



CS/PSX/2023/0006

February 28, 2023

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

Dear Sir,

SUB: TRANSMISSION OF CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED DECEMBER 31, 2022

We hereby inform you that the condensed interim financial statements of the following funds under Management of UBL Fund Managers Limited for the period ended December 31, 2022 have been sent via email to Stock Exchange for onward submission to TREC Holders and are also available on Company's website at www.ublfunds.com:

1. Al Ameen Islamic Energy Fund;
2. Al Ameen Islamic Aggressive Income Fund;
3. Al Ameen Islamic Asset Allocation Fund;
4. Al Ameen Islamic Cash Fund;
5. Al Ameen Islamic Dedicated Equity Fund;
6. Al Ameen Islamic Sovereign Fund;
7. Al Ameen Shariah Stock Fund;
8. UBL Asset Allocation Fund;
9. UBL Cash Fund;
10. UBL Dedicated Equity Fund;
11. UBL Financial Sector Fund;
12. UBL Government Securities Fund;
13. UBL Growth and Income Fund;
14. UBL Income Opportunity Fund;
15. UBL Liquidity Plus Fund;
16. UBL Money Market Fund;
17. UBL Pakistan Enterprise Exchange Traded Fund;
18. UBL Special Savings Fund II;
19. UBL Special Savings Fund; and
20. UBL Stock Advantage Fund.

You may please inform TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,

SD

Umair Ahmed

Chief Financial Officer and COO

UBL FUND MANAGERS LIMITED

☎ +92 21 111 825 262

✉ info@ublfunds.com

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

www.ublfunds.com



Half Yearly Report – December 2022



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Disclaimer: Use of name and logo of UBL Bank Ltd. as given above does not mean that it is responsible for the liabilities/obligations of UBL Fund Managers or any investment scheme managed by it.

CORPORATE INFORMATION

Board of Directors

Azhar Hamid (Chairman)

Yasir Qadri (Chief Executive Officer)

Aslam Sadruddin

Huma Pasha

Arif Akmal Saifie

Imran Sarwar

Muhammad Rizwan Malik

Audit Committee

Huma Pasha (Chair)

Imran Sarwar

Aslam Sadruddin

Arif Akmal Saifie

Risk and Compliance Committee

Imran Sarwar (Chairman)

Yasir Qadri

Azhar Hamid

Arif Akmal Saifie

Muhammad Rizwan Malik

Human Resource and Compensation Committee

Azhar Hamid (Chairman)

Huma Pasha

Aslam Sadruddin

Yasir Qadri

Muhammad Rizwan Malik

Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem
Member

Mufti Muhammad Najeeb Khan
Member

Chief Financial Officer

Umair Ahmed

Company Secretary

Bilal Javaid*
Anum Imtiaz**

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
April 3, 2001 as a Public Limited
Company under the Companies
Ordinance, 1984

Management Quality Rating

AM1 by VIS Credit Rating Company

Funds / Plans under Management

UBL Liquidity Plus Fund

Launch Date: June 21, 2009

UBL Government Securities Fund

Launch Date: July 27, 2011

UBL Money Market Fund

Launch Date: October 14, 2010

UBL Income Opportunity Fund

Launch Date: March 29, 2013

UBL Growth and Income Fund

Launch Date: March 2, 2006

UBL Asset Allocation Fund

Launch Date: August 20, 2013

UBL Stock Advantage Fund

Launch Date: August 4, 2006

Al-Ameen Islamic Sovereign Fund

Launch Date: November 7, 2010

Al-Ameen Islamic Aggressive Income Fund

Launch Date: October 20, 2007

Al-Ameen Islamic Aggressive Income Plan-I

Launch Date: April 16, 2020

Al-Ameen Shariah Stock Fund

Launch Date: December 24, 2006

Al-Ameen Islamic Asset Allocation Fund

Launch Date: December 10, 2013

UBL Cash Fund

Launch Date: September 23, 2019

Al-Ameen Islamic Cash Fund

Launch Date: September 17, 2012

Al-Ameen Islamic Cash Plan-I

Launch Date: May 29, 2020

Al-Ameen Islamic Dedicated Equity Fund

Launch Date: January 5, 2016

Al-Ameen Islamic Special Savings Fund

Launch Date: March 9, 2020

UBL Pakistan Enterprise Exchange Traded Fund

Launch Date: March 24, 2020

Al- Ameen Islamic Financial Planning Fund - III

Launch Date: May 28, 2018

UBL Dedicated Equity Fund

Launch Date: May 29, 2018

UBL Financial Sector Fund

Launch Date: April 6, 2018

UBL Special Saving Fund

Launch Date: November 9, 2018

UBL Retirement Savings Fund

Launch Date: May 10, 2010

Al-Ameen Islamic Retirement Savings Fund

Launch Date: May 10, 2010

Al-Ameen Islamic Energy Fund

Launch Date: December 13, 2019

UBL Special Savings Fund II

Launch Date: February 10, 2020

UBL Fixed Return Fund

Launch Date: August 24, 2022

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

* Resigned with effect from July 14, 2022

** Appointed with effect from September 6, 2022



Directors' Report

The Board of Directors of UBL Fund Managers Limited is pleased to present quarterly reports of 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 Income Opportunity Fund (UIOF), UBL Asset Allocation Fund (UAAF), UBL Financial Sector Fund (UFSF), UBL Dedicated Equity Fund (UDEF), UBL Pakistan Enterprise Exchange Traded Fund (UBLP-ETF), UBL Special Savings Fund (USSF) [comprising 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), UBL Special Savings Plan - VI (USSP-VI)], UBL Special Savings Fund II (USSF-II) [comprising UBL Special Savings Plan-VII (USSP-VII), UBL Special Savings Plan-VIII (USSP-VIII), UBL Special Savings Plan-IX (USSP-IX)] and UBL Fixed Return Fund [comprising UBL Fixed Return Fund [comprising UBL Fixed Return Plan-I-B (UFRP-I-B), UBL Fixed Return Plan-I-C (UFRP-I-C), UBL Fixed Return Plan-I-D (UFRP-I-D), UBL Fixed Return Plan-I-E (UFRP-I-E), UBL Fixed Return Plan-I-F (UFRP-I-F), UBL Fixed Return Plan-I-G (UFRP-I-G)] for the half year ended December 31, 2022.

Economy and Money Market outlook 1HFY23

Pakistan's fragile FX reserves, especially given weak buffers declined to perilously low levels as political quagmire overshadowed much needed economic reforms at critical junctures. Surprise change in government followed by cataclysmic floods significantly disrupted economic stability as slowdown took a hefty toll on the economy in 2022. Moreover, supply disruptions fueled by COVID pandemic and extended by the Russia-Ukraine conflict adversely impacted global energy prices. This manifested in sky rocketing inflation and gradually seeped into political discourse.

During the period, higher food and energy prices along with fiscal slippages and rampant inflation forced the central bank to adopt a tight monetary stance as SBP raised benchmark rate by 900bps from 7% in September 2021 to 16% in November 2022, the highest since the 1990s. PKR depreciated by a sharp 28% versus USD in 2022. Looking ahead, with general elections scheduled for October clarity on the political front should calm markets and provide a sense of certainty wherein a government with a fresh 5 year mandate will be better positioned to revive Pakistan's derailed reforms. Moreover, fast-tracking bilateral inflows and seeking rollovers while sustaining contours of the IMF program and consequently building FX reserves can enable investor confidence to return.

Historically expansionary fiscal policy has ensued during election years. However, with tight fiscal space and precarious FX position, higher expenditures while under an IMF program would be difficult. Ever expanding fiscal deficit continues to remain a key challenge to country's economic growth prospects which is exacerbated by a narrow tax base and slippages on expenditure front including sizeable markup payments. We estimate fiscal deficit to remain ~6.5-7% of GDP, against official target of 4.9%. Revenue collection in 5MFY23 has remained strong but will likely face some hurdles in 2HFY23 due to slowdown in the economy. Furthermore, additional flood related spending coupled with subsidy packages are upside risks to our forecast.



In the absence of much needed fiscal response to economic challenges, SBP has maintained its tight monetary stance by increasing benchmark rate by 100bps to 16% in November 2022. December inflation reading arrived at 24.5%, taking 1HFY23 CPI to 25.03%. Higher price of wheat, fresh fruits and milk contributed to the M/M rise in inflation. Going forward, we expect inflation to remain elevated during the rest of the fiscal year mainly due to expected increase in administered prices (gas, electricity, retail fuel etc.), additional revenue measures and further PKR depreciation. Due to continued inflationary pressures, we expect FY23 average inflation to fall in the 24-26% range. The policy rate is expected to rise by 100bps to 17% in the next MPC meeting set for January 23, 2023.

Pakistan's current account deficit (CAD) shrank by more than 50% during the 5MFY23 (USD 3.1 billion from USD 7.2 billion) due to a lower import bill and a marginal increase in exports. The deficit during November alone was recorded at USD 0.28 billion. The current account deficit has started to come under control, given strict import checks and economic slowdown. The trade deficit is down 26% while services deficit is down 50%. Remittances have also declined by 10%. We expect full year FY23 CAD to come at 1.5-2.0% of GDP wherein the savings from imports would significantly outpace fall in exports and remittances. Greater than anticipated reduction in oil prices amid global slowdown or ease in tension between Russia and Ukraine could provide much-needed space on the external front. However, a larger concern for the economy is heavy external debt repayments due over the next 12 months.

Debt Market Review for 1HFY'23

On account of rising inflation and current account deficit coupled with sharp rise in global commodity prices, SBP raised the policy rate by 225 bps cumulatively to 16% during 1HFY23. The longer end yields reacted sharply after an unexpected move from SBP to increase policy rate in November 2022 MPC.

| Tenors | PKRV as at Dec 31, 2022 | PKRV as at June 30, 2022 | Change (1HFY23) |
|----------|-------------------------|--------------------------|-----------------|
| 3 Months | 16.69 | 14.98 | 1.71 |
| 6 Months | 16.99 | 15.15 | 1.84 |
| 1 Year | 17.00 | 15.3 | 1.7 |
| 3 years | 15.64 | 13.45 | 2.19 |
| 5 Years | 14.61 | 12.93 | 1.68 |
| 10 Years | 13.70 | 12.92 | 0.78 |

Market appetite for treasury bills remained strong during 1HFY23. Heavy participation amounting to PKR ~19.2 trillion was observed, out of which the government accepted ~PKR 10.2 trillion. Due to monetary tightening, a clear preference was observed in the 3M T-Bills. During 1HFY23, the market participated PKR ~13.3 trillion in 3M T-Bills which constituted 71% of the total participation followed by 12M T-Bills and 6M T-Bills with the participation of PKR ~3.3 trillion (16% of the total participation) and PKR 2.5 trillion (13% of the total participation) respectively.

In fixed rate PIB auctions, the market participated PKR 2.95 trillion, the government made close to target acceptance in fixed rate PIBs. Total accepted amount was ~PKR 942 billion. Despite the heavy participation, the market demanded relatively higher yields. The government proactively managed the cost of borrowing and the maturity profile simultaneously.



For floater rate PIBs, the rising interest rate scenario made investment more favorable. A significant participation was observed in floater rate PIBs, a participation of PKR 5.2 trillion took place in the floater rate PIB auctions, out of which the government accepted PKR 3.4 trillion. Out of PKR 3.4 trillion, PKR 864 billion accepted in the 2Y floater PIB, PKR 1,200 billion was accepted in the 3Y floater PIB, PKR 1,244 billion was accepted in 5Y floater PIB and 101 billion was accepted in 10Y floater PIB.

On the Islamic front, the market remained skewed towards variable rate Ijara Sukuk. Total participation was ~PKR 592 billion in the variable rate Ijara Sukuk auction out of which the government accepted ~PKR 345 billion against the total target of PKR 475 billion. However, PKR 83.7 billion participation was witnessed in the fixed rate Ijara Sukuk and the government accepted ~PKR 20 billion against the total target of PKR 185 billion.

Stock Market Review for 1HFY23

Market performance remained jittery where KSE-100 index fell by ~2.7% in 1HFY23, as markets continued to look for clarity. Policy paralysis as manifested in incoherent political / economic decision making plagued the local bourse. Notwithstanding extremely attractive valuations, an already precarious balance of payments position further exacerbated by delays in completion of IMF's preconditions for program resumption unnerved investors. The government averted default concerns with successful USD 1 billion Sukuk repayment in early December.

Fund-wise performance

1) UBL LIQUIDITY PLUS FUND (ULPF)

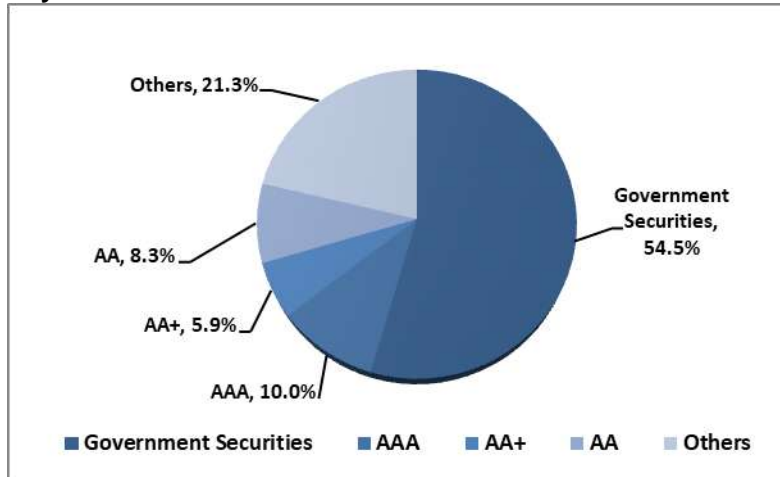
UBL Liquidity Plus Fund (ULPF) is an open end Money Market Fund with investment objective to provide attractive daily returns while maintaining comparatively high liquidity. ULPF yielded return of 15.06% p.a. during 1HFY23. Major exposure was maintained in T-Bills at the end of Dec-22, thus maintaining high portfolio quality. The net assets of the Fund were PKR 44,914 million at the end of 1HFY23. The asset allocation was made as such to ensure high liquidity is kept intact. The weighted average maturity of the Fund was 26.6 days the end 1HFY23.

| | ULPF | Benchmark |
|--|--------|-----------|
| 1HFY'23 Return: | 15.06% | 14.91% |
| Standard Deviation (12m Rolling): | 0.18% | 2.22% |
| Sharpe Ratio (12m Rolling): | (0.42) | (0.46) |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 20.59% | 88.75% |
| Others | 21.30% | 1.42% |
| Placements with Banks | 0.00% | 9.83% |
| Placements with DFIs | 2.44% | 0.00% |
| Commercial Paper | 1.16% | 0.00% |
| T-Bills | 54.52% | 0.00% |



ULPF-Portfolio Quality



ULPF vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| ULPF | 14.89% | 15.06% | 14.00% | 10.42% | 9.84% | 9.08% |
| Benchmark | 15.20% | 14.91% | 13.06% | 9.59% | 9.32% | 8.47% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Fund earned a net income of PKR 2,498.743 million for the half year ended December 31, 2022. The net assets of the Fund were PKR 44,913.952 million as at December 31, 2022 representing the net asset value of PKR 101.5403 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)

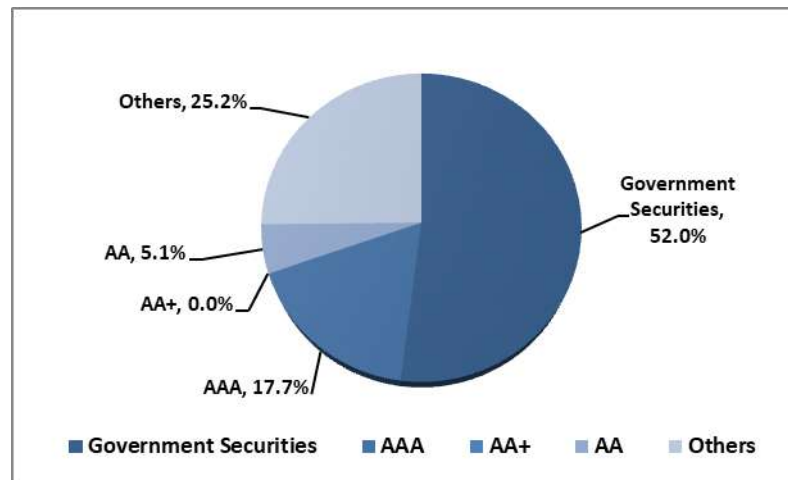
The objective of UBL Money Market Fund is to generate competitive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors by investing a major chunk of the portfolio in cash. During the period under review, UMMF generated a return of 13.51% p.a. whereas its net assets were PKR 8,756 million at the end of 1HFY23. The Fund Manager maintained a high-quality liquid profile during the period with major allocation of 52.01% to T-Bills. The weighted average time to maturity of the Fund was 18 days at the end of 1HFY23.

| | UMMF | Benchmark |
|--|--------|-----------|
| 1HFY'23 Return: | 13.51% | 14.91% |
| Standard Deviation (12m Rolling): | 0.22% | 2.22% |
| Sharpe Ratio (12m Rolling): | (8.74) | (0.46) |



| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 21.20% | 92.84% |
| Commercial Paper | 1.61% | 4.00% |
| Others | 25.18% | 3.16% |
| Placements with Banks | 0.00% | 0.00% |
| T-Bills | 52.01% | 0.00% |

UMMF - Portfolio Quality



UMMF vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| UMMF | 13.53% | 13.51% | 12.15% | 9.46% | 9.19% | 8.55% |
| Benchmark | 15.20% | 14.91% | 13.06% | 9.59% | 9.32% | 9.00% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Fund earned total income of PKR 366.341 million for the half year ended December 31, 2022, which mainly includes markup / interest income on bank balances, placements and government securities. The fund managed to earn a net income of PKR 321.385 million. The net assets of the Fund were PKR 8,755.843 million as at December 31, 2022 representing the net asset value of PKR 107.6233 per unit.

