	5,331	38	20,394
Sindh sales tax on Pension Fund Manager's remuneration	995	670	956	7	2,628	1,284	670	693	5	2,652
Remuneration of Central Depository Company of Pakistan Limited - Trustee	660	462	681	4	1,807	882	460	476	3	1,821
Annual fee to the Securities and Exchange Commission of Pakistan	170	113	163	1	447	219	114	118	1	452
Auditors' remuneration	108	108	108	108	432	66	66	66	66	264
Brokerage expense	669	81	42	4	796	918	58	45	4	1,025
Custody and settlement charges	308	12	4	4	328	383	11	6	5	405
Legal and professional charges	20	20	20	20	80	20	20	20	20	80
Bank charges and other expenses	8	27	24	2	61	14	50	56	2	122
<b>Total expenses</b>	<b>10,590</b>	<b>6,649</b>	<b>9,350</b>	<b>206</b>	<b>26,795</b>	<b>13,661</b>	<b>6,599</b>	<b>6,811</b>	<b>144</b>	<b>27,215</b>
<b>Net operating income / (loss) for the period</b>	<b>226,563</b>	<b>38,155</b>	<b>54,480</b>	<b>532</b>	<b>319,730</b>	<b>(113,289)</b>	<b>19,788</b>	<b>22,279</b>	<b>65</b>	<b>(71,157)</b>
Element of income / (loss) and capital gains / (losses) included in the prices of units less those in units redeemed - net	16,217	(219)	(1,073)	71	14,996	4,131	(613)	1,455	(10)	4,963
Provision for Sindh Workers' Welfare Fund	8.1 (4,762)	(745)	(1,048)	(12)	(6,567)	-	(377)	(466)	(1)	(844)
<b>Net income / (loss) for the period before taxation</b>	<b>238,018</b>	<b>37,191</b>	<b>52,359</b>	<b>591</b>	<b>328,159</b>	<b>(109,158)</b>	<b>18,798</b>	<b>23,268</b>	<b>54</b>	<b>(67,038)</b>
Taxation	12 -	-	-	-	-	-	-	-	-	-
<b>Net income / (loss) for the period after taxation</b>	<b>238,018</b>	<b>37,191</b>	<b>52,359</b>	<b>591</b>	<b>328,159</b>	<b>(109,158)</b>	<b>18,798</b>	<b>23,268</b>	<b>54</b>	<b>(67,038)</b>

**Earning Per Unit**

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

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

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2019**

	For the quarter ended December 31, 2019					For the quarter ended December 31, 2018					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	
<b>Note</b>	----- (Rupees in '000) -----										
<b>Income</b>											
Financial income	3,053	23,435	34,038	291	60,817	1,533	15,876	16,676	80	34,165	
Capital gain / (loss) on sale of investments - net	7,766	(489)	(801)	67	6,543	(464)	(309)	(746)	(82)	(1,601)	
Dividend income	16,830	-	-	-	16,830	19,093	-	-	-	19,093	
Unrealized gain / (loss) on revaluation of investments classified as financial assets at fair value through profit or loss - net	5.1	266,097	(1,926)	(34)	90	264,227	(121,802)	(1,370)	93	363	(122,716)
<b>Total income / (loss)</b>	<b>293,746</b>	<b>21,020</b>	<b>33,203</b>	<b>448</b>	<b>348,417</b>	<b>(101,640)</b>	<b>14,197</b>	<b>16,023</b>	<b>361</b>	<b>(71,059)</b>	
<b>Expenses</b>											
Remuneration of UBL Fund Managers Limited - Pension Funds Manager	4,149	2,621	3,838	30	10,638	4,797	2,554	2,699	20	10,070	
Sindh sales tax on Pension Fund Manager's remuneration	540	341	499	4	1,384	624	332	351	3	1,310	
Remuneration of Central Depository Company of Pakistan Limited - Trustee	345	233	364	3	945	429	229	241	1	900	
Annual fee to the Securities and Exchange Commission of Pakistan	93	57	86	-	236	107	57	60	1	225	
Auditors' remuneration	54	54	54	54	216	36	36	36	36	144	
Brokerage expense	319	43	27	2	391	471	20	15	3	509	
Custody and settlement charges	146	5	2	2	155	199	4	6	3	212	
Legal and professional charges	10	10	10	10	40	10	10	10	10	40	
Bank charges and other expenses	4	12	-	-	16	11	26	25	2	64	
<b>Total expenses</b>	<b>5,660</b>	<b>3,376</b>	<b>4,880</b>	<b>105</b>	<b>14,021</b>	<b>6,684</b>	<b>3,268</b>	<b>3,443</b>	<b>79</b>	<b>13,474</b>	
<b>Net operating income / (loss) for the period</b>	<b>288,086</b>	<b>17,644</b>	<b>28,323</b>	<b>343</b>	<b>334,396</b>	<b>(108,324)</b>	<b>10,929</b>	<b>12,580</b>	<b>282</b>	<b>(84,533)</b>	
Element of income / (loss) and capital gains / (losses) included in the prices of units less those in units redeemed - net	11,348	(106)	(1,834)	71	9,479	5,097	(554)	1,496	12	6,051	
Provision for Sindh Workers' Welfare Fund	8	(4,762)	(344)	(519)	(7)	(5,632)	-	(204)	(276)	(1)	(481)
<b>Net income / (loss) for the period before taxation</b>	<b>294,672</b>	<b>17,194</b>	<b>25,970</b>	<b>407</b>	<b>338,243</b>	<b>(103,227)</b>	<b>10,171</b>	<b>13,800</b>	<b>293</b>	<b>(78,963)</b>	
Taxation	12	-	-	-	-	-	-	-	-	-	
<b>Net income / (loss) for the period after taxation</b>	<b>294,672</b>	<b>17,194</b>	<b>25,970</b>	<b>407</b>	<b>338,243</b>	<b>(103,227)</b>	<b>10,171</b>	<b>13,800</b>	<b>293</b>	<b>(78,963)</b>	

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

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

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2019

	For the half year ended December 31, 2019					For the half year ended December 31, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
----- (Rupees in '000) -----										
Net income / (loss) for the period after taxation	238,018	37,191	52,359	591	328,159	(109,158)	18,798	23,268	54	(67,038)
Other comprehensive income for the period										
<i>Items that may be reclassified subsequently to income statement</i>										
Unrealised gain / (loss) on re-measurement of investments 'at fair value through other comprehensive income' - net	-	71	-	-	71	-	(505)	-	-	(505)
<i>Items that will not be reclassified subsequently to income statement</i>	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>238,018</b>	<b>37,262</b>	<b>52,359</b>	<b>591</b>	<b>328,230</b>	<b>(109,158)</b>	<b>18,293</b>	<b>23,268</b>	<b>54</b>	<b>(67,543)</b>

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

For UBL Fund Managers Limited  
(Pension Fund Manager)