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



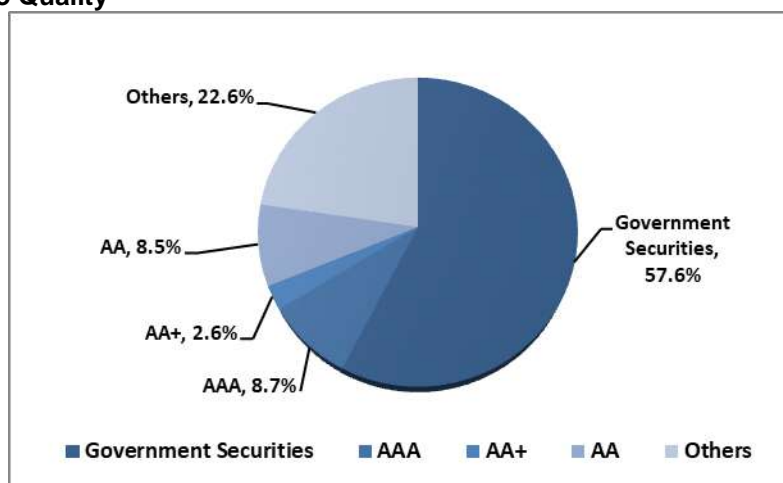
3) UBL CASH FUND (UCF)

The objective of UBL Cash Fund (UCF) is to generate attractive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors. During the period under review, UCF generated a return of 15.29% p.a. whereas its net assets were PKR 15,377 million at the end of 1HFY23. The weighted average time to maturity of the fund was 29 days at the end of 1HFY23.

| | UCF | Benchmark |
|--|--------|-----------|
| 1HFY'23 Return: | 15.29% | 14.91% |
| Standard Deviation (12m Rolling): | 0.17% | 2.22% |
| Sharpe Ratio (12m Rolling): | 0.65 | (0.46) |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 17.94% | 99.12% |
| Others | 22.64% | 0.88% |
| Placements with Banks | 0.00% | 0.00% |
| Commercial Paper | 1.84% | 0.00% |
| T-Bills | 57.58% | 0.00% |

UCF - Portfolio Quality



UCF vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| UCF | 14.92% | 15.29% | 14.19% | 10.62% | - | 10.90% |
| Benchmark | 15.20% | 14.91% | 13.06% | 9.15% | - | 9.17% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Fund earned total income of PKR 823.098 million for the half year ended December 31, 2022, which mainly includes markup / interest income on bank balances, placements and government securities. After accounting for the expenses of PKR 46.848 million, the Fund managed to earn a net income of PKR 776.25 million. The net assets of the Fund were PKR 15,376.992 million as at December 31, 2022 representing the net asset value of PKR 107.9726 per unit.



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

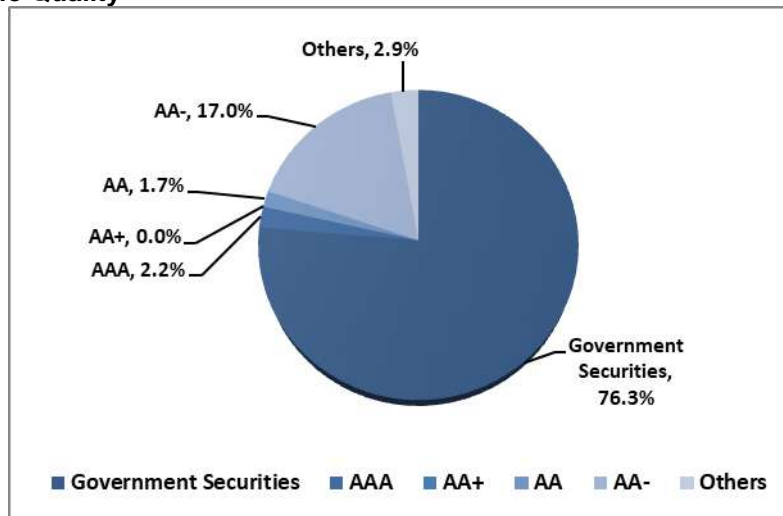
4) UBL GOVERNMENT SECURITIES FUND (UGSF)

The objective of the Fund is to generate a competitive return with minimum risk, by investing primarily in Government Securities. UBL Government Securities Fund posted a return of 12.67% p.a. whereas its net assets were PKR 1,402 million at the end of 1HFY23. The Fund has 52.49% exposure in PIB Floater at the end of 1HFY23. The weighted average maturity of the Fund was 1.72 years at the end of 1HFY23.

| | UGSF | Benchmark |
|--|--------|-----------|
| 1HFY'23 Return: | 12.67% | 15.90% |
| Standard Deviation (12m Rolling): | 0.78% | 2.02% |
| Sharpe Ratio (12m Rolling): | (3.29) | 0.14 |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 20.79% | 98.37% |
| Others | 2.86% | 1.54% |
| PIB - Fixed | 0.03% | 0.04% |
| PIB - Floater | 52.49% | 0.05% |
| T-Bills | 23.83% | 0.00% |
| Placements with Banks | 0.00% | 0.00% |

UGSF - Portfolio Quality





UGSF vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| UGSF | 9.82% | 12.67% | 11.51% | 9.86% | 9.17% | 9.30% |
| Benchmark | 16.13% | 15.90% | 14.37% | 10.41% | 10.24% | 8.90% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Fund earned net income of PKR 76.375 million for the half year ended December 31, 2022 which mainly includes markup / interest income on bank balances, placements and government securities. The net assets of the Fund were PKR 1,401.705 million as at December 31, 2022 representing the net asset value of PKR 112.6181 per unit.

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

5) UBL GROWTH AND INCOME FUND (UGIF)

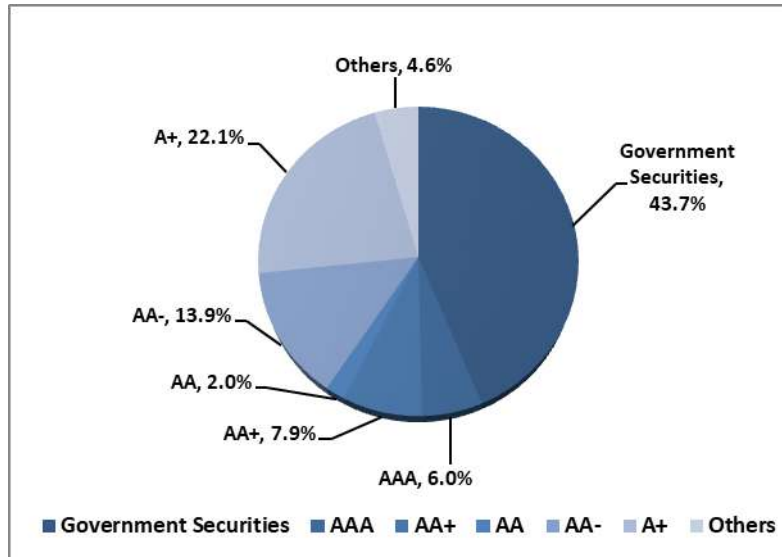
UGIF is an open end Aggressive Fixed Income Fund, investing in medium to long term fixed income instruments as well as short tenor money market instruments and seeks to generate superior, long term, risk adjusted returns while preserving capital over the long-term. The Fund has posted a return of 19.32% p.a. during 1HFY23. Its fund size stood at PKR 1,774 million at end of Dec-22. The Fund manager had major exposure in Cash and PIB Floater, weighted average time to maturity of the fund was 2.31 years at the end of 1HFY23.

| | UGIF | Benchmark |
|--|--------|-----------|
| 1HFY'23 Return: | 19.32% | 16.13% |
| Standard Deviation (12m Rolling): | 2.81% | 2.00% |
| Sharpe Ratio (12m Rolling): | 0.24 | 0.27 |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 39.12% | 74.06% |
| Commercial Paper | 0.00% | 6.40% |
| Others | 3.88% | 3.62% |
| PIB - Fixed | 0.00% | 0.00% |
| PIB - Floater | 43.66% | 0.00% |
| Placements with Banks | 2.20% | 0.00% |
| T-Bills | 0.00% | 0.00% |
| Term Finance Certificates/ Sukuks | 11.14% | 15.92% |



UGIF Portfolio Quality



UGIF vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| UGIF | 23.83% | 19.32% | 14.76% | 12.96% | 11.07% | 7.68% |
| Benchmark | 16.30% | 16.13% | 14.61% | 10.61% | 10.49% | 10.26% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Fund earned a net income of PKR 167.797 million for the half year ended December 31, 2022. The net assets were PKR 1,773.878 million as at December 31, 2022 representing a net asset value of PRK 93.4061 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 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. During the period under review, the Fund posted a return of -4.35%. The fund manager maintained the exposure in local equity market of around 93.08% while exposure in cash stood at 5.45% at the end of Dec-22. The net assets of the fund were PKR 4,697 million as at 1HFY23.

| | USF | Benchmark |
|--|--------|-----------|
| 1HFY'23 Return: | -4.35% | -2.70% |
| Standard Deviation (12m Rolling): | 15.35% | 15.28% |
| Sharpe Ratio (12m Rolling): | (1.85) | (1.53) |



| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 5.45% | 6.45% |
| Equities | 93.08% | 92.54% |
| Others | 1.48% | 1.01% |
| T-Bills | 0.00% | 0.00% |

USF vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|---------|---------|---------|-----------------|
| USF | -2.32% | -4.35% | -14.31% | -2.88% | 0.95% | 396.10% |
| Benchmark | -1.72% | -2.70% | -9.36% | -0.77% | -0.13% | 225.08% |

Returns are on absolute basis

The Fund incurred a net loss of PKR 233.269 million for the half year ended December 31, 2022, as at December 31, 2022 the net assets of the Fund were PKR 4,697.258 million representing the net asset value of PKR 66.4800 per unit.

7) UBL INCOME OPPORTUNITY FUND (UIOF)

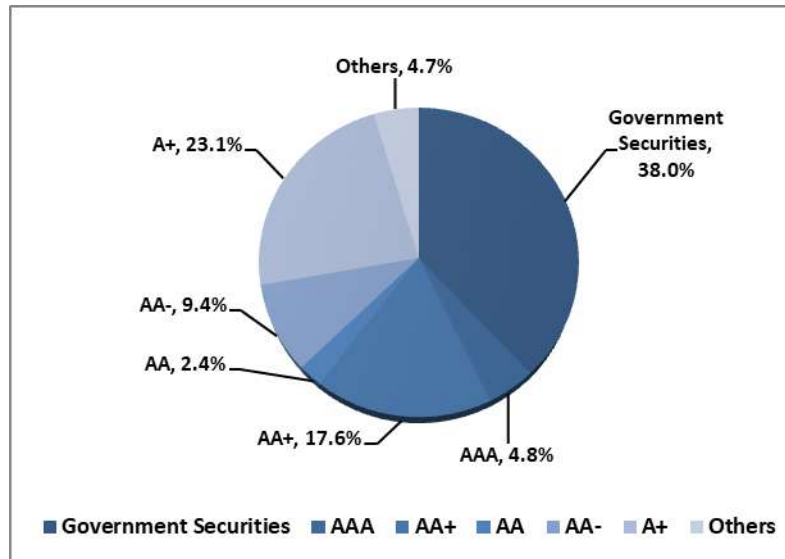
The objective of UBL Income Opportunity Fund is to provide a competitive rate of return to its investors by investing in quality TFCs / Sukuk, Government Securities, Bank Deposits, and short and long term debt instruments. The Fund posted a return of 11.99% p.a. during 1HFY23. The weighted average maturity of the fund was 1.92 years at the end of Dec-22. The Fund's Asset Size stood at PKR 1,289 million as at 1HFY23.

| | UIOF | Benchmark |
|--|--------|-----------|
| 1HFY'23 Return: | 11.99% | 15.95% |
| Standard Deviation (12m Rolling): | 0.68% | 2.02% |
| Sharpe Ratio (12m Rolling): | (3.77) | 0.16 |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 32.79% | 73.36% |
| Commercial Paper | 0.00% | 7.72% |
| Others | 4.70% | 2.62% |
| PIB - Fixed | 0.00% | 0.00% |
| PIB - Floater | 38.00% | 0.00% |
| Placements with Banks | 6.14% | 0.00% |
| Spread Transaction | 0.00% | 0.00% |
| T-Bills | 0.00% | 0.00% |
| Term Finance Certificates/ Sukuks | 18.36% | 16.30% |



UIOF Portfolio Quality



UIOF vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| UIOF | 9.45% | 11.99% | 11.51% | 10.11% | 9.72% | 8.47% |
| Benchmark | 16.14% | 15.95% | 14.41% | 10.43% | 10.28% | 8.86% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Fund earned total income of PKR 128.523 million which mainly includes markup / interest income on bank balances, govt. securities and TDRs for the half year ended December 31, 2022. After accounting for the expenses of PKR 15.278 million, the Fund managed to earn a net income of PKR 113.245 million. The net assets of the Fund were PKR 1,289.419 million as at December 31, 2022 representing the net asset value of PKR 117.0617 per unit.

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

8) UBL ASSET ALLOCATION FUND (UAAF)

The investment objective of the Fund is to earn competitive return by investing in various asset classes / instruments based on the market outlook. During the period under review, the Fund posted a return of 1.86%. The fund manager maintained the exposure in local equity market of around 35.2% while exposure in TFCs stood at 24.72% at the end of Dec-22. The net assets of the Fund were PKR 447mn as at 1HFY23.

| | UAAF | Benchmark |
|--|--------|-----------|
| 1HFY'23 Return: | 1.86% | 4.30% |
| Standard Deviation (12m Rolling): | 6.04% | 5.81% |
| Sharpe Ratio (12m Rolling): | (2.32) | (1.43) |



| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 18.07% | 19.33% |
| Equities | 35.20% | 35.74% |
| Others | 11.33% | 4.89% |
| PIB - Fixed | 0.00% | 0.00% |
| PIB - Floater | 10.68% | 17.35% |
| Placements with Banks | 0.00% | 0.00% |
| Term Finance Certificates/ Sukuks | 24.72% | 22.70% |

UAAF vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| UAAF | 0.44% | 1.86% | 0.09% | 17.68% | 34.59% | 132.22% |
| Benchmark | 2.01% | 4.30% | 5.79% | 25.01% | 41.83% | 121.94% |

Returns are on absolute basis

The Fund earned a net income of PKR 10.008 million for the half year ended December 31, 2022. As at December 31, 2022, net assets of the Fund were PKR 446.709 million representing the net asset value of PKR 148.1271 per unit.

9) UBL FINANCIAL SECTOR FUND (UFSF)

The objective is to provide investors long term capital appreciation by investing primarily in a mix of actively managed portfolio of listed equities that offer capital gains and dividends yield potential preferably in the Financial Sector. During the period under review, the fund posted a return of -2.11%. The Fund manager maintained the exposure in local equity market of around 93.41% while exposure in others stood at 5.1% at the end of Dec-22. The net assets of the Fund were PKR 838 million as at 1HFY23.

| | UFSF | Benchmark |
|--|--------|-----------|
| 1HFY'23 Return: | -2.11% | -2.70% |
| Standard Deviation (12m Rolling): | 16.67% | 15.28% |
| Sharpe Ratio (12m Rolling): | (1.64) | (1.53) |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 1.49% | 1.60% |
| Equities | 93.41% | 95.83% |
| Others | 5.10% | 2.57% |

UFSF vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|---------|---------|---------|-----------------|
| UFSF | -2.39% | -2.11% | -13.22% | -14.64% | - | -23.04% |
| Benchmark | -1.72% | -2.70% | -9.36% | -0.77% | - | -13.19% |

Returns are on absolute basis



The Fund incurred a net loss of PKR 20.624 million for the half year ended December 31, 2022. As at December 31, 2022 the net assets of the Fund were PKR 837.724 million representing the net asset value of PKR 70.4292 per unit.

10) UBL DEDICATED EQUITY FUND (UDEF)

The investment objective of the Fund is to provide other 'Fund of Funds' schemes and Separately Managed Accounts an avenue for investing in Equities. During the period under review, the fund posted a return of -1.98%. The Fund manager maintained the exposure in local equity market of around 81.58% while exposure in cash stood at 11.43% at the end of Dec-22. The net assets of the Fund were PKR 94 million as at 1HFY23.

| | UDEF | Benchmark |
|--|--------|-----------|
| 1HFY'23 Return: | -1.98% | -2.70% |
| Standard Deviation (12m Rolling): | 13.23% | 15.28% |
| Sharpe Ratio (12m Rolling): | (1.71) | (1.53) |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 11.43% | 0.62% |
| Equities | 81.58% | 82.56% |
| Others | 6.99% | 16.81% |

UDEF vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| UDEF | -3.80% | -1.98% | -8.51% | 7.58% | - | 5.49% |
| Benchmark | -1.72% | -2.70% | -9.36% | -0.77% | - | -4.08% |

Returns are on absolute basis

The Fund incurred a net loss of PKR 5.522 million for the half year ended December 31, 2022. As at December 31, 2022 the net assets of the Fund were PKR 94.491 million representing the net asset value of PKR 105.4935 per unit.

11) 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 1.74%. The fund manager maintained the exposure in local equity market of around 91.78% while exposure in cash stood at 5.86% at the end of Dec-22. The net assets of the Fund were PKR 27 million as at 1HFY23.

| | UBLP-ETF | Benchmark |
|--|----------|-----------|
| 1HFY'23 Return: | 1.74% | 2.47% |
| Standard Deviation (12m Rolling): | 15.81% | 16.39% |
| Sharpe Ratio (12m Rolling): | (1.61) | (1.51) |



| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 5.86% | 4.71% |
| Equities | 91.78% | 86.83% |
| Others | 2.36% | 8.46% |

UBLP-ETF vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|---------|---------|---------|-----------------|
| UBLP-ETF | 4.67% | 1.74% | -11.36% | - | - | 9.14% |
| Benchmark | 5.11% | 2.47% | -10.66% | - | - | 13.86% |

Returns are on absolute basis

The Fund earned a net income of PKR 1.569 million for the half year ended December 31, 2022. As at December 31, 2022 the net assets of the Fund were PKR 26.591 million representing the net asset value of PKR 10.3466 per unit.

12) UBL SPECIAL SAVINGS FUND (USSF)

a) 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 the Plan. USSP-II yielded return of 14.39%. Major exposure was maintained in cash at the end of Dec-22. The net assets of the Plan were PKR 195 million as at 1HFY23.

| | USSP-II | Benchmark |
|--|---------|-----------|
| 1HFY'23 Return: | 14.39% | 15.90% |
| Standard Deviation (12m Rolling): | 0.15% | 2.02% |
| Sharpe Ratio (12m Rolling): | (9.86) | 0.14 |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 98.65% | 97.24% |
| Others | 1.35% | 2.76% |
| PIB - Fixed | 0.00% | 0.00% |
| PIB - Floater | 0.00% | 0.00% |
| Placements with Banks | 0.00% | 0.00% |
| T-Bills | 0.00% | 0.00% |



USSP-II vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|-----------|----------|----------|--------|---------|---------|-----------------|
| USSP-II | 14.41% | 14.39% | 12.63% | 11.07% | - | 11.25% |
| Benchmark | 16.13% | 15.90% | 14.37% | 10.41% | - | 10.92% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Plan earned total income of PKR 16.233 million for the half year ended December 31, 2022. After accounting for the expenses of PKR 1.804 million, the Plan managed to earn a net income of PKR 14.429 million. As at December 31, 2022, net assets of the plan were PKR 195.363 million representing the net asset value of PKR 108.6112 per unit.

b) 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 13.43%. Major exposure was in Cash at the end of Dec-22. The net assets of the Plan were PKR 25 million as at the 1HFY23.

| | USSP-III | Benchmark |
|--|----------|-----------|
| 1HFY'23 Return: | 13.43% | 15.90% |
| Standard Deviation (12m Rolling): | 0.11% | 2.02% |
| Sharpe Ratio (12m Rolling): | (18.96) | 0.14 |
| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
| Cash | 98.31% | 96.78% |
| Others | 1.69% | 3.22% |
| PIB - Fixed | 0.00% | 0.00% |
| PIB - Floater | 0.00% | 0.00% |
| Placements with Banks | 0.00% | 0.00% |
| T-Bills | 0.00% | 0.00% |

USSP-III vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|-----------|----------|----------|--------|---------|---------|-----------------|
| USSP-III | 13.32% | 13.43% | 11.90% | 10.93% | - | 11.75% |
| Benchmark | 16.13% | 15.90% | 14.37% | 10.41% | - | 10.93% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Plan managed to earn a net income of PKR 1.813 million for the half year ended December 31, 2022, net assets of the Plan were PKR 25.123 million representing the net asset value of PKR 109.2405 per unit.



c) 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 13.52%. Major exposure was maintained in Cash at the end of Dec-22, thus maintaining high portfolio quality. The net assets of the Plan were PKR 31 million as at the 1HFY23.

| | USSP-IV | Benchmark |
|--|----------------|------------------|
| 1HFY'23 Return: | 13.52% | 15.90% |
| Standard Deviation (12m Rolling): | 0.18% | 2.02% |
| Sharpe Ratio (12m Rolling): | (12.73) | 0.14 |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|---|---------------|---------------|
| Cash | 96.78% | 98.04% |
| Others | 3.22% | 1.96% |
| PIB - Fixed | 0.00% | 0.00% |
| PIB - Floater | 0.00% | 0.00% |
| Placements with Banks | 0.00% | 0.00% |
| T-Bills | 0.00% | 0.00% |

USSP-IV vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|-----------------|-----------------|---------------|----------------|----------------|------------------------|
| USSP-IV | 13.42% | 13.52% | 11.85% | 10.19% | - | 10.91% |
| Benchmark | 16.13% | 15.90% | 14.37% | 10.41% | - | 10.90% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Plan earned a net income of PKR 2.222 million for the half year ended December 31, 2022. As at December 31, 2022, the net assets of the Plan were PKR 31.419 million representing the net asset value of PKR 107.1461 per unit.

d) 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 15.00%. The net assets of the Plan were PKR 1,342 million as at 1HFY23. Major exposure was maintained in Cash at the end of 1HFY23.

| | USSP-V | Benchmark |
|--|---------------|------------------|
| 1HFY'23 Return: | 15.00% | 15.90% |
| Standard Deviation (12m Rolling): | 0.28% | 2.02% |
| Sharpe Ratio (12m Rolling): | (5.57) | 0.14 |



| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 15.58% | 96.59% |
| Others | 0.63% | 3.41% |
| PIB - Fixed | 0.00% | 0.00% |
| PIB - Floater | 0.00% | 0.00% |
| T-Bills | 83.78% | 0.00% |

USSP-V vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| USSP-V | 14.78% | 15.00% | 12.53% | 27.31% | - | 26.08% |
| Benchmark | 16.13% | 15.90% | 14.37% | 10.41% | - | 10.68% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Plan managed to earn a net income of PKR 224.088 million for the half year ended December 31, 2022. As at December 31, 2022, the net assets of the Plan were PKR 1,342.078 million representing the net asset value of PKR 103.5970 per unit.

e) 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 14.42%. The net assets for the Plan were PKR 47mn as at 1HFY23. Major exposure was maintained in Cash at the end of 1HFY23, thus maintaining high portfolio quality.

| | USSP-VI | Benchmark |
|--|---------|-----------|
| 1HFY'23 Return: | 14.42% | 15.90% |
| Standard Deviation (12m Rolling): | 0.13% | 2.02% |
| Sharpe Ratio (12m Rolling): | (7.85) | 0.14 |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 99.05% | 97.77% |
| Others | 0.95% | 2.23% |
| PIB - Fixed | 0.00% | 0.00% |
| PIB - Floater | 0.00% | 0.00% |
| T-Bills | 0.00% | 0.00% |

USSP-VI vs. Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| USSP-VI | 14.36% | 14.42% | 13.09% | 11.33% | - | 11.12% |
| Benchmark | 16.13% | 15.90% | 14.37% | 10.41% | - | 10.78% |

Simple Annualized Returns | Morningstar Returns for period more than one year



The Plan earned a net income of PKR 3.273 million for the half year ended December 31, 2022, as at December 31, 2022, the net assets of the Plan were PKR 46.513 million representing the net asset value of PKR 106.5004 per unit.

13) UBL SPECIAL SAVINGS FUND-II (USSF-II)

a) 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 14.24%. The net assets for the Plan were PKR 121 million as at 1HFY23. Major exposure was maintained in cash at the end of 1HFY23, thus maintaining high portfolio quality.

| | USSP-VIII | Benchmark |
|--|-----------|-----------|
| 1HFY'23 Return: | 14.24% | 15.90% |
| Standard Deviation (12m Rolling): | 0.36% | 2.02% |
| Sharpe Ratio (12m Rolling): | (5.69) | 0.14 |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 96.68% | 46.88% |
| Others | 3.32% | 4.44% |
| PIB - Fixed | 0.00% | 48.68% |
| PIB - Floater | 0.00% | 0.00% |
| T-Bills | 0.00% | 0.00% |

USSP-VIII vs Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| USSP-VIII | 14.75% | 14.24% | 12.05% | - | - | 8.69% |
| Benchmark | 16.13% | 15.90% | 14.37% | - | - | 10.30% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Plan earned a net income of PKR 7.493 million for the half year ended December 31, 2022. As at December 31, 2022, net assets of the Plan were PKR 120.552 million representing the net asset value of PKR 103.2120 per unit.

b) UBL Special Savings Plan – IX

The “UBL Special Savings Plan-IX (USSP-IX)” 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 held their investment within Plan for twelve (12) months & beyond from (Commencement of Life of Plan). USSP-IX yielded return of 11.66%. The net assets for the Plan were PKR 1,777 million as at 1HFY23. Major exposure was maintained in T-Bills at the end of 1HFY23, thus maintaining high portfolio quality.



| | USSP-IX | Benchmark |
|--|---------|-----------|
| 1HFY'23 Return: | 11.66% | 15.90% |
| Standard Deviation (12m Rolling): | - | - |
| Sharpe Ratio (12m Rolling): | - | - |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 4.92% | 1.92% |
| Others | 0.03% | 0.68% |
| PIB - Fixed | 0.00% | 0.00% |
| PIB - Floater | 0.00% | 0.00% |
| Placements with Banks | 0.00% | 33.00% |
| T-Bills | 95.05% | 64.40% |

USSP-IX vs Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| USSP-IX | 10.98% | 11.66% | - | - | - | 11.58% |
| Benchmark | 16.13% | 15.90% | - | - | - | 15.71% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Plan earned a net income of PKR 102.820 million for the half year ended December 31, 2022. As at December 31, 2022, net assets of the Plan were PKR 1,776.664 million representing the net asset value of PKR 105.8775 per unit.

c) UBL Special Savings Plan – VII

The “UBL Special Savings Plan-VII (USSP-VII)” 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 held their investment within Plan for twelve (12) months & beyond from (Commencement of Life of Plan). USSP-IX yielded return of 17.36%. The net assets for the Plan were PKR 4,060 million as at 1HFY23. Major exposure was maintained in T-Bills at the end of 1HFY23, thus maintaining high portfolio quality.

| | USSP-VII | Benchmark |
|--|----------|-----------|
| 1HFY'23 Return: | 17.36% | 16.91% |
| Standard Deviation (12m Rolling): | - | - |
| Sharpe Ratio (12m Rolling): | - | - |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 50.86% | 0.00% |
| Others | 0.20% | 0.00% |
| Placements with Banks | 0.00% | 0.00% |
| T-Bills | 48.93% | 0.00% |



USSP-VII vs Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|-----------|----------|----------|--------|---------|---------|-----------------|
| USSP-VII | - | - | - | - | - | 18.83% |
| Benchmark | - | - | - | - | - | 16.91% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Plan earned a net income of PKR 43.933 million for the period from December 05, 2022 to December 31, 2022. As at December 31, 2022, net assets of the Plan were PKR 4,059.644 million representing the net asset value of PKR 100.1114 per unit.

14) UBL FIXED RETURN FUND

a) UBL Fixed Return Plan-I-A [UFRP-I-A]

The Plan earned a net income of PKR 91.454 million for the period from August 24, 2022 to November 22, 2022.

During the quarter ended the plan has been matured and all the units were redeemed with effect from November 22, 2022.

b) UBL Fixed Return Plan-I-B [UFRP-I-B]

The investment objective of UBL Fixed Return Fund (UFRF) is to provide market expected returns to its Unit-Holders subject to conditions such as holding period as defined in the offering document. UFRP-I-B yielded return of 14.88%. The net assets for the Plan were PKR 211 million as at 1HFY23. Major exposure was maintained in T Bills at the end of 1HFY23.

| | UFRP-I-(B) Benchmark | |
|-----------------------------------|----------------------|--------|
| 1HFY'23 Return: | 14.88% | 15.99% |
| Standard Deviation (12m Rolling): | - | - |
| Sharpe Ratio (12m Rolling): | - | - |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 9.12% | 0.00% |
| Others | 0.03% | 0.00% |
| Placements with Banks | 0.00% | 0.00% |
| T-Bills | 90.85% | 0.00% |

UFRP-I-B vs Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------|----------|----------|--------|---------|---------|-----------------|
| UFRP-I-(B) | 15.06% | - | - | - | - | 15.66% |
| Benchmark | 16.03% | - | - | - | - | 15.99% |

Simple Annualized Returns | Morningstar Returns for period more than one year



The Plan earned a net income of PKR 173.654 million for the period from September 8, 2022 to December 31, 2022. As at December 31, 2022 net assets of the Plan were PKR 211 million representing the net asset value of PKR 100.2934 per unit.

c) UBL Fixed Return Plan-I-C [UFRP-I-C]

The investment objective of UBL Fixed Return Fund (UFRF) is to provide market expected returns to its Unit-Holders subject to conditions such as holding period as defined in the offering document. UFRP-I-C yielded return of 21.13%. The net assets for the Plan were PKR 211.208 million as at 1HFY23. Major exposure was maintained in T Bills at the end of 1HFY23.

| | UFRP-I-C | Benchmark |
|--|-----------------|------------------|
| 1HFY'23 Return: | 21.13% | 16.92% |
| Standard Deviation (12m Rolling): | - | - |
| Sharpe Ratio (12m Rolling): | - | - |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|---|---------------|---------------|
| Cash | 0.08% | 0.00% |
| Others | 0.02% | 0.00% |
| Placements with Banks | 0.00% | 0.00% |
| T-Bills | 99.90% | 0.00% |

UFRP-I-C vs Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|-----------------|-----------------|---------------|----------------|----------------|------------------------|
| UFRP-I-C | - | - | - | - | - | 23.36% |
| Benchmark | - | - | - | - | - | 16.92% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Plan earned a net income of PKR 49.978 million for the period from December 8, 2022 to December 31, 2022. As at December 31, 2022, net assets of the Plan were PKR 5,049.466 million representing the net asset value of PKR 101.3316 per unit.

d) UBL Fixed Return Plan-I-D [UFRP-I-(D)]

The investment objective of UBL Fixed Return Fund (UFRF) is to provide market expected returns to its Unit-Holders subject to conditions such as holding period as defined in the offering document. UFRP-I-D yielded return of 15.57%. The net assets for the Plan were PKR 11,444 million as at 1HFY23. Major exposure was maintained in T Bills at the end of 1HFY23.

| | UFRP-I-(D) | Benchmark |
|--|-------------------|------------------|
| 1HFY'23 Return: | 15.57% | 16.98% |
| Standard Deviation (12m Rolling): | - | - |
| Sharpe Ratio (12m Rolling): | - | - |



| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 1.10% | 0.00% |
| Others | 98.90% | 0.00% |
| Placements with Banks | 0.00% | 0.00% |
| T-Bills | 0.00% | 0.00% |

UFRP-I-D vs Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| UFRP-I(D) | - | - | - | - | - | 16.80% |
| Benchmark | - | - | - | - | - | 16.98% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Plan earned a net income of PKR 34.044 million for the period from December 20, 2022 to December 31, 2022. As at December 31, 2022 net assets of the Plan were PKR 11,444.045 million representing the net asset value of PKR 100.4691 per unit.

e) UBL Fixed Return Plan-I-E [UFRP-I-E]