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

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

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

UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2019

	For the quarter ended December 31, 2019					For the quarter ended December 31, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	----- (Rupees in '000) -----									
Net income / (loss) for the period after taxation	294,672	17,194	25,970	407	338,243	(103,227)	10,171	13,800	293	(78,963)
Other comprehensive income for the quarter										
<i>Items that may be reclassified subsequently to income statement</i>										
Unrealised gain / (loss) on re-measurement of investments 'at fair value through other comprehensive income' - net	-	32	-	-	32	-	(331)	-	-	(331)
<i>Items that will not be reclassified subsequently to income statement</i>	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>294,672</b>	<b>17,226</b>	<b>25,970</b>	<b>407</b>	<b>338,275</b>	<b>(103,227)</b>	<b>9,840</b>	<b>13,800</b>	<b>293</b>	<b>(79,294)</b>

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

For UBL Fund Managers Limited  
(Pension Fund Manager)

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

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

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

**UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2019**

	For the half year ended December 31, 2019					For the half year ended December 31, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	----- (Rupees in '000) -----									
Net assets at beginning of the period	992,144	692,678	875,956	6,583	2,567,361	1,309,820	723,593	687,446	4,794	2,725,653
Amount received on issuance of units	152,445	115,618	414,645	30,858	713,566	107,865	102,408	247,162	1,446	458,881
Reallocation among Sub-Funds	60,378	(45,875)	(13,831)	(672)	-	32,467	(34,792)	2,463	(138)	-
Amount paid on redemption of units - net	(177,215)	(101,643)	(346,805)	(29,249)	(654,912)	(203,421)	(142,949)	(194,061)	(937)	(541,368)
	35,608	(31,900)	54,009	937	58,654	(63,089)	(75,333)	55,564	371	(82,487)
Element of (income) / loss and capital (gains) / losses included in the prices of units sold less those in units redeemed - net	(16,217)	219	1,073	(71)	(14,996)	(4,131)	613	(1,455)	10	(4,963)
	1,011,535	660,997	931,038	7,449	2,611,019	1,242,600	648,873	741,555	5,175	2,638,203
Unrealised gain / (loss) on re-measurement of investments 'at fair value through other comprehensive income' - net	-	71	-	-	71	-	(505)	-	-	(505)
(Loss) / gain on sale of investments - net	2,947	(1,351)	(1,200)	66	462	2,478	(1,069)	(1,006)	(156)	247
Unrealized gain / (loss) on revaluation of investments classified as financial assets at fair value through profit or loss - net	201,376	(265)	(41)	233	201,303	(138,753)	(2,222)	-	223	(140,752)
Other net income	33,695	38,807	53,600	292	126,394	27,117	22,089	24,274	(13)	73,467
	238,018	37,191	52,359	591	328,159	(109,158)	18,798	23,268	54	(67,038)
<b>Net assets at the end of the period</b>	<b>1,249,553</b>	<b>698,259</b>	<b>983,397</b>	<b>8,040</b>	<b>2,939,249</b>	<b>1,133,442</b>	<b>667,166</b>	<b>764,823</b>	<b>5,229</b>	<b>2,570,660</b>

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

For UBL Fund Managers Limited  
(Pension Fund Manager)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL RETIREMENT SAVINGS FUND  
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2019**

	For the half year ended December 31, 2019					For the half year ended December 31, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
Note ----- (Rupees in '000) -----										
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
Net income / (loss) for the period before taxation	238,018	37,191	52,359	591	328,159	(109,158)	18,798	23,268	54	(67,038)
<b>Adjustments for:</b>										
Financial income	(4,894)	(46,420)	(65,071)	(439)	(116,824)	(2,850)	(29,678)	(30,096)	(142)	(62,766)
Dividend income	(27,936)	-	-	-	(27,936)	(33,797)	-	-	-	(33,797)
(Gain) / loss on sale of investments - net	(2,947)	1,351	1,200	(66)	(462)	(2,478)	1,069	1,006	156	(247)
Unrealised (gain) / loss on revaluation of investments classified as financial assets at fair value through profit or loss - net	(201,376)	265	41	(233)	(201,303)	138,753	2,222	-	(223)	140,752
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	(16,217)	219	1,073	(71)	(14,996)	(4,131)	613	(1,455)	10	(4,963)
Provision for Sindh Workers' Welfare Fund	4,762	745	1,048	12	6,567	-	377	466	1	844
<b>Cash used in operations before working capital changes</b>	<b>(10,590)</b>	<b>(6,649)</b>	<b>(9,350)</b>	<b>(206)</b>	<b>(26,795)</b>	<b>(13,661)</b>	<b>(6,599)</b>	<b>(6,811)</b>	<b>(144)</b>	<b>(27,215)</b>
<b>(Increase) / decrease in assets</b>										
Investments - net	(45,874)	(301,884)	(1,241)	526	(348,474)	37,092	(63,047)	(1,006)	(190)	(27,151)
Advance tax	(35)	(175)	(452)	(4)	(666)	-	(45)	(40)	-	(85)
Receivable against sale of investments	2,395	-	(5,075)	(33)	(2,713)	(29,753)	-	-	-	(29,753)
Security deposits, prepayments and other	(3,339)	4,414	8,531	(534)	9,072	3,396	458	1,458	-	5,312
	(46,853)	(297,645)	1,763	(45)	(342,781)	10,735	(62,634)	412	(190)	(51,677)
<b>Increase / (decrease) in liabilities</b>										
Payable to UBL Fund Managers Limited - Pension Fund Manager	437	52	264	(2)	751	(345)	(87)	(275)	3	(704)
Payable to the Central Depository Company	2	2	43	(1)	46	(7)	(5)	7	-	(5)
Payable to the Securities and Exchange - Commission of Pakistan	(230)	(113)	(88)	(1)	(432)	(224)	(132)	(103)	(1)	(460)
Payable against purchase of investment	2,029	-	-	-	2,029	-	-	-	-	-
Accrued expenses and other liabilities	3,507	5,249	4,996	53	13,805	640	(1,994)	(587)	15	(1,926)
	5,745	5,190	5,215	49	16,199	64	(2,218)	(958)	17	(3,095)
<b>Cash generated from / (used in) operations</b>	<b>(51,698)</b>	<b>(299,104)</b>	<b>(2,372)</b>	<b>(202)</b>	<b>(353,377)</b>	<b>(2,862)</b>	<b>(71,451)</b>	<b>(7,357)</b>	<b>(317)</b>	<b>(81,987)</b>
Dividend income received	29,535	-	-	-	29,535	34,862	-	-	-	34,862
Financial income received	4,322	45,432	57,393	408	107,555	2,622	12,777	28,257	329	43,656
<b>Net cash generated from / (used in) operating activities</b>	<b>(17,841)</b>	<b>(253,672)</b>	<b>55,021</b>	<b>206</b>	<b>(216,287)</b>	<b>34,622</b>	<b>(58,674)</b>	<b>20,900</b>	<b>12</b>	<b>(3,469)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
Amount received on issue of units	152,445	115,618	414,645	30,858	713,566	107,865	102,408	247,162	1,446	458,881
Effect of re-allocation	60,378	(45,875)	(13,831)	(672)	-	32,467	(34,792)	2,463	(138)	-
Amount paid on redemption of units - net	(177,215)	(101,643)	(346,805)	(29,249)	(654,912)	(203,421)	(142,949)	(194,061)	(937)	(541,368)
<b>Net cash generated from / (used in) financing activities</b>	<b>35,608</b>	<b>(31,900)</b>	<b>54,009</b>	<b>937</b>	<b>58,654</b>	<b>(63,089)</b>	<b>(75,333)</b>	<b>55,564</b>	<b>371</b>	<b>(82,487)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>17,767</b>	<b>(285,572)</b>	<b>109,030</b>	<b>1,143</b>	<b>(157,633)</b>	<b>(28,467)</b>	<b>(134,007)</b>	<b>76,464</b>	<b>383</b>	<b>(85,956)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>89,278</b>	<b>497,057</b>	<b>868,612</b>	<b>5,443</b>	<b>1,460,390</b>	<b>64,318</b>	<b>651,706</b>	<b>688,634</b>	<b>4,060</b>	<b>1,408,718</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>107,045</b>	<b>211,485</b>	<b>977,642</b>	<b>6,586</b>	<b>1,302,758</b>	<b>35,851</b>	<b>517,699</b>	<b>765,098</b>	<b>4,443</b>	<b>1,322,762</b>
<b>Cash and cash equivalents</b>										
Bank Balances	107,045	211,485	878,695	6,586	1,203,811	35,851	399,631	630,098	4,443	1,070,023
Term deposits receipts	-	-	-	-	-	-	-	135,000	-	135,000
Treasury bills - 3 months	-	-	98,947	-	98,947	-	118,068	-	-	118,068
	107,045	211,485	977,642	6,586	1,302,758	35,851	517,699	765,098	4,443	1,323,091

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

For UBL Fund Managers Limited  
(Pension Fund Manager)

SD  
Chief Executive Officer

SD  
Chief Financial Officer

SD  
Director

**UBL RETIREMENT SAVINGS FUND  
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2019**

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

- 1.1** UBL Retirement Savings Fund ("the Fund") has been established under the Voluntary Pension System Rules, 2005 (the VPS Rules) and has been approved as a pension fund by SECP on January 29, 2010. It was constituted under a Trust Deed, dated November 17, 2009, between UBL Fund Managers Limited as the Pension Fund Manager, a company incorporated under the Companies Act, 2017 and the MCB Financial Services Limited as the Trustee. The trusteeship of the Fund was transferred to Central Depository Company of Pakistan Limited (CDC) effective from March 31, 2014 through a supplemental trust deed dated February 21, 2014. The title to the assets of the Fund is held in the name of the Trustee.
- 1.2** The Fund is an unlisted open end pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in the VPS Rules and can be redeemed by surrendering to the Fund. As per the offering document the Fund cannot distribute any income from the Fund whether in cash or otherwise.
- 1.3** The objective of the Fund is to provide a secure source of savings and regular income after retirement to the participants. The participants would contribute to the Fund during their working life and would typically withdraw from the Fund on or after retirement age. The Fund invests in a diversified portfolio of securities under the Trust Deed.
- 1.4** The Fund consists of four Sub-Funds namely, UBL Retirement Savings Fund Equity Sub-Fund ("Equity Sub-Fund"), UBL Retirement Savings Fund Debt Sub-Fund ("Debt Sub-Fund"), UBL Retirement Savings Fund Money Market Sub-Fund ("Money Market Sub-Fund") and UBL Retirement Savings Fund Commodity Sub-Fund ("Commodity Sub-Fund") (collectively the "Sub-Funds"). The main features of the investment policy for each of the Sub-Funds are as follows:
- The Equity Sub-Fund shall invest primarily in listed equity securities with a minimum investment of 90% of its Net Assets Value (NAV) in listed shares. The investment in a single company is restricted to lower of 10% of NAV or the paid-up capital of the investee company. The investment in a single stock exchange sector is restricted to the higher of 30% of the NAV or the index weight, subject to a maximum of 35% of the NAV. The remaining assets of the Equity Sub-Fund shall be invested in any government security having less than one year time to maturity, or in a scheduled commercial bank having credit rating of 'A'.
  - The Debt Sub-Fund shall invest primarily in tradable debt securities with weighted average duration of the investment portfolio of the Debt Sub-Fund not exceeding five years. At least twenty five percent (25%) of the assets in the Debt Sub-Fund shall be invested in securities issued by the Federal Government and up to 25% of the Funds may be deposited with banks having not less than "AA +" rating. Composition of the remaining portion of the investments shall be as defined in the offering document.
  - The Money Market Sub-Fund shall invest in short term debt instruments with time to maturity not exceeding six months, and in case of Shariah compliant Government securities, up to three years. The Fund can make investment in Shariah compliant securities issued by the Federal Government and the commercial banks having A+ rating. There are no restrictions placed by the VPS Rules on such investments. The Fund can also make investment in securities issued by the provincial government, city government and government or a corporate entity (having credit rating of 'A' or higher) up to 10%, 5% and 5% of net assets of the Money Market Sub-Fund, respectively.
  - The Commodity Sub-Fund of a Pension Fund shall invest only in those commodity futures contracts that are traded at the Pakistan Mercantile Exchange and cash settled futures contracts, except for gold for which the Commodity Sub-Fund, in addition to the cash settled futures, may also invest in deliverable futures contracts. At least 70% of net assets of the Commodity Sub-Fund shall remain invested in commodity futures contracts during the year based on quarterly average investment calculated on daily basis. At least 10% of the net assets of the Commodity Sub-Fund shall remain invested in Government treasury bills or Government securities having less than 90 days' time to maturity or kept as deposits with scheduled commercial banks which are rated not less than AA by a rating agency registered with SECP. A Pension Fund Manager may invest any surplus (un-invested) funds in Government treasury bills and Government securities having less than one year time to maturity or keep as deposits with scheduled commercial banks which are rated not less than AA by a rating agency registered with SECP.

- 1.5** As prescribed under the VPS rules, the Fund offers five types of allocation schemes to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility and Life Cycle Allocation. The contributors have the option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub-Funds. The allocation to the Sub-Funds has to be done at the date of opening of contributor's pension account and on an anniversary date thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis. UBL Retirement Savings Fund also offers optional insurance cover to the contributors.
- 1.6** The registered office of the Pension Fund Manager is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.7** VIS Credit Rating Company has assigned management quality rating of AM1 (stable outlook) dated December 31, 2019 to the Management Company and a stability rating of "A (f)" to the Fund as on December 31, 2019.

## **2. BASIS OF PREPARATION**

### **2.1 Statement of compliance**

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

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

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

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

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

The comparative statement of assets and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2019, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in participant's sub-fund are extracted from the unaudited condensed interim financial information for the period ended December 31, 2018.

### **2.2 Basis of measurement**

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

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

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

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

- 3.1** The accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2019.
- 3.2** The preparation of this condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. Actual results may differ from these estimates. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2019.
- 3.3** There are certain standards, interpretations on approved accounting standards and amendments to certain existing standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2019. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant impact on the accounting policies of the Fund and therefore not disclosed in this condensed interim financial information.
- 3.4** The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2019.