The investment objective of UBL Fixed Return Fund (UFRF) is to provide market expected returns to its Unit-Holders subject to conditions such as holding period as defined in the offering document. UFRP-I-E yielded return of 14.16%. The net assets for the Plan were PKR 6,703 million as at 1HFY23. Major exposure was maintained in T Bills at the end of 1HFY23.

| | UFRP-I(E) | Benchmark |
|--|-----------|-----------|
| 1HFY'23 Return: | 14.16% | 15.52% |
| Standard Deviation (12m Rolling): | - | - |
| Sharpe Ratio (12m Rolling): | - | - |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 4.25% | 0.00% |
| Others | 2.10% | 0.00% |
| PIB - Floater | 93.64% | 0.00% |
| T-Bills | 0.00% | 0.00% |

UFRP-I-E vs Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| UFRP-I(E) | - | - | - | - | - | 15.17% |
| Benchmark | - | - | - | - | - | 15.52% |

Simple Annualized Returns | Morningstar Returns for period more than one year



The Plan earned a net income of PKR 25.979 million for the period from December 19, 2022 to December 31, 2022. As at December 31, 2022 net assets of the Plan were PKR 6,703.191 million representing the net asset value of PKR 100.5057 per unit.

f) UBL Fixed Return Plan-I-F [UFRP-I-F]

The investment objective of UBL Fixed Return Fund (UFRF) is to provide market expected returns to its Unit-Holders subject to conditions such as holding period as defined in the offering document. UFRP-I-F yielded return of 16.87%. The net assets for the Plan were PKR 2,453 million as at 1HFY23. Major exposure was maintained in T Bills at the end of 1HFY23.

| | UFRP-I(F) | Benchmark |
|--|------------------|------------------|
| 1HFY'23 Return: | 16.87% | 16.02% |
| Standard Deviation (12m Rolling): | - | - |
| Sharpe Ratio (12m Rolling): | - | - |

| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|---|---------------|---------------|
| Cash | 5.22% | 0.00% |
| Others | 0.09% | 0.00% |
| Placements with Banks | 0.00% | 0.00% |
| T-Bills | 94.69% | 0.00% |

UFRP-I-F vs Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|-----------------|-----------------|---------------|----------------|----------------|------------------------|
| UFRP-I(F) | - | - | - | - | - | 18.20% |
| Benchmark | - | - | - | - | - | 16.02% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Plan earned a net income of PKR 76.160 million for the period from November 25, 2022 to December 31, 2022. As at December 31, 2022 net assets of the Plan were PKR 2,453.200 million representing the net asset value of PKR 100.2926 per unit.

g) UBL Fixed Return Plan-I-G [UFRP-I-G]

The investment objective of UBL Fixed Return Fund (UFRF) is to provide market expected returns to its Unit-Holders subject to conditions such as holding period as defined in the offering document. UFRP-I-G yielded return of 19.03%. The net assets for the Plan were PKR 447 million as at 1HFY23. Major exposure was maintained in T Bills at the end of 1HFY23.

| | UFRP-I(G) | Benchmark |
|--|------------------|------------------|
| 1HFY'23 Return: | 19.03% | 16.81% |
| Standard Deviation (12m Rolling): | - | - |
| Sharpe Ratio (12m Rolling): | - | - |



| Asset Allocation (as % of Total Asset) | Dec'22 | Jun'22 |
|--|--------|--------|
| Cash | 0.21% | 0.00% |
| Others | 0.21% | 0.00% |
| Placements with Banks | 0.00% | 0.00% |
| T-Bills | 99.58% | 0.00% |

UFRP-I-G vs Benchmark

| Returns | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | Since Inception |
|------------------|----------|----------|--------|---------|---------|-----------------|
| UFRP-I(G) | - | - | - | - | - | 20.90% |
| Benchmark | - | - | - | - | - | 16.81% |

Simple Annualized Returns | Morningstar Returns for period more than one year

The Plan earned a net income of PKR 2.485 million for the period from December 21, 2022 to December 31, 2022. As at December 31, 2022 net assets of the Plan were PKR 447 million representing the net asset value of PKR 100.5585 per unit.

Future Outlook

We think the government has no option but to comply with IMF conditions to meet its external obligations in the coming months. Successful negotiations with IMF and accompanying policy actions (unified exchange rate, energy and fiscal reforms etc.) should restore investor confidence and lead to a quick rebound. We believe the aforesaid macroeconomic concerns are balanced against ultra-cheap valuations. To highlight, the forward P/E of 3.8x is at a steep 55% discount to the 10 year average. In the short-term, the market will take direction from any progress on stalled IMF program and upcoming general elections.

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, Central Depository Company of Pakistan Limited (Trustee) and Digital Custodian 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

--SD--
Azhar Hamid
Chairman

--SD--
Yasir Qadri
Chief Executive Officer

Karachi, Dated: January 26, 2023

ULPF

UBL Liquidity Plus Fund

INVESTMENT OBJECTIVE

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

| | |
|-----------------------------|---|
| Management Company | UBL Fund Managers Limited |
| Trustee | Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shakra-e-Faisal, Karachi. Tel: (9221) 111-111-500 |
| Distribution Company | United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk) |
| Auditor | Yousuf Adil, Chartered Accountants |
| Bankers | United Bank Limited Bank Alfalah Limited MCB Bank Limited Faysal Bank Limited Samba Bank Limited Allied Bank Limited Habib Bank Limited Sindh Bank Limited Zarai Taraqiati Bank Ltd Habib Metropolitan Bank Limited Askari Bank Limited National Bank Of Pakistan Meezan Bank Limited |
| Management Co.Rating | AMI (VIS) |
| Fund Rating | AA+(f) |

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.

Tel: (92-21) 111 11 1-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

UBL LIQUIDITY PLUS FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of UBL Liquidity Plus Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund, and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 17, 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS' OF UBL LIQUIDITY PLUS FUND

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **UBL LIQUIDITY PLUS FUND** (the "Fund") as at December 31, 2022, and the related condensed interim income statement, the condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' funds, condensed interim cash flow statement and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year then ended. The Management Company (**UBL Fund Managers Limited**) is responsible for the preparation and presentation of this condensed interim financial information in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2022 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures of the condensed interim income statement, the condensed interim statement of comprehensive income and related notes for the quarter ended December 31, 2022 have not been reviewed, as we are only required to review the cumulative figures for the half year ended December 31, 2022.

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


Chartered Accountants

Place: Karachi
Date: February 24, 2023
UDIN: RR202210091CEdYx9GNX

**UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022**

(Un-audited) (Audited)
December 31, June 30,
2022 2022
Note ----- Rupees in '000 -----

ASSETS

| | | | |
|---|---|-------------------|-------------------|
| Bank balances | 4 | 9,361,127 | 43,855,709 |
| Placements, certificates of investments and term deposit receipts | 5 | 1,100,000 | 4,800,000 |
| Investments | 6 | 25,077,745 | - |
| Receivable against sale of investments | | 9,391,724 | - |
| Mark-up receivable | | 181,998 | 123,214 |
| Security deposit, prepayment and other receivables | | 16,181 | 36,459 |
| Advance income tax | 7 | 4,459 | 4,474 |
| Total assets | | 45,133,233 | 48,819,856 |

LIABILITIES

| | | | |
|---|----|----------------|----------------|
| Payable to UBL Fund Managers Limited - Management Company | 8 | 39,703 | 12,941 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 9 | 1,746 | 2,496 |
| Payable to the Securities and Exchange Commission of Pakistan | 10 | 3,429 | 5,547 |
| Dividend payable | | 87,532 | - |
| Accrued expenses and other liabilities | 11 | 86,871 | 215,641 |
| Total liabilities | | 219,281 | 236,625 |

NET ASSETS

| | |
|-------------------|-------------------|
| 44,913,952 | 48,583,231 |
|-------------------|-------------------|

UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)

| | |
|-------------------|-------------------|
| 44,913,952 | 48,583,231 |
|-------------------|-------------------|

Contingencies and commitments

12

----- Number of units -----

Number of units in issue

13

| | |
|--------------------|--------------------|
| 442,326,395 | 480,392,331 |
|--------------------|--------------------|

----- Rupees -----

Net assets value per unit

| | |
|-----------------|-----------------|
| 101.5403 | 101.1324 |
|-----------------|-----------------|

Face value per unit

| | |
|-----------------|-----------------|
| 100.0000 | 100.0000 |
|-----------------|-----------------|

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended December 31, | | Quarter ended December 31, | |
|--|---------------------------------|------|-------------------------------|------|
| | 2022 | 2021 | 2022 | 2021 |

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

INCOME

| | | | | |
|--|------------------|-----------|------------------|---------|
| Financial income | 2,664,051 | 1,068,830 | 1,413,513 | 520,314 |
| (Loss) / gain on sale of investments - net | (16,628) | (1,946) | (17,573) | (3,945) |
| Unrealised (loss) / gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net | 17,013 | - | 15,771 | - |
| Total income | 2,664,436 | 1,066,884 | 1,411,711 | 516,369 |

EXPENSES

| | | | | | |
|--|-----|----------------|--------|---------------|--------|
| Remuneration of UBL Fund Managers Limited - Management Company | 8.1 | 108,950 | 22,647 | 54,840 | 11,096 |
| Sindh Sales Tax on remuneration of the Management Company | 8.2 | 14,158 | 2,944 | 7,124 | 1,442 |
| Allocated expenses | 8.3 | 16,742 | 13,149 | 8,444 | 2,445 |
| Selling and marketing expenses | 8.4 | 8,109 | 6,732 | 6,216 | 4,673 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 9 | 10,656 | 8,808 | 5,614 | 3,604 |
| Annual fee of the Securities and Exchange Commission of Pakistan | 10 | 3,430 | 2,579 | 1,807 | 1,162 |
| Bank charges | | 45 | 121 | 45 | 10 |
| Auditor's remuneration | | 532 | 497 | 457 | 256 |
| Brokerage and settlement expenses | | 2,815 | 1,508 | 1,727 | 846 |
| Legal and professional charges | | 106 | 151 | 79 | 102 |
| Fee and subscription charges | | 137 | 139 | 65 | 70 |
| Listing fee | | 13 | 13 | 13 | 6 |
| Other expenses | | - | 2 | - | 2 |
| Total expenses | | 165,693 | 59,290 | 86,431 | 25,714 |

Net operating income for the period **2,498,743** 1,007,594 **1,325,280** 490,655

Reversal of provision for Sindh Workers' Welfare Fund - 82,911 - -

Net income for the period before taxation **2,498,743** 1,090,505 **1,325,280** 490,655

Taxation 14 - - - -

Net income for the period after taxation **2,498,743** 1,090,505 **1,325,280** 490,655

Allocation of net income for the period

| | | | | |
|--|------------------|-----------|------------------|----------|
| Net income for the period after taxation | 2,498,743 | 1,090,505 | 1,325,280 | 490,655 |
| Income already paid on units redeemed | (521,382) | (121,765) | (246,651) | (70,503) |
| | 1,977,361 | 968,740 | 1,078,629 | 420,152 |

Accounting income available for distribution

| | | | | |
|-----------------------------|------------------|---------|------------------|---------|
| - Relating to capital gains | 315 | - | - | - |
| - Excluding capital gains | 1,977,046 | 968,740 | 1,078,629 | 420,152 |
| | 1,977,361 | 968,740 | 1,078,629 | 420,152 |

Earnings per unit 15

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | Half year ended December 31, | | Quarter ended December 31, | |
|--|---------------------------------|------------------|-------------------------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| | ----- Rupees in '000 ----- | | | |
| Net income for the period after taxation | 2,498,743 | 1,090,505 | 1,325,280 | 490,655 |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income for the period | 2,498,743 | 1,090,505 | 1,325,280 | 490,655 |

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended December 31, 2022 | | | Half year ended December 31, 2021 | | |
|--|-----------------------------------|----------------------|----------------------|-----------------------------------|----------------------|---------------------|
| | Capital value | Undistributed income | Total | Capital value | Undistributed income | Total |
| ----- Rupees in '000 ----- | | | | | | |
| Net assets at the beginning of the period | 48,408,853 | 174,378 | 48,583,231 | 30,339,580 | 154,169 | 30,493,749 |
| Issuance of 2,065,489,806 units (2021: 949,584,140 units) | | | | | | |
| - Capital value | 208,887,948 | - | 208,887,948 | 95,948,570 | - | 95,948,570 |
| - Element of income | 659,876 | - | 659,876 | 126,811 | - | 126,811 |
| Total amount received on issuance of units | 209,547,824 | - | 209,547,824 | 96,075,381 | - | 96,075,381 |
| Redemption of 2,103,555,742 units (2021: 897,288,374 units) | | | | | | |
| - Capital value | (212,737,648) | - | (212,737,648) | (89,707,182) | - | (89,707,182) |
| - Element of income | (23,168) | (521,382) | (544,550) | (960,222) | (121,765) | (1,081,987) |
| Total amount paid on redemption of units | (212,760,816) | (521,382) | (213,282,198) | (90,667,404) | (121,765) | (90,789,169) |
| Total comprehensive income for the period | - | 2,498,743 | 2,498,743 | - | 1,090,505 | 1,090,505 |
| Interim distributions during the period (note 19) | (616,045) | (1,817,603) | (2,433,648) | (107,684) | (854,037) | (961,721) |
| Net income for the period less distribution | (616,045) | 681,140 | 65,095 | (107,684) | 236,468 | 128,784 |
| Net assets at the end of the period | 44,579,816 | 334,136 | 44,913,952 | 35,639,873 | 268,872 | 35,908,745 |
| Undistributed income brought forward: | | | | | | |
| - Realised | | 174,378 | | | 154,169 | |
| - Unrealised | | - | | | - | |
| Total undistributed income brought forward | | 174,378 | | | 154,169 | |
| Accounting income available for distribution | | | | | | |
| - Related to capital gains | | 315 | | | - | |
| - Excluding capital gains | | 1,977,046 | | | 968,740 | |
| | | 1,977,361 | | | 968,740 | |
| Interim distribution during the period | | (1,817,603) | | | (854,037) | |
| Undistributed income carried forward | | 334,136 | | | 268,872 | |
| Undistributed income carried forward comprising of: | | | | | | |
| - Realised | | 334,136 | | | 268,872 | |
| - Unrealised | | - | | | - | |
| | | 334,136 | | | 268,872 | |
| | | | --- Rupees --- | | | --- Rupees --- |
| Net assets value per unit at the beginning of the period | | | 101.1324 | | | 101.0427 |
| Net assets value per unit at the end of the period | | | 101.5403 | | | 101.4123 |

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | Half year ended December 31, | |
|---|---------------------------------|--------------------|
| | 2022 | 2021 |
| ----- Rupees in '000 ----- | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period before taxation | 2,498,743 | 1,090,505 |
| Adjustments for: | | |
| Financial income | (2,664,051) | (1,068,830) |
| Loss on sale of investments - net | 16,628 | 1,946 |
| Unrealised loss / (gain) on revaluation of investments classified as 'at fair value through profit or loss | (17,013) | - |
| Reversal of provision for Sindh Workers' Welfare Fund | - | (82,911) |
| | (2,664,436) | (1,149,795) |
| Cash used in operations before working capital changes | (165,693) | (59,290) |
| (Increase) / decrease in assets | | |
| Investments - net | (25,077,360) | (1,946) |
| Security deposit, prepayment and other receivables | 20,278 | (671) |
| Receivable against sale of investments | (9,391,724) | - |
| Advance income tax | 15 | (45) |
| | (34,448,791) | (2,662) |
| Increase / (decrease) in liabilities | | |
| Payable to UBL Fund Managers Limited - Management Company | 26,762 | 9,367 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | (750) | (216) |
| Payable to the Securities and Exchange Commission of Pakistan | (2,118) | (1,519) |
| Accrued expenses and other liabilities | (128,770) | 24,130 |
| | (104,876) | 31,762 |
| Cash used in operations | (34,719,360) | (30,190) |
| Mark-up received on bank balances | 644,717 | 262,598 |
| Mark-up received on placements, commercial paper and term deposit receipts | 212,656 | 235,991 |
| Mark-up received on investments | 1,747,895 | 467,502 |
| Net cash (used in) / generated from operating activities | (32,114,092) | 935,901 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Amount received from issuance of units | 208,931,779 | 95,967,697 |
| Amount paid on redemption of units | (213,282,198) | (90,789,169) |
| Dividend paid | (1,730,071) | (819,503) |
| Net cash (used in) / generated from financing activities | (6,080,490) | 4,359,025 |
| Net (decrease) / increase in cash and cash equivalents during the period | (38,194,582) | 5,294,926 |
| Cash and cash equivalents at the beginning of the period | 48,655,709 | 30,612,206 |
| Cash and cash equivalents at the end of the period | 10,461,127 | 35,907,132 |
| Cash and cash equivalents | | |
| Bank balances | 9,361,127 | 29,507,132 |
| Placements, certificates of investments and term deposit receipts | 1,100,000 | 6,400,000 |
| | 10,461,127 | 35,907,132 |

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL LIQUIDITY PLUS FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

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.