### 4. BANK BALANCES

		December 31, 2019 (Un-audited)					June 30, 2019 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	<b>Note</b>	----- (Rupees in '000) -----									
Bank accounts - saving	4.1	107,045	211,485	878,685	6,586	1,203,801	89,278	315,280	376,284	5,443	786,285
Bank accounts - current		-	-	10	-	10	-	-	-	-	-
		<b>107,045</b>	<b>211,485</b>	<b>878,695</b>	<b>6,586</b>	<b>1,203,811</b>	<b>89,278</b>	<b>315,280</b>	<b>376,284</b>	<b>5,443</b>	<b>786,285</b>

- 4.1** Mark-up rates on these accounts range between 3.75% to 13.40% (June 30, 2019: 3.75% to 13.40%) per annum. This includes an amount held by a related party (United Bank Limited) amounting to Rs. 15.89 million (June 30, 2019: Rs. 45.24 million) on which return is earned at 11.75% (June 30, 2019: 4.50%) per annum.

### 5. INVESTMENTS

		December 31, 2019 (Un-audited)					June 30, 2019 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	<b>Note</b>	----- (Rupees in '000) -----									
<b>Investments by category:</b>											
<b>Fair value through profit or loss</b>											
Listed equity securities	5.1	1,167,938	-	-	-	1,167,938	917,741	-	-	-	917,741
Government securities											
- Treasury Bills	5.2	-	364,648	98,947	-	463,595	-	181,177	492,328	-	673,505
- Pakistan Investment Bonds	5.3	-	76,230	-	-	76,230	-	119,237	-	-	119,237
Debt securities - Term Finance Certificates / Sukuks	5.4	-	43,372	-	-	43,372	-	65,369	-	-	65,369
Future Gold Contracts	5.5	-	-	-	233	233	-	-	-	460	460
		<b>1,167,938</b>	<b>484,250</b>	<b>98,947</b>	<b>233</b>	<b>1,751,368</b>	<b>917,741</b>	<b>365,783</b>	<b>492,328</b>	<b>460</b>	<b>1,776,312</b>
<b>Fair value through other comprehensive income</b>											
Government securities											
- Pakistan Investment Bonds	5.6	-	5,461	-	-	5,461	-	5,366	-	-	5,366
		<b>1,167,938</b>	<b>489,711</b>	<b>98,947</b>	<b>233</b>	<b>1,756,829</b>	<b>917,741</b>	<b>371,149</b>	<b>492,328</b>	<b>460</b>	<b>1,781,678</b>

## 5.1 Equity securities - At fair value through profit and loss

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

Name of Investee Company	As at July 1, 2019	Purchased / bonus received during the period	Sold during the period	As at December 31, 2019	Total carrying value as at December 31, 2019	Total market value as at December 31, 2019	Appreciation / (diminution) as at December 31, 2019	Market value as a percentage of net assets of Equity Sub-Fund	Market value as a percentage of total value of Investment of Equity Sub-Fund	Investment as a percentage of paid-up capital of investee company	
Note	Number of shares			Rupees in '000			%				
<b>Held by equity sub-fund</b>											
<b>Automobile assembler</b>											
Honda Atlas Cars (Pakistan) Limited	-	29,900	29,500	400	61	88	27	0.01	0.01	0.00	
<b>Automobile parts and accessories</b>											
Thal Limited **	35,150	42,700	-	77,850	25,993	26,331	338	2.11	2.25	0.10	
<b>Refinery</b>											
National Refinery limited	9,500	-	9,000	500	57	70	13	0.01	0.01	0.00	
<b>Oil and gas exploration companies</b>											
Mari Petroleum Company Limited	61,767	8,926	-	70,693	64,780	92,615	27,835	7.41	7.93	0.05	
Oil & Gas Development Company Limited	443,300	95,500	26,700	512,100	67,023	72,882	5,859	5.83	6.24	0.01	
Pakistan Oilfields Limited	81,480	1,500	16,800	66,180	26,808	29,564	2,756	2.37	2.53	0.02	
Pakistan Petroleum Limited	239,090	77,118	18,000	298,208	35,606	40,896	5,290	3.27	3.50	0.01	
					194,217	235,957	41,740	18.88	20.20		
<b>Oil and gas marketing companies</b>											
Pakistan State Oil Company Limited (PSO)	5.1.2	133,384	40,396	38,500	135,280	18,930	25,925	6,995	2.07	2.22	0.03
<b>Construction and materials (cement)</b>											
Cherat Cement Company Limited	150,000	65,000	215,000	-	-	-	-	-	-	0.00	
Kohat Cement Company Limited	438,320	122,500	-	560,820	30,972	43,407	12,435	3.47	3.72	0.28	
Lucky Cement Limited	49,650	13,600	10,800	52,450	19,669	22,470	2,801	1.80	1.92	0.02	
Pioneer Cement Limited	197,200	-	197,200	-	-	-	-	-	-	0.00	
					50,641	65,877	15,236	5.27	5.64		
<b>Chemical</b>											
Sitara Chemical Industries Limited	81,600	-	3,600	78,000	23,858	23,280	(578)	1.86	1.99	0.36	
Engro Polymer and Chemicals Limited	794,872	40,000	160,000	674,872	18,166	22,412	4,246	1.79	1.92	0.07	
					42,024	45,692	3,668	3.66	3.91		
<b>Fertilizer</b>											
Fauji Fertilizer Bin Qasim Limited	478,000	-	478,000	-	-	-	-	-	-	0.00	
Dawood Hercules Corporation Limited	106,000	-	6,400	99,600	11,080	15,359	4,279	1.23	1.32	0.02	
Engro Corporation Limited	128,980	13,500	19,400	123,080	32,673	42,493	9,820	3.40	3.64	0.02	
Engro Fertilizers Limited	328,800	-	161,000	167,800	10,734	12,322	1,588	0.99	1.06	0.01	
Fauji Fertilizer Company Limited	301,000	94,500	41,000	354,500	31,511	35,971	4,460	2.88	3.08	0.03	
					85,998	106,145	20,147	8.49	9.09		
<b>Engineering</b>											
International Industries Limited	29,300	123,630	29,300	123,630	10,675	13,703	3,028	1.10	1.17	0.09	
Amreli Steels Limited	7,500	-	7,500	-	-	-	-	-	-	0.00	
International Steels Limited	1,900	-	1,900	-	-	-	-	-	-	0.00	
					10,675	13,703	3,028	1.10	1.17		