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-end mutual fund categorized as money market scheme and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder.

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.

Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

VIS Credit Rating Company has reaffirmed management quality rating of "AM1" (stable outlook) to the Management Company on December 30, 2022 and assigned a stability rating of "AA+(f)" to the Fund as on December 29, 2022.

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 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 VIII A 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), directives issued by the SECP and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the 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 VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS - 34. This condensed interim financial information 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, 2022.

2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that this condensed interim financial information gives a true and fair view of the state of affairs of the Fund as at December 31, 2022.

2.4 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except for the investments which are stated at fair value.

2.5 Functional and presentation currency

This condensed interim financial information is presented in Pakistan Rupees, which is the functional and presentation currency of the Fund. All amounts have been rounded off to the nearest thousands of Rupee, unless otherwise indicated.

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

3.1 The accounting policies applied and methods of computation used for the preparation of this condensed interim financial information are same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2022.

3.2 The preparation of this condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.

3.3 There are certain standards, interpretations on accounting and reporting standards as applicable in Pakistan and amendments to certain existing standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2022. 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, 2022.

| | | (Un-audited) | (Audited) |
|---------------------------|-------------|-----------------------------------|------------|
| | | December 31, | June 30, |
| | | 2022 | 2022 |
| | Note | ----- Rupees in '000 ----- | |
| 4. BANK BALANCES | | | |
| In local currency: | | | |
| - Savings accounts | 4.1 | 9,260,914 | 23,655,496 |
| - Current accounts | | 100,213 | 20,200,213 |
| | | 9,361,127 | 43,855,709 |

- 4.1 Mark-up rates on these savings accounts range between 10.75% to 17.3% per annum (June 30, 2022: 12.25% to 16.60% per annum). These include an amount held by a related party, United Bank Limited, amounting to Rs. 68.10 million (June 30, 2022: Rs. 62.18 million) on which return is earned at 14.5% (June 30, 2022: 12.25%) per annum.

(Un-audited) (Audited)
December 31, June 30,
2022 2022
----- Rupees in '000 -----

5. PLACEMENTS, CERTIFICATE OF INVESTMENTS AND TERM DEPOSIT RECEIPTS

Financial assets at amortised cost

| | | | |
|----------------------------|-----|-----------|-----------|
| Term deposits receipts | 5.1 | - | 4,800,000 |
| Letter of placements | 5.2 | - | - |
| Certificate of investments | 5.3 | 1,100,000 | - |
| | | 1,100,000 | 4,800,000 |
| | | 1,100,000 | 4,800,000 |

5.1 Term deposits receipts

| Name of Company | Maturity date | As at July 1, 2022/2021 | Purchased during the period / year | Matured during the period / year | As at December 31, 2022 / June 30, 2022 | Carrying value as a percentage of net assets of the Fund |
|---|---------------|-------------------------------|--|--|--|---|
| | | ----- Rupees in '000 ----- | | | | % |
| Habib Bank Limited | July 06, 2022 | 3,000,000 | - | 3,000,000 | - | - |
| Habib Bank Limited | July 08, 2022 | 1,800,000 | - | 1,800,000 | - | - |
| Bank Alfalah Limited | Oct 17, 2022 | - | 2,800,000 | 2,800,000 | - | - |
| Habib Bank Limited | July 08, 2022 | - | 1,800,000 | 1,800,000 | - | - |
| Habib Bank Limited | July 06, 2022 | - | 3,000,000 | 3,000,000 | - | - |
| As at December 31, 2022 (Un-audited) | | 4,800,000 | 7,600,000 | 12,400,000 | - | - |
| As at June 30, 2022 (Audited) | | 5,200,000 | 28,800,000 | 29,200,000 | 4,800,000 | - |
| | | 5,200,000 | 28,800,000 | 29,200,000 | 4,800,000 | - |

- 5.1.1 Term deposit receipts carried interest rates ranging from 16.10% to 17.55% per annum.

5.2 Letter of placements

| | Maturity date | As at July 1, 2022/2021 | Purchased during the period / year | Matured during the period / year | As at December 31, 2022 / June 30, 2022 | Carrying value as a percentage of net assets of the Fund |
|--|--------------------|-------------------------------|--|--|--|---|
| | | -----Rupees in '000----- | | | | % |
| Pak Oman Investment Company Limited | July 15, 2022 | - | 3,000,000 | 3,000,000 | - | - |
| Pak Oman Investment Company Limited | July 18, 2022 | - | 3,000,000 | 3,000,000 | - | - |
| Askari Bank Limited | July 19, 2022 | - | 3,000,000 | 3,000,000 | - | - |
| Pak Oman Investment Company Limited | July 19, 2022 | - | 2,700,000 | 2,700,000 | - | - |
| Pak Oman Investment Company Limited | July 22, 2022 | - | 2,500,000 | 2,500,000 | - | - |
| Askari Bank Limited | July 22, 2022 | - | 2,500,000 | 2,500,000 | - | - |
| Pak Oman Investment Company Limited | July 28, 2022 | - | 2,500,000 | 2,500,000 | - | - |
| Askari Bank Limited | July 29, 2022 | - | 2,500,000 | 2,500,000 | - | - |
| Pak Brunei Investment Company Limited | July 28, 2022 | - | 1,500,000 | 1,500,000 | - | - |
| Pak Brunei Investment Company Limited | July 28, 2022 | - | 1,000,000 | 1,000,000 | - | - |
| Saudi Pak Industrial & Agricultural Investment Company Ltd. | August 29, 2022 | - | 1,200,000 | 1,200,000 | - | - |
| Askari Bank Limited | August 5, 2022 | - | 1,500,000 | 1,500,000 | - | - |
| Pak Kuwait Inv Co Ltd | August 12, 2022 | - | 1,500,000 | 1,500,000 | - | - |
| Pak Oman Investment Company Limited | August 16, 2022 | - | 2,800,000 | 2,800,000 | - | - |
| Pak Oman Investment Company Limited | August 17, 2022 | - | 2,800,000 | 2,800,000 | - | - |
| Pak Kuwait Inv Co Ltd | August 17, 2022 | - | 2,200,000 | 2,200,000 | - | - |
| Pak Oman Investment Company Limited | August 19, 2022 | - | 2,800,000 | 2,800,000 | - | - |
| Askari Bank Limited | August 18, 2022 | - | 2,200,000 | 2,200,000 | - | - |
| Pak Brunei Investment Company Limited | August 19, 2022 | - | 250,000 | 250,000 | - | - |
| Pak Oman Investment Company Limited | August 23, 2022 | - | 2,800,000 | 2,800,000 | - | - |
| Pak Oman Investment Company Limited | August 25, 2022 | - | 2,800,000 | 2,800,000 | - | - |
| Pak Brunei Investment Company Limited | August 25, 2022 | - | 445,000 | 445,000 | - | - |
| Pak Brunei Investment Company Limited | August 30, 2022 | - | 1,440,000 | 1,440,000 | - | - |
| Pak Oman Investment Company Limited | August 31, 2022 | - | 1,440,000 | 1,440,000 | - | - |
| Pak Oman Investment Company Limited | September 2, 2022 | - | 1,440,000 | 1,440,000 | - | - |
| Pak Oman Investment Company Limited | September 16, 2022 | - | 600,000 | 600,000 | - | - |
| Pak Oman Investment Company Limited | October 10, 2022 | - | 3,000,000 | 3,000,000 | - | - |
| Pak Oman Investment Company Limited | October 14, 2022 | - | 1,100,000 | 1,100,000 | - | - |
| Pak Oman Investment Company Limited | October 14, 2022 | - | 2,600,000 | 2,600,000 | - | - |
| Pak Brunei Investment Company Limited | October 13, 2022 | - | 1,000,000 | 1,000,000 | - | - |
| Pak Kuwait Inv Co Ltd | December 9, 2022 | - | 3,000,000 | 3,000,000 | - | - |
| Pak Oman Investment Company Limited | December 15, 2022 | - | 2,000,000 | 2,000,000 | - | - |
| Pak Kuwait Takaful Company Limited | December 15, 2022 | - | 2,000,000 | 2,000,000 | - | - |
| Askari Bank Limited | December 15, 2022 | - | 1,500,000 | 1,500,000 | - | - |
| Pak Oman Investment Company Limited | December 16, 2022 | - | 2,500,000 | 2,500,000 | - | - |
| Askari Bank Limited | December 20, 2022 | - | 1,000,000 | 1,000,000 | - | - |
| Pak Kuwait Inv Co Ltd | December 23, 2022 | - | 2,500,000 | 2,500,000 | - | - |
| Askari Bank Limited | December 29, 2022 | - | 2,500,000 | 2,500,000 | - | - |
| Pak Oman Investment Company Limited | December 23, 2022 | - | 3,000,000 | 3,000,000 | - | - |
| Pak Kuwait Inv Co Ltd | December 23, 2022 | - | 2,500,000 | 2,500,000 | - | - |
| As at December 31, 2022 (Un-audited) | | - | 82,615,000 | 82,615,000 | - | - |
| As at June 30, 2022 (Audited) | | - | 138,975,000 | 138,975,000 | - | - |

5.2.1 Letter of placements carried effective rate ranging from 13.75% to 16.20% per annum during the period.

5.3 Certificate of investment

| | Maturity date | As at July 1, 2022/2021 | Purchased during the period / year | Matured during the period / year | As at December 31, 2022 / June 30, 2022 | Carrying value as a percentage of net assets of the Fund |
|---|------------------|-------------------------------|--|--|--|---|
| ----- Rupees in '000 ----- | | | | | | % |
| Pak Oman Investment Company Limited | January 23, 2023 | - | 1,100,000 | - | 1,100,000 | 2.45% |
| Total as at December 31, 2022 (Un-audited) | | - | 1,100,000 | - | 1,100,000 | 2.45% |
| Total as at June 30, 2022 (Audited) | | - | 2,500,000 | 2,500,000 | - | - |

5.3.1 Certificate of investments carries interest rate of 16.30% per annum and has maturity of 31 days.

| | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|-------------|--------------------------------------|-------------------------------|
| Note | ----- Rupees in '000 ----- | |

6. INVESTMENTS

At fair value through profit and loss

| | | | |
|-------------------------|-----|-------------------|----------|
| Government securities | | | |
| - Market Treasury Bills | 6.1 | 24,556,845 | - |
| - GOP Ijarah Sukuks | 6.2 | - | - |
| Commercial papers | 6.3 | 520,900 | - |
| | | 25,077,745 | - |

6.1 Government securities - Market Treasury Bills

At fair value through profit or loss.

| Issue date | Tenor | Face value | | | | Total carrying value as at December 31, 2022 / June 30, 2022 | Total market value as at December 31, 2022 / June 30, 2022 | Appreciation / (diminution) as at December 31, 2022 / June 30, 2022 | Market value as a percentage of total investments of the Fund | Market value as a percentage of net assets of the Fund |
|---|----------|----------------------------|------------------------------------|---|---|--|--|---|---|--|
| | | As at July 01, 2022 / 2021 | Purchased during the period / year | Sold / matured during the period / year | As at December 31, 2022 / June 30, 2022 | | | | | |
| ----- Rupees in '000 ----- % ----- | | | | | | | | | | |
| January 27, 2022 | 6 months | - | 3,620,000 | 3,620,000 | - | - | - | - | - | - |
| February 10, 2022 | 6 months | - | 1,250,000 | 1,250,000 | - | - | - | - | - | - |
| February 24, 2022 | 6 months | - | 1,300,000 | 1,300,000 | - | - | - | - | - | - |
| March 10, 2022 | 6 months | - | 8,000,000 | 8,000,000 | - | - | - | - | - | - |
| March 24, 2022 | 6 months | - | 42,000 | 42,000 | - | - | - | - | - | - |
| April 7, 2022 | 6 months | - | 1,000,000 | 1,000,000 | - | - | - | - | - | - |
| April 21, 2022 | 6 months | - | 1,500,000 | 1,500,000 | - | - | - | - | - | - |
| April 28, 2022 | 6 months | - | 9,811,000 | 9,811,000 | - | - | - | - | - | - |
| May 19, 2022 | 3 months | - | 1,250,000 | 1,250,000 | - | - | - | - | - | - |
| June 2, 2022 | 6 months | - | 8,101,100 | 8,101,100 | - | - | - | - | - | - |
| June 16, 2022 | 3 months | - | 9,100,000 | 9,100,000 | - | - | - | - | - | - |
| June 30, 2022 | 3 months | - | 6,000,000 | 6,000,000 | - | - | - | - | - | - |
| July 14, 2022 | 3 months | - | 17,200,000 | 17,200,000 | - | - | - | - | - | - |
| July 28, 2022 | 3 months | - | 48,890,000 | 48,890,000 | - | - | - | - | - | - |
| August 11, 2022 | 3 months | - | 13,650,000 | 13,650,000 | - | - | - | - | - | - |
| August 25, 2022 | 3 months | - | 12,260,000 | 12,260,000 | - | - | - | - | - | - |
| September 8, 2022 | 3 months | - | 16,300,000 | 16,300,000 | - | - | - | - | - | - |
| September 22, 2022 | 3 months | - | 1,915,000 | 1,915,000 | - | - | - | - | - | - |
| October 6, 2022 | 3 months | - | 26,025,000 | 26,025,000 | - | - | - | - | - | - |
| October 20, 2022 | 3 months | - | 37,144,700 | 30,650,000 | 6,494,700 | 6,463,626 | 6,465,434 | 1,808 | 25.78% | 14.00% |
| November 3, 2022 | 3 months | - | 13,500,000 | 9,500,000 | 4,000,000 | 3,956,664 | 3,958,876 | 2,212 | 15.79% | 8.81% |
| November 17, 2022 | 3 months | - | 18,750,000 | 14,000,000 | 4,750,000 | 4,669,355 | 4,672,831 | 3,476 | 18.63% | 10.40% |
| December 1, 2022 | 3 months | - | 4,000,000 | 4,000,000 | - | - | - | - | - | - |
| December 15, 2022 | 3 months | - | 10,600,000 | 3,539,000 | 7,061,000 | 6,850,007 | 6,857,939 | 7,932 | 27.35% | 15.27% |
| December 29, 2022 | 3 months | - | 4,745,000 | 2,030,000 | 2,715,000 | 2,600,180 | 2,601,765 | 1,585 | 10.37% | 5.79% |
| As at December 31, 2022 (Un-audited) | | - | 275,953,800 | 250,933,100 | 25,020,700 | 24,539,832 | 24,556,845 | 17,013 | 97.92% | 54.28% |
| As at June 30, 2022 (Audited) | | - | 355,885,840 | 355,885,840 | - | - | - | - | - | - |

6.1.1 These Market Treasury Bills carry effective yield ranging from 15.48% to 16.99% per annum.

6.2 Government securities - GOP Ijarah Sukuk
At fair value through profit or loss

| Issue date | Tenor | Face value | | | | Total carrying value as at December 31, 2022 / June 30, 2022 | Total market value as at December 31, 2022 / June 30, 2022 | Appreciation / (diminution) as at December 31, 2022 / June 30, 2022 | Market value as a percentage of total investments of the Fund | Market value as a percentage of net assets of the Fund |
|---|---------|---------------------------|------------------------------------|---|---|--|--|---|---|--|
| | | As at July 1, 2022 / 2021 | Purchased during the period / year | Sold / matured during the period / year | As at December 31, 2022 / June 30, 2022 | | | | | |
| ----- Rupees in '000 ----- % ----- | | | | | | | | | | |
| June 18, 2020 | 3 Years | - | 94,000,000 | 94,000,000 | - | - | - | - | - | |
| Total as at December 31, 2022 (Un-audited) | | - | 94,000,000 | 94,000,000 | - | - | - | - | - | |
| Total as at June 30, 2022 (Audited) | | - | - | - | - | - | - | - | - | |

6.2.1 This Ijara Sukuk carried profit rate of 17.30% per annum.

6.3 COMMERCIAL PAPERS

At fair value through profit or loss

| Name of the investee company | Maturity date | Face value | | | | Total carrying value as at December 31, 2022 / June 30, 2022 | Total market value as at December 31, 2022 / June 30, 2022 | Appreciation / (diminution) as at December 31, 2022 / June 30, 2022 | Market value as a percentage of total investments of the Fund | Market value as a percentage of net assets of the Fund |
|---|---------------|---------------------------|------------------------------------|---|---|--|--|---|---|--|
| | | As at July 1, 2022 / 2021 | Purchased during the period / year | Sold / matured during the period / year | As at December 31, 2022 / June 30, 2022 | | | | | |
| ----- Rupees in '000 ----- % ----- | | | | | | | | | | |
| Lucky Electric Power Company Limited | May 2, 2023 | - | 550,000 | - | 550,000 | 520,900 | 520,900 | - | 2.08% | 1.16% |
| Total as at December 31, 2022 (Un-audited) | | | 550,000 | | 550,000 | 520,900 | 520,900 | - | 2.08% | 1.16% |
| Total as at June 30, 2022 (Audited) | | - | - | - | - | - | - | - | - | - |

6.3.1 Commercial Paper carries interest rate of 17.34% per annum and has maturity of 182 days.

7. ADVANCE INCOME TAX

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 (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 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" 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 certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 in current and prior periods. The Management Company is confident that the amount will be refunded to the Fund.

8. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---|------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| Remuneration payable to the Management Company | 8.1 | 20,313 | 9,797 |
| Sindh Sales Tax on remuneration payable to the Management Company | 8.2 | 2,641 | 1,273 |
| Conversion charges | | 171 | 156 |
| Allocated expenses payable | 8.3 | 8,449 | 4 |
| Selling and marketing expenses payable | 8.4 | 8,112 | 1,694 |
| Other payables | | 17 | 17 |
| | | 39,703 | 12,941 |

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 (note 16). The remuneration is payable to the Management Company monthly in arrears.

Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rates ranging from 0% to 4.95% of gross earnings.

8.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2022: 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). During the period, the Management Company has charged the Fund at the rates ranging from 0% to 4.80% (June 30, 2022: 0.05% to 1.54%) of daily net assets.

8.4 In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) up to a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses at the rate of 0.1% from September 03 to December 16, 2022 and 0.03% from December 17 to December 21, 2022, while keeping in view the overall return and the Total Expense Ratio limit of the Fund.

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

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fee has been charged at the rate of 0.055% from July 01, 2022 to December 31, 2022 (June 30, 2022: 0.055%) per annum of average daily net assets of the Fund during the period. The remuneration is payable on monthly basis in arrears. The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2022: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with NBFC Regulations a collective investment scheme classified as open end scheme is required to pay to the SECP an amount equal to 0.02% (June 30, 2022: 0.02%) of the average annual net assets of the Fund as annual fee.

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---|------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| 11. ACCRUED EXPENSES AND OTHER LIABILITIES | | | |
| Auditor's remuneration payable | | 556 | 613 |
| Brokerage expense payable | | 6,004 | 3,188 |
| Legal and professional charges | | 532 | 437 |
| Capital gains tax payable | | 13,904 | 80,957 |
| Zakat deducted at source payable | | 2,166 | 2,157 |
| Withholding tax payable | | 7,706 | 72,296 |
| Provision for indirect duties and taxes | 11.1 | 55,390 | 55,390 |
| CDS fee Payable to CDC | | 100 | 100 |
| Other payable | | 513 | 503 |
| | | <u>86,871</u> | <u>215,641</u> |

11.1 This relates to provision for Federal Excise Duty (FED). 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, 2022. Had the provision not been maintained, the net assets value per unit would have been higher by Re. 0.1252 (June 30, 2022: Re. 0.1153).

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

| | (Un-audited) For the half year ended December 31, 2022 | (Audited) For the year ended June 30, 2022 |
|--|--|--|
| | ----- Number of units ----- | |
| 13. NUMBER OF UNITS IN ISSUE | | |
| Total units in issue at the beginning of the period / year | 480,392,331 | 301,790,755 |
| Units issued during the period / year | 2,065,489,806 | 2,718,181,432 |
| Units redeemed during the period / year | (2,103,555,742) | (2,539,579,856) |
| Total units in issue at the end of the period / year | <u>442,326,395</u> | <u>480,392,331</u> |

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. Further, 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 Company intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2023 to the unit holders in the manner as explained above, no provision for taxation has been made in this condensed interim financial information.

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 this condensed interim financial information 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. TOTAL EXPENSE RATIO

The annualised total expense ratio of the Fund for the period ended December 31, 2022 is 0.97% (December 31, 2021: 0.46%) which includes 0.11% (December 31, 2021: 0.05%) 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.

17. 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.

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.

The fair value of financial assets traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify 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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

| | As at December 31, 2022 (Un-audited) | | | |
|--|---|-------------------|----------------|-------------------|
| | Fair value | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| ----- Rupees in '000 ----- | | | | |
| Financial assets measured at fair value | | | | |
| Government securities - Market Treasury Bills | - | 24,556,845 | - | 24,556,845 |
| Commercial papers | - | 520,900 | - | 520,900 |
| | - | 25,077,745 | - | 25,077,745 |
| As at June 30, 2022 (Audited) | | | | |
| Fair value | | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| ----- Rupees in '000 ----- | | | | |
| Financial assets measured at fair value | | | | |
| Government securities - Market Treasury Bills | - | - | - | - |
| Commercial papers | - | - | - | - |
| | - | - | - | - |

17.1 Except for the investments as disclosed above, all other financial assets and liabilities are carried at amortised cost. The estimated fair value of all financial assets and liabilities at amortised cost is considered not significantly different from the carrying value as the items are short-term in nature.

18. 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 half year ended December 31, 2022 are as follows:

| Management Company | Associated companies and others* | Trustee | Funds under common management | Directors and key executives** | Other connected persons / related parties*** |
|--------------------|----------------------------------|---------|-------------------------------|--------------------------------|--|
|--------------------|----------------------------------|---------|-------------------------------|--------------------------------|--|

Transactions during the period

----- Half year ended December 31, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | | |
|----------------|---------|--------|-------|---|-------|---------|
| Units issued | 151,201 | 135 | 3,639 | - | 2,226 | 183,505 |
| Units redeemed | 122,982 | 29,992 | - | - | 2,730 | 150,536 |

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

| | | | | | | |
|---|------------|-----------|---------|---|---------|------------|
| Value of units issued | 15,331,328 | 13,679 | 369,538 | - | 226,023 | 18,604,958 |
| Value of units redeemed | 12,472,104 | 3,040,830 | - | - | 328,298 | 15,231,278 |
| Mark-up on profit and loss sharing accounts | - | 793 | - | - | - | - |
| Bank and other charges | - | 45 | - | - | - | - |
| Purchase of securities | - | 3,186,902 | - | - | - | - |
| Sale of securities | - | 5,799,142 | - | - | - | - |
| Remuneration (inclusive of Sindh Sales Tax) | 123,108 | - | 10,656 | - | - | - |
| Selling and marketing expenses | 8,109 | - | - | - | - | - |
| Allocated expense | 16,742 | - | - | - | - | - |
| Dividend paid | 68,554 | 167 | 22,721 | - | 1,268 | 150,821 |

Transactions during the period

----- Half year ended December 31, 2021 (Un-audited) -----

----- Units in '000 -----

| | | | | | | |
|----------------|--------|-----|-----|---|-----|---|
| Units issued | 69,748 | 133 | 115 | - | 505 | - |
| Units redeemed | 67,981 | 28 | - | - | 473 | - |

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

| | | | | | | |
|---|-----------|-----------|--------|--------|--------|------------|
| Value of units issued | 7,054,932 | 13,495 | 11,616 | - | 51,113 | - |
| Value of units redeemed | 6,872,196 | 2,875 | - | - | 47,826 | - |
| Mark-up on profit and loss sharing accounts | - | 1,048 | - | - | - | - |
| Bank and other charges | - | 20 | - | - | - | - |
| Purchase of securities | - | 3,484,634 | - | 69,828 | - | 43,774,715 |
| Sale of securities | - | - | - | - | - | 77,016,765 |
| Remuneration (inclusive of Sindh Sales Tax) | 25,591 | - | 8,808 | - | - | - |
| Selling and marketing expenses | 6,732 | - | - | - | - | - |
| Allocated expense | 13,149 | - | - | - | - | - |
| Dividend paid | 14,537 | 11 | 13,666 | - | 71 | 121,772 |

| Management Company | Associated companies and others* | Trustee | Funds under common management | Directors and key executives** | Other connected persons / related parties*** |
|--------------------|----------------------------------|---------|-------------------------------|--------------------------------|--|
|--------------------|----------------------------------|---------|-------------------------------|--------------------------------|--|

----- As at December 31, 2022 (Un-audited) -----

Balances held

----- Units in '000 -----

| | | | | | | |
|------------|--------|---|-------|---|----|---------|
| Units held | 30,893 | 1 | 3,639 | - | 10 | 103,033 |
|------------|--------|---|-------|---|----|---------|

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

| | | | | | | |
|---|-----------|--------|---------|---|-------|------------|
| Value of units held | 3,136,884 | 102 | 369,505 | - | 1,015 | 10,462,002 |
| Bank balances | - | 68,100 | - | - | - | - |
| Security deposits | - | - | 197 | - | - | - |
| Remuneration (inclusive of Sindh Sales Tax) | 22,954 | - | 1,746 | - | - | - |
| Allocated expenses payable | 8,449 | - | - | - | - | - |
| Selling and marketing expenses payable | 8,112 | - | - | - | - | - |
| Other payable and conversion charges | 188 | - | - | - | - | - |
| Mark-up receivable | - | 793 | - | - | - | - |
| Receivable from the Management Company | - | - | - | - | - | - |

Balances held

----- As at June 30, 2022 (Audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|-------|--------|---|---|-----|---------|
| Units held | 2,673 | 29,858 | - | - | 509 | 149,437 |
|------------|-------|--------|---|---|-----|---------|

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

| | | | | | | |
|---|---------|-----------|-------|---|--------|------------|
| Value of units held | 270,317 | 3,019,601 | - | - | 51,486 | 15,112,915 |
| Bank balances | - | 62,177 | - | - | - | - |
| Security deposits | - | - | 197 | - | - | - |
| Remuneration (inclusive of Sindh Sales Tax) | 11,070 | - | 2,496 | - | - | - |
| Allocated expenses payable | 4 | - | - | - | - | - |
| Selling and marketing expenses payable | 1,694 | - | - | - | - | - |
| Other payable and conversion charges | 173 | - | - | - | - | - |
| Mark-up receivable | - | 3,313 | - | - | - | - |
| Receivable from the Management Company | 1,065 | - | - | - | - | - |

* 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 / 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 the entities where common directorship exist as at half year / year end.

19. INTERIM DISTRIBUTIONS DURING THE PERIOD

| Rate per unit | Declaration date | Cash distribution | | |
|---------------|------------------|-------------------|----------------------|-------|
| | | Capital value | Undistributed income | Total |

Rupees

Rupees in '000

----- For the half year ended December 31, 2022 -----

July 2022 to December 2022

| | | | | | |
|---------------------------------|--------|--------------------|----------------|------------------|------------------|
| For the month of July 2022 | 0.5813 | July 15, 2022 | 42,249 | 165,183 | 207,432 |
| For the month of August 2022 | 0.6681 | August 01, 2022 | 52,304 | 130,604 | 182,908 |
| For the month of August 2022 | 0.5478 | August 15, 2022 | 40,417 | 116,586 | 157,003 |
| For the month of August 2022 | 0.5384 | August 29, 2022 | 57,556 | 133,251 | 190,807 |
| For the month of September 2022 | 0.5705 | September 12, 2022 | 42,894 | 158,709 | 201,603 |
| For the month of September 2022 | 0.1574 | September 16, 2022 | 10,039 | 33,636 | 43,675 |
| For the month of September 2022 | 0.4085 | September 26, 2022 | 29,909 | 94,196 | 124,105 |
| For the month of October 2022 | 0.5734 | October 10, 2022 | 71,790 | 146,955 | 218,745 |
| For the month of October 2022 | 0.4000 | October 20, 2022 | 35,270 | 122,118 | 157,388 |
| For the month of October 2022 | 0.1636 | October 24, 2022 | 6,253 | 61,669 | 67,922 |
| For the month of November 2022 | 0.3725 | November 02, 2022 | 40,736 | 120,382 | 161,118 |
| For the month of November 2022 | 0.7585 | November 21, 2022 | 53,629 | 220,328 | 273,957 |
| For the month of December 2022 | 0.6635 | December 09, 2022 | 54,140 | 171,802 | 225,942 |
| For the month of December 2022 | 0.6060 | December 23, 2022 | 78,859 | 142,184 | 221,043 |
| | | | 616,045 | 1,817,603 | 2,433,648 |

----- For the half year ended December 31, 2021 -----

July 2021 to December 2021

| | | | | | |
|---------------------------------|--------|--------------------|----------------|----------------|----------------|
| For the month of July 2021 | 0.2302 | July 12, 2021 | 6,582 | 62,370 | 68,952 |
| For the month of July 2021 | 0.2833 | July 26, 2021 | 7,348 | 77,884 | 85,232 |
| For the month of August 2021 | 0.2729 | August 09, 2021 | 6,363 | 71,579 | 77,942 |
| For the month of August 2021 | 0.5522 | August 23, 2021 | 14,934 | 146,125 | 161,059 |
| For the month of September 2021 | 0.2655 | September 06, 2021 | 7,868 | 52,532 | 60,400 |
| For the month of September 2021 | 0.1735 | September 15, 2021 | 4,730 | 33,323 | 38,053 |
| For the month of September 2021 | 0.1095 | September 20, 2021 | 1,784 | 31,078 | 32,862 |
| For the month of October 2021 | 0.3137 | October 04, 2021 | 10,145 | 84,622 | 94,767 |
| For the month of October 2021 | 0.2928 | October 18, 2021 | 8,431 | 54,561 | 62,992 |
| For the month of November 2021 | 0.2688 | November 01, 2021 | 9,136 | 50,837 | 59,973 |
| For the month of November 2021 | 0.2752 | November 15, 2021 | 7,740 | 44,848 | 52,587 |
| For the month of November 2021 | 0.2591 | November 29, 2021 | 6,882 | 42,343 | 49,224 |
| For the month of December 2021 | 0.3238 | December 13, 2021 | 12,082 | 53,714 | 65,795 |
| For the month of December 2021 | 0.1032 | December 17, 2021 | 3,661 | 18,655 | 22,315 |
| For the month of December 2021 | 0.0985 | December 20, 2021 | - | 22,031 | 22,031 |
| For the month of December 2021 | 0.0328 | December 21, 2021 | (1) | 7,537 | 7,536 |
| | | | 107,684 | 854,037 | 961,721 |

20. GENERAL

20.1 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, 2022 and December 31, 2021 have not been reviewed by auditors.

21. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on **January 26, 2023** by the Board of Directors of the Management Company.

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

SD

Yasir Qadri
Chief Executive Officer

SD

Umair Ahmed
Chief Financial Officer

SD

Imran Sarwar
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: www.ublfunds.com.pk) |
| Auditor | A.F. Ferguson & Co., Chartered Accountants |
| Bankers | United Bank Limited Bank Alfalah Limited MCB Bank Limited Faysal Bank Limited Samba Bank Limited Allied Bank Limited Sindh Bank Limited Habib Bank Limited Zarai Taraqiati Bank Ltd Habib Metropolitan Bank Limited Askari Bank Limited National Bank of Pakistan Meezan Bank Limited |
| Management Co.Rating | AMI (VIS) |
| Fund Rating | AA+(f) (VIS) |

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



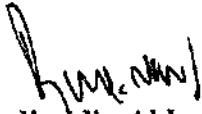
TRUSTEE REPORT TO THE UNIT HOLDERS

UBL MONEY MARKET FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of UBL Money Market Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 17, 2023



REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **UBL Money Market Fund** (the Fund) as at December 31, 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the half year ended December 31, 2022. The Management Company (UBL Fund Managers Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2022 and December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2022.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements 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 statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.

A.F. Ferguson & Co.