Name of Investee Company	As at July 1, 2019	Purchased / bonus received during the period	Sold during the period	As at December 31, 2019	Total carrying value as at December 31, 2019	Total market value as at December 31, 2019	Appreciation / (diminution) as at December 31, 2019	Market value as a percentage of net assets of Equity Sub-Fund	Market value as a percentage of total value of Investment of Equity Sub-Fund	Investment as a percentage of paid-up capital of investee company	
Note	Number of shares			Rupees in '000					%		
<b>Pharmaceuticals</b>											
Ferozsons Laboratories Limited		56,300	-	31,300	25,000	2,796	5,241	2,445	0.42	0.45	0.08
The Searle Company Limited (Searl)	5.1.2	50,341	-	13,000	37,341	5,473	7,048	1,575	0.56	0.60	0.02
Highnoon Laboratories Limited (Hinoon)	5.1.2	3,223	-	-	3,223	816	1,732	916	0.14	0.15	0.01
						9,085	14,021	4,936	1.12	1.20	
<b>Glass and ceramics</b>											
Tariq Glass Industries Limited		37,700	-	37,700	-	-	-	-	-	-	0.00
<b>Paper and board</b>											
Century and paper board limited Packages Limited		325,700	25,000	-	350,700	11,145	17,773	6,628	1.42	1.52	0.24
		28,400	-	14,000	14,400	4,328	5,742	1,414	0.46	0.49	0.02
						15,473	23,515	8,042	1.88	2.01	
<b>Textile composite</b>											
Gul Ahmed Textile Mills Limited		432,000	80,400	214,000	298,400	11,640	12,864	1,224	1.03	1.10	0.07
Nishat Mills Limited		194,300	50,000	62,500	181,800	16,480	19,296	2,816	1.54	1.65	0.05
Kohinoor Textile Mills Limited		-	604,500	-	604,500	14,810	23,618	8,808	1.89	2.02	0.20
						42,930	55,778	12,848	4.46	4.78	
<b>Food and personal care products</b>											
Matco Foods Limited		12,500	-	12,500	-	-	-	-	-	-	0.00
Al Shaheer Corporation Limited		332,500	60,000	-	392,500	5,099	5,546	447	0.44	0.47	0.28
Shezan International Limited		75,190	-	1,700	73,490	31,047	36,776	5,729	2.94	3.15	0.84
						36,146	42,322	6,176	3.39	3.62	
<b>Power generation and distribution</b>											
Saif Power Limited		706,500	-	-	706,500	13,254	14,808	1,554	1.19	1.27	0.18
Hub Power Company Limited		865,784	35,000	195,000	705,784	55,464	65,885	10,421	5.27	5.64	0.05
K-Electric Limited *		926,500	-	89,000	837,500	3,677	3,660	(17)	0.29	0.31	0.00
Pakgen Power Limited		699,500	25,000	-	724,500	10,219	13,273	3,054	1.06	1.14	0.19
						82,614	97,626	15,012	7.81	8.36	
<b>Commercials banks</b>											
Habib Bank Limited	5.1.1	675,300	97,000	203,200	569,100	67,094	89,588	22,494	7.17	7.67	0.04
Allied Bank Limited		521,500	119,700	-	641,200	65,920	61,299	(4,621)	4.91	5.25	0.06
Bank Alfalah Limited		1,559,300	173,000	349,000	1,383,300	60,052	63,217	3,165	5.06	5.41	0.08
Faysal Bank Limited (FABL)	5.1.2	8,775	-	-	8,775	189	167	(22)	0.01	0.01	0.00
MCB Bank Limited		12,800	-	12,000	800	140	164	24	0.01	0.01	0.00
Bank Al-Habib Limited		-	751,000	-	751,000	53,461	57,196	3,735	4.58	4.90	0.07
						246,856	271,631	24,775	21.74	23.26	
<b>Investment banks</b>											
Arif Habib Limited		-	234,500	-	234,500	10,272	13,341	3,069	1.07	1.14	0.39

Name of Investee Company	As at July 1, 2019	Purchased / bonus received during the period	Sold during the period	As at December 31, 2019	Total carrying value as at December 31, 2019	Total market value as at December 31, 2019	Appreciation / (diminution) as at December 31, 2019	Market value as a percentage of net assets of Equity Sub-Fund	Market value as a percentage of total value of Investment of Equity Sub-Fund	Investment as a percentage of paid-up capital of investee company
Note	Number of shares			Rupees in '000			%			
<b>Insurance</b>										
IGI Holding Limited	4,025	38,000	4,025	38,000	6,530	7,752	1,222	0.62	0.66	0.03
Adamjee Insurance Company Limited	1,104,000	53,000	65,000	1,092,000	38,262	45,962	7,700	3.68	3.94	0.31
					44,792	53,714	8,922	4.30	4.60	
<b>Technology and communication</b>										
Systems Limited	192,500	53,000	-	245,500	23,456	30,516	7,060	2.44	2.61	0.20
<b>Leather and tanneries</b>										
Service Industries Limited	24,500	4,825	5,200	24,125	9,521	18,741	9,220	1.50	1.60	0.13
<b>Transportation</b>										
Pakistan National Shipping Corporation Limited	-	25,000	-	25,000	1,538	2,348	810	0.19	0.20	0.02
<b>Miscellaneous</b>										
Tri-Pack Films Limited	31,500	16,000	-	47,500	3,056	3,999	943	0.32	0.34	0.12
Synthetic Products Enterprises Limited	503,000	87,200	-	590,200	12,228	20,598	8,370	1.65	1.76	0.67
					15,284	24,597	9,313	1.97	2.11	
<b>Total December 31, 2019 (Un-audited)</b>					<b>966,562</b>	<b>1,167,938</b>	<b>201,376</b>			
Total June 30, 2019 (Audited)					1,155,280	917,741	(237,541)			

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

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

5.1.1 The above equity securities include 0.073 million shares (June 30, 2019: 0.073 million shares) pledged with National Clearing Company of Pakistan Limited having market value of Rs. 11.49 million (June 30, 2019: Rs. 8.27 million) for guaranteeing settlement of the Equity Sub-Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.

5.1.2 This includes gross bonus shares as per Fund's entitlement declared by the investee company. The Finance Act, 2014 had brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent was to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax was to be collected at source by the investee company which was to be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 47 B and 99 of Second schedule of the Income Tax Ordinance, 2001. Consequently, the Honorable Sindh High Court granted stay order till the final outcome of the case. As of period end, 1,392 shares (June 30, 2019: 1,160) of PSO having a fair market value of Rs. 266,763 (June 30, 2019: Rs. 261,499 million), 5,300 shares (June 30, 2019: 5,300 shares) of Searl having a fair market value of Rs. 1,000,322 (June 30, 2019: Rs. 1,301,627), 707 shares (June 30, 2019: 642) of HINOON having a fair market value of Rs. 379,843 million (June 30, 2019: 223,191 million) and 7,864 shares (June 30, 2019: Nil) of FABL having a fair market value of Rs. 149,573 (June 30, 2019: Nil) are disputed. Such shares have not been deposited by the investee company in CDC account of the department of Income Tax. The Management Company is of the view that the decision will be in its favour and accordingly has recorded the bonus shares on gross basis. Through Finance Act, 2018, the tax on bonus shares was withdrawn.

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

Paticulars	Note	As at July 1, 2019	Purchased during the period	Sold / matured during the period	As at December 31, 2019	Carrying value as at December 31, 2019	Market value as at December 31, 2019	Unrealized appreciation / (diminution) as at December 31, 2019	Market value as a percentage of Total Investment of the Sub-Fund	Market value as a percentage of net assets of the Sub-Fund
		----- Number of certificates -----				----- Rupees in ('000) -----			----- % -----	
<b>Held by Debt Sub-Fund</b>										
Treasury Bills - 12 months	5.2.1	1,840	18,920	16,760	4,000	366,322	364,648	(1,674)	74.46	52.22
<b>Total as at December 31, 2019(Un-audited)</b>						<b>366,322</b>	<b>364,648</b>	<b>(1,674)</b>	<b>74.46</b>	<b>52.22</b>
Total as at June 30, 2019 (Audited)						181,211	181,177	(34)	48.82	48.98
<b>Held by Money Market Sub-Fund</b>										
Treasury Bills - 3 months	5.2.2	5,000	28,730	32,730	1,000	98,906	98,947	41	100.00	10.06
<b>Total as at December 31, 2019(Un-audited)</b>						<b>98,906</b>	<b>98,947</b>	<b>41</b>	<b>100.00</b>	<b>10.06</b>
Total as at June 30, 2019 (Audited)						492,420	492,328	(92)	102.70	100.00

5.2.1 These treasury bills carry effective yield of 12.82% (June 30, 2019 : 12.65%) per annum and will mature by September 24, 2020 (June 30, 2019: August 15, 2019).

5.2.2 This treasury bill carry effective yield of 13.13% (June 30, 2019: 12.64%) per annum and will mature by January 31, 2020 (June 30, 2019: August 15, 2019).

**5.3 Government securities - Pakistan Investment Bond 'at fair value through profit or loss'  
(certificates having a nominal value of Rs.100,000 each)**

Particulars	Note	As at July 1, 2019	Purchased during the period	Sold / matured during the period	As at December 31, 2019	Carrying value as at December 31, 2019	Market value as at December 31, 2019	Unrealized (diminution)/ appreciation as at December 31, 2019	Market value as a percentage of Total Investment of the sub fund	Market value as a percentage of net assets of the Sub-Fund
-----Number of certificates-----					-----Rupees in ('000)-----			-----%-----		
<b>Held by Debt Sub-Fund</b>										
Pakistan Investments										
Bonds - 10 years	5.3.1	1,250	-	500	750	74,820	76,230	1,410	15.57	10.92
<b>Total as at December 31, 2019 (Un-audited)</b>						<b>74,820</b>	<b>76,230</b>	<b>1,410</b>	<b>15.57</b>	<b>10.92</b>
Total as at June 30, 2019 (Audited)						120,139	119,237	(902)	32.23	32.13

5.3.1 This Pakistan Investment Bond carry mark-up of 14.64% (June 30, 2019: 8.55% and 7.25%) per annum with maturity in August 2028 (June 30, 2019: August 2028 and July 2021).

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

Particulars	Note	As at July 1, 2019	Purchased during the period	Disposed / matured during the period	As at December 31, 2019	Carrying value as at December 31, 2019	Market value as at December 31, 2019	Unrealized (diminution)/ appreciation as at December 31, 2019	Market value as a percentage of total investment of the sub fund	Market value as a percentage of net assets of the sub fund
-----Number of certificates-----					-----Rupees in ('000)-----			----- (%) -----		
<b>Held by Debt Sub-Fund</b>										
Bank Alfalah Limited - Listed (Issue date - 'February 20, 2013)	5.4.1	1,200	-	-	1,200	5,984	5,984	-	1.22	0.86
JS Bank Limited - Listed (Issue date - December 14, 2016)		3,200	-	3,200	-	-	-	-	-	-
Jahangir Siddiqui & Company Limited - Listed (Issue date - July 18, 2017)	5.4.1	10,000	-	-	10,000	37,388	37,388	-	7.63	5.35
<b>Total as at December 31, 2019 (Un-audited)</b>						<b>43,372</b>	<b>43,372</b>	<b>-</b>	<b>8.85</b>	<b>6.21</b>
Total as at June 30, 2019 (Audited)						66,394	65,369	(1,025)	17.67	3.55

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

Name of security	Number of certificates	Face value / redemption value Rupees in '000	Mark-up rate (Per annum)	Maturity
Bank Alfalah Limited	1,200	5,984	6M KIBOR + 1.25%	February 19, 2021
Jahangir Siddiqui & Company Limited	10,000	37,500	6M KIBOR + 1.40%	July 18, 2022

**Note**  
 (Un-audited) December 31, 2019  
 (Audited) June 30, 2019  
 ----- (Rupees in '000) -----

**5.5 FUTURE GOLD CONTRACTS**

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

**Held by Commodity Sub-Fund**

Future Gold Contracts

5.5.1 233 460

5.5.1 This represents net unrealised gain on cash settled future gold contracts with settlement date of August 2020 (June 30, 2019: August 2019).

**5.6 Government securities - Pakistan Investment Bonds - 'at fair value through other comprehensive income' (certificates having a nominal value of Rs.100,000 each)**

Particulars	Note	As at July 1, 2019	Purchased during the period	Sold / matured during the period	As at December 31, 2019	Carrying value as at December 31, 2019		Unrealized appreciation / (diminution) as at December 31, 2019	Market value as a percentage of Total Investment of the Sub-Fund	Market value as a percentage of net assets of the Sub-Fund
						Number of certificates	Rupees in ('000)			
<b>Held by Debt Sub-Fund</b>										
Pakistan Investment Bonds - 10 years	5.6.1	55	-	-	55	5,385	5,461	76	1.12	0.78
<b>Total as at December 31, 2019(Un-audited)</b>						<b>5,385</b>	<b>5,461</b>	<b>76</b>	<b>1.12</b>	<b>0.78</b>
Total as at June 30, 2019 (Audited)						5,219	5,366	147	1.45	1.45

5.6.1 These Pakistan Investment Bonds carry mark-up of 12.00% (June 30, 2019: 12.00%) per annum with maturity ranging from July 2020 to August 2021 (June 30, 2019: July 2020 to August 2021).

## 6. ADVANCE INCOME TAX

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

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

	December 31, 2019 (Un-audited)					June 30, 2019 (Audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	
<b>Note</b>	(Rupees in '000)										
Management fee (including Sindh Sales Tax thereagainst)	7.1	1,774	1,010	1,462	11	4,257	1,406	957	1,180	16	3,559
Sales load and conversion charges payable		185	40	27	9	261	116	41	45	6	208
Other payable		4	4	4	27	39	4	4	4	27	39
		<b>1,963</b>	<b>1,054</b>	<b>1,493</b>	<b>47</b>	<b>4,557</b>	<b>1,526</b>	<b>1,002</b>	<b>1,229</b>	<b>49</b>	<b>3,806</b>

7.1 This represents remuneration of the Pension Fund Manager at the rate of 1.5% (2019: 1.5%) of the average amount of net assets of each sub-fund. The sales tax has been charged at the rate of 13% (2019: 13%) of each sub-fund.

## 8. ACCRUED EXPENSES AND OTHER LIABILITIES

	December 31, 2019 (Un-audited)					June 30, 2019 (Audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	
<b>Note</b>	(Rupees in '000)										
Provision of Sindh Workers' Welfare Fund	8.1	17,891	3,246	1,984	107	23,228	13,129	2,501	936	95	16,661
Provision of indirect taxes and duties	8.2	5,897	4,599	2,579	194	13,269	5,897	4,599	2,578	194	13,268
Auditors' remuneration		109	109	109	109	436	83	83	83	83	332
Zakat payable		2	7	109	-	118	1	4	79	-	84
Withholding tax payable		107	162	1,179	16	1,464	45	108	55	10	218
Brokerage payable		1,524	111	39	-	1,674	1,385	96	28	-	1,509
Legal and professional fees		35	35	35	36	141	15	15	15	15	60
Other payable		3,475	5,763	3,975	-	13,213	216	632	192	-	1,040
		<b>29,040</b>	<b>14,032</b>	<b>10,009</b>	<b>462</b>	<b>53,543</b>	<b>20,771</b>	<b>8,038</b>	<b>3,966</b>	<b>397</b>	<b>33,172</b>

### 8.1 Provision of Sindh Workers' Welfare Fund

This represents provision for Sindh Workers' Welfare Fund (SWWF) as at December 31, 2019. 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 Rs. 9.63 (URSF-ESF) (June 30, 2019: Rs. 7.57), Rs. 1.14 (URSF-DSF) (June 30, 2019: Rs. 1.13), Rs. 0.40 (URSF-MMSF) (June 30, 2019: Rs. 0.41), Rs. 1.78 (URSF-CSF) (June 30, 2019: Rs. 2.16). The details regarding this provision are disclosed in note 13.1 to the annual audited financial statements for the year ended June 30, 2019.