Chartered Accountants

Engagement Partner: **Noman Abbas Sheikh**

Dated: February 27, 2023

Karachi

UDIN: RR202210061T2iFIRqWu

**UBL MONEY MARKET FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022**

| | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|---|--------------------------------------|-------------------------------|
| Note | ----- (Rupees in '000) ----- | |
| ASSETS | | |
| Bank balances | 4 1,935,989 | 3,354,687 |
| Investments | 5 4,727,605 | 142,351 |
| Profit receivable | 6 51,291 | 62,514 |
| Deposits, prepayments and other receivables | 388 | 207 |
| Receivable against sale of investments | 2,098,200 | - |
| Advance tax | 7 2,476 | 2,476 |
| Total assets | 8,815,949 | 3,562,235 |
| LIABILITIES | | |
| Payable to UBL Fund Managers Limited - Management Company | 8 23,233 | 13,269 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 9 322 | 175 |
| Payable to the Securities and Exchange Commission of Pakistan | 10 479 | 631 |
| Accrued expenses and other liabilities | 11 36,072 | 65,907 |
| Total liabilities | 60,106 | 79,982 |
| NET ASSETS | 8,755,843 | 3,482,253 |
| UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED) | 8,755,843 | 3,482,253 |
| CONTINGENCIES AND COMMITMENTS | 12 | |
| | ----- (Number of units) ----- | |
| NUMBER OF UNITS IN ISSUE | 81,356,424 | 34,559,980 |
| | ----- (Rupees) ----- | |
| NET ASSET VALUE PER UNIT | 107.6233 | 100.7597 |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Aslam Sadruddin
Director

**UBL MONEY MARKET FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022**

| | Note | Half year ended | | Quarter ended | |
|--|------|-------------------|-------------------|-------------------|-------------------|
| | | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| INCOME | | | | | |
| Profit on savings accounts with banks | | 74,946 | 43,122 | 39,620 | 25,884 |
| Income on term deposit receipts | | 5,622 | 11,935 | 2,902 | 6,596 |
| Income on letters of placement | | 9,640 | 6,469 | 5,716 | 1,930 |
| Profit on commercial papers | | 11,650 | - | 5,975 | - |
| Income on Pakistan Investment Bonds | | 1,985 | - | 1,985 | - |
| Income on market treasury bills | | 250,673 | 62,132 | 144,671 | 34,830 |
| Income on reverse repo transactions | | 13,659 | - | 13,659 | - |
| Loss on sale of investments - net | | (3,808) | (1,489) | (3,775) | (1,332) |
| Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' | 5.6 | 1,974 | - | 1,752 | - |
| Total income | | 366,341 | 122,169 | 212,505 | 67,908 |
| EXPENSES | | | | | |
| Remuneration of UBL Fund Managers Limited - Management Company | 8.1 | 18,349 | 6,144 | 10,797 | 3,431 |
| Sindh Sales Tax on remuneration of the Management Company | 8.2 | 2,385 | 799 | 1,403 | 446 |
| Selling and marketing expenses | 8.3 | 11,793 | 6,492 | 6,672 | 3,903 |
| Allocated expenses | 8.4 | 9,521 | 3,736 | 5,424 | 1,576 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 9.1 | 1,317 | 898 | 754 | 369 |
| Sindh Sales Tax on remuneration of the Trustee | 9.2 | 171 | 117 | 98 | 48 |
| Annual fee to the Securities and Exchange Commission of Pakistan | 10.1 | 479 | 300 | 273 | 155 |
| Rating fee | | 115 | 98 | 58 | 44 |
| Listing fee | | 14 | 14 | 8 | 8 |
| Auditors' remuneration | | 470 | 476 | 239 | 261 |
| Legal and professional charges | | 108 | 141 | 55 | 92 |
| Bank charges | | 1 | 210 | 1 | 209 |
| Brokerage expense | | 233 | 209 | 129 | 103 |
| Total operating expenses | | 44,956 | 19,634 | 25,911 | 10,646 |
| Net operating income for the period | | 321,385 | 102,535 | 186,594 | 57,262 |
| Reversal of provision for Sindh Workers' Welfare Fund (SWWF) | | - | 19,634 | - | 19,634 |
| Net income for the period before taxation | | 321,385 | 122,169 | 186,594 | 76,896 |
| Taxation | 15 | - | - | - | - |
| Net income for the period after taxation | | 321,385 | 122,169 | 186,594 | 76,896 |
| Earnings per unit | 16 | | | | |
| Allocation of net income for the period | | | | | |
| Net income for the period after taxation | | 321,385 | 122,169 | | |
| Income already paid on units redeemed | | (38,315) | (25,200) | | |
| | | 283,070 | 96,969 | | |
| Accounting income available for distribution | | | | | |
| - Relating to capital gains | | - | - | | |
| - Excluding capital gains | | 283,070 | 96,969 | | |
| | | 283,070 | 96,969 | | |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Aslam Sadruddin
Director

**UBL MONEY MARKET FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022**

| | <u>Half year ended</u> | | <u>Quarter ended</u> | |
|--|------------------------------|--------------------------|--------------------------|--------------------------|
| | <u>December 31, 2022</u> | <u>December 31, 2021</u> | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
| | ----- (Rupees in '000) ----- | | | |
| Net income for the period after taxation | 321,385 | 122,169 | 186,594 | 76,896 |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income for the period | <u>321,385</u> | <u>122,169</u> | <u>186,594</u> | <u>76,896</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
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Aslam Sadruddin
Director

**UBL MONEY MARKET FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | Half year ended December 31, 2022 | | | Half year ended December 31, 2021 | | |
|--|-----------------------------------|----------------------|--------------------|-----------------------------------|----------------------|--------------------|
| | Capital value | Undistributed income | Total | Capital value | Undistributed income | Total |
| ----- (Rupees in '000) ----- | | | | | | |
| Net assets at the beginning of the period (audited) | 3,468,151 | 14,102 | 3,482,253 | 3,187,646 | 11,906 | 3,199,552 |
| Issuance of 73,823,422 units (2021: 32,750,511 units) | | | | | | |
| - Capital value (at net asset value per unit at the beginning of the period) | 7,438,426 | - | 7,438,426 | 3,297,354 | - | 3,297,354 |
| - Element of income | 324,218 | - | 324,218 | 87,785 | - | 87,785 |
| Total proceeds on issuance of units | 7,762,644 | - | 7,762,644 | 3,385,139 | - | 3,385,139 |
| Redemption of 27,026,978 units (2021: 28,228,346 units) | | | | | | |
| - Capital value (at net asset value per unit at the beginning of the period) | (2,723,230) | - | (2,723,230) | (2,842,058) | - | (2,842,058) |
| - Element of loss | (48,894) | (38,315) | (87,209) | (32,038) | (25,200) | (57,238) |
| Total payments on redemption of units | (2,772,124) | (38,315) | (2,810,439) | (2,874,096) | (25,200) | (2,899,296) |
| Total comprehensive income for the period | - | 321,385 | 321,385 | - | 122,169 | 122,169 |
| Distribution during the period | - | - | - | - | - | - |
| Net income for the period less distribution | - | 321,385 | 321,385 | - | 122,169 | 122,169 |
| Net assets at the end of the period (un-audited) | 8,458,671 | 297,172 | 8,755,843 | 3,698,689 | 108,875 | 3,807,564 |
| Undistributed income brought forward | | | | | | |
| - Realised income | | 14,102 | | | 11,906 | |
| - Unrealised income | | - | | | - | |
| | | <u>14,102</u> | | | <u>11,906</u> | |
| Accounting income available for distribution | | | | | | |
| - Relating to capital gains | | - | | | - | |
| - Excluding capital gains | | 283,070 | | | 96,969 | |
| | | <u>283,070</u> | | | <u>96,969</u> | |
| Undistributed income carried forward | | <u>297,172</u> | | | <u>108,875</u> | |
| Undistributed income carried forward | | | | | | |
| - Realised income | | 295,198 | | | 108,875 | |
| - Unrealised income | | 1,974 | | | - | |
| | | <u>297,172</u> | | | <u>108,875</u> | |
| | | | | | | |
| | | | (Rupees) | | | (Rupees) |
| Net asset value per unit at the beginning of the period | | | <u>100.7597</u> | | | <u>100.6810</u> |
| Net asset value per unit at the end of the period | | | <u>107.6233</u> | | | <u>104.8879</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
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Aslam Sadruddin
Director

**UBL MONEY MARKET FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | <u>Half year ended December 31,</u> | |
|---|-------------------------------------|------------------|
| | 2022 | 2021 |
| Note | ----- (Rupees in '000) ----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period after taxation | 321,385 | 122,169 |
| Adjustments for: | | |
| Profit on savings accounts with banks | (74,946) | (43,122) |
| Income on term deposit receipts | (5,622) | (11,935) |
| Income on letters of placement | (9,640) | (6,469) |
| Profit on commercial papers | (11,650) | - |
| Income on Pakistan Investment Bonds | (1,985) | - |
| Income on market treasury bills | (250,673) | (62,132) |
| Income on reverse repo transactions | (13,659) | - |
| Loss on sale of investments - net | 3,808 | 1,489 |
| Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' | 5.6 (1,974) | - |
| Reversal of provision for Sindh Workers' Welfare Fund | - | (19,634) |
| | (366,341) | (141,803) |
| Increase in assets | | |
| Investments - net | (2,099,747) | (1,000) |
| Deposits, prepayments and other receivables | (181) | (205) |
| | (2,099,928) | (1,205) |
| Increase / (decrease) in liabilities | | |
| Payable to UBL Fund Managers Limited - Management Company | 9,964 | 2,380 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 147 | 4 |
| Payable to the Securities and Exchange Commission of Pakistan | (152) | (324) |
| Accrued expenses and other liabilities | (29,835) | 7,562 |
| | (19,876) | 9,622 |
| Profit received | 379,398 | 118,119 |
| Advance tax paid / deducted | - | (763) |
| Net cash (used in) / generated from operating activities | <u>(1,785,362)</u> | <u>106,139</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Receipts against issuance and conversion of units | 7,762,644 | 3,385,139 |
| Payments against redemption and conversion of units | (2,810,439) | (2,899,296) |
| Dividend paid | - | (546) |
| Net cash generated from financing activities | <u>4,952,205</u> | <u>485,297</u> |
| Net increase in cash and cash equivalents during the period | <u>3,166,843</u> | <u>591,436</u> |
| Cash and cash equivalents at the beginning of the period | 3,354,687 | 3,233,635 |
| Cash and cash equivalents at the end of the period | <u>14 6,521,530</u> | <u>3,825,071</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
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Aslam Sadruddin
Director

UBL MONEY MARKET FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Money Market Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered 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 Trust Deed was executed under the Trust Act, 1882 on February 21, 2014 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 5, 2010. The Fund commenced its operations from October 14, 2010. During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund was required to be registered under the Sindh Trust Act. Accordingly, on August 30, 2021 the above-mentioned Trust Deed had been registered under the Sindh Trust Act.
- 1.2 The investment objective of the 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.
- 1.3 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.
- 1.4 The units are offered for subscription on a continuous basis to the general public. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders. 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.
- 1.5 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 30, 2022 (2022: 'AM1' dated December 31, 2021). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Fund has been given a stability rating of AA+(f) by VIS Credit Rating Company Limited dated December 30, 2022 (2022: AA+(f) dated January 13, 2022).
- 1.6 The title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

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 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
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the 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 the requirements of the Trust Deed differ from the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. 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 published audited financial statements of the Fund for the year ended June 30, 2022.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. 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 and for the half year ended December 31, 2022.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS 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 annual financial statements of the Fund for the year ended June 30, 2022.

3.2 The preparation of the 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, 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 the condensed interim financial statements, the significant judgments made by the management in applying the Fund's 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, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2022.

3.3 Standards, interpretations and amendments to 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 annual accounting period beginning on July 1, 2022. 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 published accounting and reporting standards that are not yet effective

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2023. However, these are not expected to 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 | December 31, 2022 (Un-audited) ----- (Rupees in '000) ----- | June 30, 2022 (Audited) |
|---|-------------------------|------|--|-------------------------------|
| | Balances with banks in: | | | |
| | Savings accounts | 4.1 | 1,935,935 | 3,354,633 |
| | Current account | | 54 | 54 |
| | | | <u>1,935,989</u> | <u>3,354,687</u> |

4.1 These include a balance of Rs. 134.823 million (June 30, 2022: Rs. 43.747 million) maintained with United Bank Limited (a related party) that carries profit at the rate of 14.50% (June 30, 2022: 15.50%) per annum. Other savings accounts of the Fund carry profit rates ranging from 12.50% to 17.30% (June 30, 2022: 12.25% to 17.25%) per annum.

| 5 | INVESTMENTS | Note | December 31, 2022 (Un-audited) ----- (Rupees in '000) ----- | June 30, 2022 (Audited) |
|---|---|------|--|-------------------------------|
| | Investments - 'at fair value through profit or loss' | | | |
| | Commercial papers | 5.1 | 142,064 | 142,351 |
| | Government securities - Market Treasury Bills | 5.2 | 4,585,541 | - |
| | Government securities - Pakistan Investment Bonds | 5.3 | - | - |
| | Term deposit receipts | 5.4 | - | - |
| | Letter of placements | 5.5 | - | - |
| | | | <u>4,727,605</u> | <u>142,351</u> |

5.1 Commercial papers

| Name of the security | Maturity date | Profit rate | As at July 1, 2022 | Purchased during the period | Matured during the period | As at December 31, 2022 | Carrying value as at December 31, 2022 | Market value as at December 31, 2022 | Unrealised appreciation/ (diminution) as at December 31, 2022 | Market value as a percentage of | |
|---|------------------|-------------|--------------------|-----------------------------|---------------------------|-------------------------|--|--------------------------------------|---|---------------------------------|-------------------------------|
| | | | | | | | | | | Net assets of the Fund | Total investments of the Fund |
| Face value (Rupees in '000) | | | | | | | Rupees in '000 | | | ----- % ----- | |
| Lucky Electric Power Company Limited PPCP-2 (A-1+, PACRA) | May 2, 2023 | 17.34% | - | 150,000 | - | 150,000 | 142,064 | 142,064 | - | 1.62% | 3.00% |
| Lucky Electric Power Company Limited ICP-2 (A-1+, PACRA) | November 2, 2022 | 15.60% | 150,000 | - | 150,000 | - | - | - | - | - | - |
| Total as at December 31, 2022 | | | | | | | 142,064 | 142,064 | - | 1.62% | 3.00% |
| Total as at June 30, 2022 | | | | | | | 142,351 | 142,351 | - | 4.09% | 100.00% |

5.2 Government securities - Market Treasury Bills

| Issue date | Tenure | As at July 1, 2022 | Purchased during the period | Disposed of / matured during the period | As at December 31, 2022 | Carrying value as at December 31, 2022 | Market value as at December 31, 2022 | Unrealised appreciation/ (diminution) as at December 31, 2022 | Market value as a percentage of | |
|--------------------------------------|----------|--------------------|-----------------------------|---|-------------------------|--|--------------------------------------|---|---------------------------------|-------------------------------|
| | | | | | | | | | Net assets of the Fund | Total investments of the Fund |
| Face value (Rupees in '000) | | | | | | Rupees in '000 | | | ----- % ----- | |
| August 26, 2022 | 6 months | - | 600,000 | 600,000 | - | - | - | - | - | - |
| September 1, 2022 | 6 months | - | 300,000 | 300,000 | - | - | - | - | - | - |
| October 27, 2022 | 6 months | - | 350,000 | 350,000 | - | - | - | - | - | - |
| October 31, 2022 | 6 months | - | 100,000 | 100,000 | - | - | - | - | - | - |
| July 4, 2022 | 3 months | - | 3,500,000 | 3,500,000 | - | - | - | - | - | - |
| July 28, 2022 | 3 months | - | 1,000,000 | 1,000,000 | - | - | - | - | - | - |
| August 11, 2022 | 3 months | - | 500,000 | 500,000 | - | - | - | - | - | - |
| August 25, 2022 | 3 months | - | 500,000 | 500,000 | - | - | - | - | - | - |
| September 8, 2022 | 3 months | - | 500,000 | 500,000 | - | - | - | - | - | - |
| September 22, 2022 | 3 months | - | 2,000,000 | 2,000,000 | - | - | - | - | - | - |
| September 23, 2022 | 3 months | - | 800,000 | 800,000 | - | - | - | - | - | - |
| September 26, 2022 | 3 months | - | 400,000 | 400,000 | - | - | - | - | - | - |
| October 5, 2022 | 3 months | - | 1,000,000 | 1,000,000 | - | - | - | - | - | - |
| October 10, 2022 | 3 months | - | 250,000 | 250,000 | - | - | - | - | - | - |
| October 17, 2022 | 3 months | - | 400,000 | 400,000 | - | - | - | - | - | - |
| October 18, 2022 | 3 months | - | 200,000 | 200,000 | - | - | - | - | - | - |
| October 20, 2022 | 3 months | - | 5,640,500 | 3,500,000 | 2,140,500 | 2,130,251 | 2,130,855 | 604 | 24.34% | 45.08% |
| November 3, 2022 | 3 months | - | 1,600,000 | 500,000 | 1,100,000 | 1,088,279 | 1,088,691 | 412 | 12.43% | 23.03% |
| November 8, 2022 | 3 months | - | 200,000 | 200,000 | - | - | - | - | - | - |
| November 17, 2022 | 3 months | - | 1,000,000 | 500,000 | 500,000 | 491,903 | 491,877 | (26) | 5.62% | 10.40% |
| December 9, 2022 | 3 months | - | 800,000 | 800,000 | - | - | - | - | - | - |
| December 12, 2022 | 3 months | - | 50,000 | 50,000 | - | - | - | - | - | - |
| December 13, 2022 | 3 months | - | 95,000 | 95,000 | - | - | - | - | - | - |
| December 15, 2022 | 3 months | - | 1,000,000 | 100,000 | 900,000 | 873,134 | 874,118 | 984 | 9.98% | 18.49% |
| Total as at December 31, 2022 | | | | | | 4,583,567 | 4,585,541 | 1,974 | 52.37% | 97.00% |
| Total as at June 30, 2022 | | | | | | - | - | - | - | - |

5.2.1 These carry yield ranging from 15.57% to 16.91% (June 30, 2022: Nil) and are due to mature latest by March 9, 2023.