### 8.2 Provision of indirect taxes and duties

This represents provision for federal excise duty (FED) as at December 31, 2019. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.2 to the annual audited financial statements for the year ended June 30, 2019. Had the provision not been made, the net assets value per unit would have been higher by Rs. 3.17 (June 30, 2019: Rs. 2.82), Rs. 1.61 (June 30, 2019: Rs. 1.36), Rs. 0.52 (June 30, 2019: Rs. 0.53), Rs. 3.23 (June 30, 2019: Rs. 3.62) respectively.

## 9. CONTINGENCIES AND COMMITMENTS

### 9.1 CONTINGENCIES

There were no contingencies outstanding as at December 31, 2019 and June 30, 2019.

December      June 30,  
2019            2019  
---- (Rupees in '000) ----

## 9.2 COMMITMENTS

### Commodity Sub-Fund

Purchase of 30 (2019: 23) ounce gold in  
US\$ 44,049 (2018: US\$ 29,629)

7,057      5,202

This represents the investment in future gold contracts with settlement date of January 31, 2019 (2019: July 29, 2019).

## 10. NUMBER OF UNITS IN ISSUE

	December 31, 2019 (Un-audited)					June 30, 2019 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	-----Number of units-----									
Total units outstanding at the beginning of the period	1,822,960	2,989,337	4,624,981	52,992	9,490,270	1,982,938	3,359,129	3,914,989	41,924	9,298,980
Units issued during the period	251,972	486,697	2,143,453	236,271	3,118,393	389,130	1,064,550	2,638,914	26,042	4,118,635
Effect of reallocation	111,626	(197,544)	(72,856)	(5,457)	(164,231)	49,742	(161,467)	14,018	(1,216)	(98,923)
Units redeemed during the period	(327,966)	(426,259)	(1,780,253)	(223,849)	(2,758,327)	(598,850)	(1,272,875)	(1,942,940)	(13,758)	(3,828,422)
Total units in issue at the end of the period	<u>1,858,592</u>	<u>2,852,231</u>	<u>4,915,325</u>	<u>59,957</u>	<u>9,686,105</u>	<u>1,822,960</u>	<u>2,989,337</u>	<u>4,624,981</u>	<u>52,992</u>	<u>9,490,270</u>

## 11. CONTRIBUTION TABLE

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

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

From:	As at June 30, 2019 (audited)									
	Equity Sub Fund		Debt Sub-Fund		Money Market Sub-Fund		Commodity Sub-Fund		Total	
	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)
Individuals	389,130	241,913	1,064,550	237,554	2,638,914	479,204	26,042	2,984	4,118,635	961,655

## 12. TAXATION

No provision for taxation for the period ended December 31, 2019 has been made in view of the exemption available to the fund under clause 57(3) (viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

## 13. EARNING PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

## 14. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

	As at December 31, 2019 (Un-audited)				As at June 30, 2019 (Audited)			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----								
<b>Equity Sub-Fund</b>								
<b>At fair value through profit or loss</b>								
Equity Securities	<u>1,167,938</u>	<u>-</u>	<u>-</u>	<u>1,167,938</u>	<u>917,741</u>	<u>-</u>	<u>-</u>	<u>917,741</u>
<b>Debt Sub Fund</b>								
<b>At fair value through profit or loss</b>								
Government securities - Treasury Bills	-	364,648	-	364,648	-	181,177	-	181,177
Government securities - Pakistan Investment Bonds	-	76,230	-	76,230	-	119,237	-	119,237
Debt securities - Term Finance Certificates / Sukuks	-	43,372	-	43,372	-	65,369	-	65,369
<b>At fair value through other comprehensive income</b>								
Government securities - Pakistan Investment Bonds	-	5,461	-	5,461	-	5,366	-	5,366
	<u>-</u>	<u>489,711</u>	<u>-</u>	<u>489,711</u>	<u>-</u>	<u>371,149</u>	<u>-</u>	<u>371,149</u>
<b>Money Market Sub Fund</b>								
<b>At fair value through profit or loss</b>								
Government securities - Treasury Bills	-	98,947	-	98,947	-	492,328	-	492,328
	<u>-</u>	<u>98,947</u>	<u>-</u>	<u>98,947</u>	<u>-</u>	<u>492,328</u>	<u>-</u>	<u>492,328</u>
<b>Commodity Sub-Fund</b>								
<b>At fair value through profit or loss</b>								
Future gold contracts	233	-	-	233	460	-	-	460
	<u>233</u>	<u>-</u>	<u>-</u>	<u>233</u>	<u>460</u>	<u>-</u>	<u>-</u>	<u>460</u>

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

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

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

- 15.1** Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (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.
- 15.2** Transactions with the connected persons are carried out in the normal course of business, at agreed / contracted rates.
- 15.3** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 15.4** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.
- 15.5** Details of transactions with related parties / connected persons during the period and balances held with them at the period ended December 31, 2019 are as follows:

Particulars	Pension Fund Manager	Associated companies and others*	Trustee	Funds under Common Management	Directors and Key Executives**	other connected persons***
----- Period ended December 31, 2019 -----						
<b>Equity Sub Fund</b>						
<b>Transactions during the period</b>						
----- (Units in '000) -----						
Units issued	-	-	-	-	29	-
----- (Rupees in '000) -----						
Value of units issued	-	-	-	-	18,633	-
Mark-up on bank accounts	-	838	-	-	-	-
Bank charges	-	5	-	-	-	-
Remuneration including sales tax	7,652	-	660	-	-	-
CDS expense	-	-	8	-	-	-
<b>Balances held</b>						
----- As at December 31, 2019 -----						
----- (Units in '000) -----						
Units held	-	-	-	-	74	-
----- (Rupees in '000) -----						
Value of units held	-	-	-	-	49,751	-
Bank balances	-	10,676	-	-	-	-
Mark-up receivable	-	178	-	-	-	-
Deposits	-	-	-	-	-	-
Remuneration payable	1,774	-	116	-	-	-
Sales load payable	185	-	-	-	-	-
Other payable	4	-	-	-	-	-

Particulars	Pension Fund Manager	Associated companies and others*	Trustee	Funds under Common Management	Directors and Key Executives**	other connected persons***
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----- Period ended December 31, 2018 -----

**Equity Sub Fund**

**Transactions during the period**

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

Units issued	-	-	-	-	-	-
--------------	---	---	---	---	---	---

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

Value of units issued	-	-	-	-	10,356	-
Mark-up on bank accounts	-	905	-	-	-	-
Bank charges	-	5	-	-	-	-
Remuneration including sales tax	11,159	-	882	-	-	-
CDS expense	-	-	28	-	-	-

**Balances held**

----- As at June 30, 2019 -----

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

Units held	-	-	-	-	46	254
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----- (Rupees in '000) -----

Value of units held	-	-	-	-	24,997	138,423
Bank balances	-	38,085	-	-	-	-
Mark-up receivable	-	212	-	-	-	-
Deposits	-	-	-	-	-	-
Remuneration payable	1,406	-	114	-	-	-
Sales load payable	116	-	-	-	-	-
Other payable	4	-	-	-	-	-

Particulars	Pension Fund Manager	Associated companies and others*	Trustee	Funds under Common Management	Directors and Key Executives**	other connected persons***
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----- Period ended December 31, 2019 -----

**Debt Sub Fund**

**Transactions during the period**

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

Units Issued	-	-	-	-	1	-
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Units redeemed	-	-	-	-	1	-
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----- (Rupees in '000) -----

Value of units issued	-	-	-	-	210	-
Value of units redeemed	-	-	-	-	315	-
Mark-up on bank accounts	-	526	-	-	-	-
Bank charges	-	11	-	-	-	-
Remuneration including sales tax	5,156	-	462	-	-	-
CDS expense	-	-	2	-	-	-

**Balances held**

----- As at December 31, 2019 -----

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

Units held	-	-	-	-	9	-
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----- (Rupees in '000) -----

Value of units held	-	-	-	-	2,203	-
Bank balances	-	3,177	-	-	-	-
Mark-up receivable	-	45	-	-	-	-
Deposits	-	-	-	-	-	-
Remuneration payable	1,010	-	79	-	-	-
Sales load payable	40	-	-	-	-	-
Other payable	4	-	-	-	-	-

Particulars	Pension Fund Manager	Associated companies and others*	Trustee	Funds under Common Management	Directors and Key Executives**	other connected persons***
----- Period ended December 31, 2018 -----						
<b>Debt Sub Fund</b>						
<u>Transactions during the period</u> ----- (Units in '000) -----						
Units redeemed	-	-	-	-	-	-
----- (Rupees in '000) -----						
Value of units redeemed	-	-	-	-	51	-
Mark-up on bank accounts	-	906	-	-	-	-
Bank charges	-	6	-	-	-	-
Remuneration including sales tax	5,820	-	460	-	-	-
CDS expense	-	-	3	-	-	-
<u>Balances held</u> ----- As at June 30, 2019 -----						
----- (Units in '000) -----						
Units held	-	-	-	-	9	-
----- (Rupees in '000) -----						
Value of units held	-	-	-	-	2,090	-
Bank balances	-	5,787	-	-	-	-
Mark-up receivable	-	31	-	-	-	-
Deposits	-	-	-	-	-	-
Remuneration payable	957	-	77	-	-	-
Sales load payable	41	-	-	-	-	-
Other payable	4	-	-	-	-	-

Particulars	Pension Fund Manager	Associated companies and others*	Trustee	Funds under Common Management	Directors and Key Executives**	other connected persons***
----- Period ended December 31, 2019 -----						
<b>Money Market Sub Fund</b>						
<u>Transactions during the period</u> ----- (Units in '000) -----						
Units redeemed	-	-	-	-	88	-
----- (Rupees in '000) -----						
Value of units redeemed	-	-	-	-	17,354	-
Mark-up on bank accounts	-	350	-	-	-	-
Bank charges	-	6	-	-	-	-
Remuneration including sales tax	7,352	-	681	-	-	-
CDS expense	-	-	-	-	-	-
<u>Balances held</u> ----- As at December 31, 2019 -----						
----- (Units in '000) -----						
Units held	-	-	-	-	-	-
----- (Rupees in '000) -----						
Value of units held	-	-	-	-	-	-
Bank balances	-	1,618	-	-	-	-
Mark-up receivable	-	22	-	-	-	-
Deposits	-	-	-	-	-	-
Remuneration payable	1,462	-	163	-	-	-
Sales load payable	27	-	-	-	-	-
Other payable	4	-	-	-	-	-

Particulars	Pension Fund Manager	Associated companies and others*	Trustee	Funds under Common Management	Directors and Key Executives**	other connected persons***
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----- Period ended December 31, 2018 -----

**Money Market Sub Fund**

**Transactions during the period**

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

Mark-up on bank accounts	-	956	-	-	-	-
Bank charges	-	14	-	-	-	-
Remuneration including sales tax	6,024	-	476	-	-	-
CDS expense	-	-	-	-	-	-

**Balances held**

----- As at June 30, 2019 -----

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

Units held	-	-	-	-	88	-
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----- (Rupees in '000) -----

Value of units held	-	-	-	-	16,580	-
Bank balances	-	721	-	-	-	-
Mark-up receivable	-	18	-	-	-	-
Deposits	-	-	-	-	-	-
Remuneration payable	1,180	-	95	-	-	-
Sales load payable	45	-	-	-	-	-
Other payable	4	-	-	-	-	-

Particulars	Pension Fund Manager	Associated companies and others*	Trustee	Funds under Common Management	Directors and Key Executives**	other connected persons***
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----- Period ended December 31, 2019 -----

**Commodity Sub-Fund**

**Transactions during the period**

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

Units issued	-	-	-	-	-	9
Units redeemed	-	-	-	-	-	2

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

Value of units issued	-	-	-	-	-	1,200
Value of units redeemed	-	-	-	-	-	289
Mark-up on bank accounts	-	94	-	-	-	-
Bank charges	-	1	-	-	-	-
Remuneration including sales tax	56	-	4	-	-	-

**Balances held**

----- As at December 31, 2019 -----

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

Units held	-	-	-	-	-	30
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----- (Rupees in '000) -----

Value of units held	-	-	-	-	-	4,022.88
Bank balances	-	418	-	-	-	-
Mark-up receivable	-	4	-	-	-	-
Deposits	-	-	-	-	-	-
Remuneration payable	11	-	1	-	-	-
Sales load payable	9	-	-	-	-	-
Other payable	27	-	-	-	-	-

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

----- Period ended December 31, 2018 -----

Commodity Sub-Fund

Transactions during the period

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

Units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-

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

Value of units issued	-	-	-	-	-	212
Value of units redeemed	-	-	-	-	-	54
Mark-up on bank accounts	-	13	-	-	-	-
Bank charges	-	1	-	-	-	-
Remuneration including sales tax	43	-	3	-	-	-

Balances held

----- As at June 30, 2019 -----

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

Units held	-	-	-	-	-	24
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----- (Rupees in '000) -----

Value of units held	-	-	-	-	-	2,933
Bank balances	-	643	-	-	-	-
Mark-up receivable	-	4	-	-	-	-
Deposits	-	-	-	-	-	-
Remuneration payable	16	-	2	-	-	-
Sales load payable	6	-	-	-	-	-

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

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

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

**16. GENERAL**

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

**16.2** This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2019 have not been reviewed by auditors.

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

**17. DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information were authorised for issue by the Board of Directors of the Pension Fund Manager on February 25, 2020

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

SD

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

SD

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

SD

\_\_\_\_\_  
Director



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