5.3 Government securities - Pakistan investment bonds

| Issue date | Tenure | As at July 1, 2022 | Purchased during the period | Disposed of during the period | As at December 31, 2022 | Carrying value as at December 31, 2022 | Market value as at December 31, 2022 | Unrealised appreciation/ (diminution) as at December 31, 2022 | Market value as a percentage of | |
|--------------------------------------|---------|--------------------|-----------------------------|-------------------------------|-------------------------|--|--------------------------------------|---|---------------------------------|-------------------------------|
| | | | | | | | | | Net assets of the Fund | Total investments of the Fund |
| Face value (Rupees in '000) | | | | | | Rupees in '000 | | | ----- % ----- | |
| June 18, 2020 | 3 years | - | 21,000,000 | 21,000,000 | - | - | - | - | - | - |
| Total as at December 31, 2022 | | | | | | - | - | - | - | - |
| Total as at June 30, 2022 | | | | | | - | - | - | - | - |

5.4 Term deposit receipts

| Name of the bank | Maturity date | Profit rate | As at July 1, 2022 | Placed during the period | Matured during the period | As at December 31, 2022 | Carrying value as at December 31, 2022 | Market value as at December 31, 2022 | Market value as a percentage of | |
|--------------------------------------|------------------|-------------|--------------------|--------------------------|---------------------------|-------------------------|--|--------------------------------------|---------------------------------|-------------------------------|
| | | | | | | | | | Net assets of the Fund | Total investments of the Fund |
| ----- (Rupees in '000) ----- | | | | | | | | | ----- | ----- % ----- |
| Bank Alfalah Limited (AA+, PACRA) | October 17, 2022 | 16.55% | - | 400,000 | 400,000 | - | - | - | - | - |
| Total as at December 31, 2022 | | | | | | | ----- | ----- | ----- | ----- |
| Total as at June 30, 2022 | | | | | | | ----- | ----- | ----- | ----- |

5.5 Letter of placements

| Name of the investee company | Maturity date | Profit rate | As at July 1, 2022 | Placed during the period | Matured during the period | As at December 31, 2022 | Carrying value as at December 31, 2022 | Market value as at December 31, 2022 | Market value as a percentage of | |
|---|-------------------|-------------|--------------------|--------------------------|---------------------------|-------------------------|--|--------------------------------------|---------------------------------|-------------------------------|
| | | | | | | | | | Net assets of the Fund | Total investments of the Fund |
| ----- (Rupees in '000) ----- | | | | | | | | | ----- | ----- % ----- |
| Saudi Pak Industrial and Agricultural Investment Company Limited (AA+, VIS) | August 29, 2022 | 15.40% | - | 300,000 | 300,000 | - | - | - | - | - |
| Pakistan Kuwait Investment Company (Private) Limited (AAA, PACRA) | December 9, 2022 | 16.00% | - | 500,000 | 500,000 | - | - | - | - | - |
| Pakistan Kuwait Investment Company (Private) Limited (AAA, PACRA) | December 16, 2022 | 16.05% | - | 500,000 | 500,000 | - | - | - | - | - |
| Pak Oman Investment Company Limited (AA+, VIS) | December 15, 2022 | 16.10% | - | 500,000 | 500,000 | - | - | - | - | - |
| Askari Bank Limited (AA+, PACRA) | December 15, 2022 | 16.20% | - | 500,000 | 500,000 | - | - | - | - | - |
| Pak Oman Investment Company Limited (AA+, VIS) | December 16, 2022 | 16.05% | - | 500,000 | 500,000 | - | - | - | - | - |
| Askari Bank Limited (AA+, PACRA) | December 20, 2022 | 15.75% | - | 500,000 | 500,000 | - | - | - | - | - |
| Pakistan Kuwait Investment Company (Private) Limited (AAA, PACRA) | December 23, 2022 | 16.04% | - | 500,000 | 500,000 | - | - | - | - | - |
| Askari Bank Limited (AA+, PACRA) | December 29, 2022 | 16.05% | - | 500,000 | 500,000 | - | - | - | - | - |
| Total as at December 31, 2022 | | | | | | | ----- | ----- | ----- | ----- |
| Total as at June 30, 2022 | | | | | | | ----- | ----- | ----- | ----- |

5.6 Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'

| | Note | December 31, 2022 (Un-audited) ----- (Rupees in '000) ----- | June 30, 2022 (Audited) |
|-------------------------------------|-----------|---|----------------------------|
| Market value of investments | 5.1 & 5.2 | 4,727,605 | - |
| Less: carrying value of investments | 5.1 & 5.2 | 4,725,631 | - |
| | | <u>1,974</u> | <u>-</u> |

6 PROFIT RECEIVABLE

| | | | |
|---|-----|---------------|---------------|
| Profit receivable on: | | | |
| Bank balances | 6.1 | 37,394 | 62,514 |
| Government securities - Pakistan Investment Bonds | | 13,897 | - |
| | | <u>51,291</u> | <u>62,514</u> |

6.1 This includes an amount of Rs. 3.933 million (June 30, 2022: Nil) due from United Bank Limited (a related party).

7 ADVANCE TAX

As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 150 and 151. However, withholding tax on profit on savings accounts, term deposit receipts, Market Treasury Bills, commercial papers, Pakistan Investment Bonds and letter of placements paid to the Fund has been deducted by various withholding agents based on the interpretation issued by FBR vide its letter C. no.1(43) DG (WHT)/2008-Vol.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on savings accounts, term deposit receipts, Market Treasury Bills, commercial papers, Pakistan Investment Bonds and letter of placements amounts to Rs. 2.476 million (June 30, 2022: Rs. 2.476 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on savings accounts, term deposit receipts, Market Treasury Bills, commercial papers, Pakistan Investment Bonds and letter of placements has been shown as advance tax as at December 31, 2022 as, in the opinion of the management, the amount of tax deducted at source will likely be refunded.

| 8 | PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY | Note | December 31, | June 30, |
|---|--|------|------------------------------|-------------------|
| | | | 2022 (Un-audited) | 2022 (Audited) |
| | | | ----- (Rupees in '000) ----- | |
| | Remuneration payable | 8.1 | 4,279 | 2,195 |
| | Sindh Sales Tax payable on remuneration of the Management Company | 8.2 | 556 | 285 |
| | Selling and marketing expenses payable | 8.3 | 11,786 | 8,253 |
| | Allocated expenses payable | 8.4 | 5,419 | 2,130 |
| | Sales load and conversion charges payable | | 1,193 | 406 |
| | | | <u>23,233</u> | <u>13,269</u> |

- 8.1** As per regulation 61 of the NBFC Regulations, 2008, 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 its remuneration at the rate of 5% (December 31, 2021: 5%) per annum of gross earnings of the Fund subject to a minimum of 0.15% and a maximum of 1% of the average annual net assets of the Fund during the period ended December 31, 2022. The remuneration is payable to the Management Company monthly in arrears.
- 8.2** During the period, an amount of Rs. 2.385 million (December 31, 2021: Rs. 0.799 million) was charged on account of sales tax on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (December 31, 2021: 13%).
- 8.3** In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the following rates during the period ended December 31, 2022 while keeping in view the overall return and total expense ratio limit of the Fund as defined under the NBFC Regulations, subject to total expense charged being lower than actual expense incurred:

| For the half year ended December 31, 2022 | | | For the half year ended December 31, 2021 | |
|--|--|--|--|--|
| Rate applicable from July 1, 2022 to December 27, 2022 | Rate applicable from December 28, 2022 to December 29, 2022 | Rate applicable from December 30, 2022 to December 31, 2022 | Rate applicable from July 1, 2021 to September 2, 2021 | Rate applicable from September 3, 2021 to December 31, 2021 |
| 0.5% per annum of the average annual net assets of the Fund | Nil | 0.5% per annum of the average annual net assets of the Fund | 0.3% per annum of the average annual net assets of the Fund | 0.5% per annum of the average annual net assets of the Fund |

- 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).

The Management Company, based on its own discretion, has charged such expenses at the following rates during the year ended December 31, 2022, subject to total expense charged being lower than actual expense incurred:

| For the half year ended December 31, 2022 | | | |
|---|---|---|--|
| Rate applicable from July 1, 2022 to December 27, 2022 | Rate applicable from December 28, 2022 to December 29, 2022 | Rate applicable for December 30, 2022 | Rate applicable for December 31, 2022 |
| 0.4% per annum of the average annual net assets of the Fund | Nil | 0.5% per annum of the average annual net assets of the Fund | 0.66% per annum of the average annual net assets of the Fund |

| For the half year ended December 31, 2021 | | | | |
|--|--|---|---|---|
| Rate applicable from July 1, 2021 to August 12, 2021 | Rate applicable from August 13, 2021 to August 22, 2021 | Rate applicable from August 23, 2021 to September 2, 2021 | Rate applicable from September 3, 2021 to December 30, 2021 | Rate applicable for December 31, 2021 |
| 0.15% per annum of the average annual net assets of the Fund | 1.15% per annum of the average annual net assets of the Fund | 0.4% per annum of the average annual net assets of the Fund | 0.2% per annum of the average annual net assets of the Fund | 0.4% per annum of the average annual net assets of the Fund |

| | | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|----------|--|--------------------------------------|-------------------------------|
| | Note | ----- (Rupees in '000) ----- | ----- (Rupees in '000) ----- |
| 9 | PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE | | |
| | Remuneration payable | 285 | 155 |
| | Sindh Sales Tax payable on remuneration of the Trustee | 37 | 20 |
| | | <u>322</u> | <u>175</u> |

- 9.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.055% per annum of the average annual net assets of the Fund. Therefore, the Fund has charged trustee fee at the rate of 0.055% (December 31, 2021: 0.065% from July 1, 2021 to October 13, 2021 and 0.055% from October 14, 2021 to December 31, 2021) per annum of the average annual net assets of the Fund during the current period.

- 9.2** During the period, an amount of Rs. 0.171 million (December 31, 2021: Rs. 0.117 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (December 31, 2021: 13%).

| | | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|-----------|--|--------------------------------------|-------------------------------|
| | Note | ----- (Rupees in '000) ----- | ----- (Rupees in '000) ----- |
| 10 | PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN | | |
| | Annual fee payable | 479 | 631 |

- 10.1** In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan at the rate of 0.02% (December 31, 2021: 0.02%) per annum of the daily net assets of the Fund.

| 11 | ACCRUED EXPENSES AND OTHER LIABILITIES | Note | December 31, | June 30, |
|----|---|------|------------------------------|---------------|
| | | | 2022 | 2022 |
| | | | (Un-audited) | (Audited) |
| | | | ----- (Rupees in '000) ----- | |
| | Auditors' remuneration payable | | 418 | 510 |
| | Withholding tax payable | | 266 | 30,967 |
| | Capital gain tax payable | | 1,908 | 12,205 |
| | Legal and professional charges payable | | 776 | 627 |
| | Rating fee payable | | 240 | - |
| | Listing fee payable | | 28 | - |
| | Sales load payable | | 19,401 | 8,592 |
| | Brokerage payable | | 627 | 604 |
| | Zakat payable | | 2,894 | 2,894 |
| | Provision for Federal Excise Duty and related Sindh Sales Tax on sales load | | 387 | 387 |
| | Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company | 11.1 | 9,112 | 9,112 |
| | Other payable | | 15 | 9 |
| | | | <u>36,072</u> | <u>65,907</u> |

- 11.1 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration and sales load were already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013, a constitutional petition was filed with the Honourable Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 1, 2016. However, as a matter of abundant caution, the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 9.499 million (June 30, 2022: Rs. 9.499 million) is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at December 31, 2022 would have been higher by Re. 0.1168 (June 30, 2022: Re. 0.2749) per

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

13 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at December 31, 2022 based on the current period results is 1.88% (December 31, 2021: 1.31%) which includes 0.13% (December 31, 2021: 0.08%) representing government levies on the Fund such as sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 2% as prescribed under the NBFC Regulations for a collective investment scheme categorised as a 'Money Market Scheme'.

| 14 | CASH AND CASH EQUIVALENTS | Note | December 31, | June 30, |
|----|---|------|------------------------------|------------------|
| | | | 2022 | 2022 |
| | | | (Un-audited) | (Audited) |
| | | | ----- (Rupees in '000) ----- | |
| | Bank balances | 4 | 1,935,989 | 3,354,687 |
| | Government securities - Market Treasury Bills | 5.2 | 4,585,541 | - |
| | | | <u>6,521,530</u> | <u>3,354,687</u> |

15 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 income earned by the Fund for the year ending June 30, 2023 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements during the period.

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.

16 EARNINGS PER UNIT

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

17 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

- 17.1** Connected persons / related parties include United Bank Limited being the holding company of the Management Company, UBL Fund Managers Limited being the Management Company, other collective investment schemes being managed by the Management Company, Al-Ameen Islamic Financial Services (Private) Limited being subsidiary of the Management Company, entities under common management or directorships, Central Depository Company of Pakistan Limited being the Trustee, directors and their close family members and key management personnel of the Management Company and any person or company beneficially owning directly or indirectly 10% or more of the net assets of the Fund.
- 17.2** 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.
- 17.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations.
- 17.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 17.5** Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 17.6** The details of transactions carried out by the Fund with connected persons / related parties during the period and balances with them as at period end are as follows:

| Half year ended December 31, 2022 (Un-audited) | | | | | |
|--|--|---------|-------------------------------|----------------------------------|---|
| Management Company | Associated companies and others * & ** | Trustee | Funds under common management | Directors and key executives *** | Other connected persons / related parties *** |

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

Transactions during the period

| | | | | | | |
|----------------|---|----|---|---|----|--------|
| Units issued | - | 15 | - | - | 63 | 26,047 |
| Units redeemed | - | 17 | - | - | 77 | - |

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

| | | | | | | |
|--|--------|-------|-------|-------|-------|-----------|
| Profit on savings account | - | 8,281 | - | - | - | - |
| Value of units issued | - | 1,500 | - | - | 6,548 | 2,800,000 |
| Value of units redeemed | - | 1,712 | - | - | 7,980 | - |
| Sale of investments | - | - | - | 3,093 | - | - |
| Remuneration of UBL Fund Managers Limited | | | | | | |
| - Management Company | 18,349 | - | - | - | - | - |
| Sindh Sales Tax on remuneration of the Management Company | 2,385 | - | - | - | - | - |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | - | - | 1,317 | - | - | - |
| Sindh Sales Tax on remuneration of the Trustee | - | - | 171 | - | - | - |
| Selling and marketing expenses | 11,793 | - | - | - | - | - |
| Allocated expenses | 9,521 | - | - | - | - | - |

| Half year ended December 31, 2021 (Un-audited) | | | | | |
|--|--|---------|-------------------------------|----------------------------------|---|
| Management Company | Associated companies and others * & ** | Trustee | Funds under common management | Directors and key executives *** | Other connected persons / related parties *** |

(Units in '000)

Transactions during the period

| | | | | | | |
|--|-------|--------|-----|---------|---------|---|
| Units issued | - | 143 | - | - | 2,514 | - |
| Units redeemed | - | - | - | 462 | 2,066 | - |
| ----- (Rupees in '000) ----- | | | | | | |
| Profit on savings account | - | 1,158 | - | - | - | - |
| Bank charges | - | 182 | - | - | - | - |
| Value of units issued | - | 15,000 | - | - | 261,074 | - |
| Value of units redeemed | - | - | - | 47,290 | 213,895 | - |
| Sale of investments | - | - | - | 169,007 | - | - |
| Remuneration of UBL Fund Managers Limited - Management Company | 6,144 | - | - | - | - | - |
| Sindh Sales Tax on remuneration of the Management Company | 799 | - | - | - | - | - |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | - | - | 898 | - | - | - |
| Sindh Sales Tax on remuneration of the Trustee | - | - | 117 | - | - | - |
| Selling and marketing expenses | 6,492 | - | - | - | - | - |
| Allocated expenses | 3,736 | - | - | - | - | - |

* This represents Holding Company (including the related subsidiaries of the Holding Company) of the Management Company, associated companies / undertakings of the Management Company.

** These include transactions in relation to the entities where common directorship exist as at the reporting date.

*** These include transactions in relation to those directors, key executives and other connected persons / related parties that exist as at the reporting date.

| As at December 31, 2022 (Un-audited) | | | | | |
|--------------------------------------|--|---------|-------------------------------|----------------------------------|---|
| Management Company | Associated companies and others * & ** | Trustee | Funds under common management | Directors and key executives *** | Other connected persons / related parties *** |

(Units in '000)

Balances

| | | | | | |
|---|--------|---------|-----|-----|-----------|
| Units held | - | - | - | 2 | 26,047 |
| ----- (Rupees in '000) ----- | | | | | |
| Value of units held | - | - | - | 170 | 2,803,217 |
| Bank balances | - | 134,823 | - | - | - |
| Security deposit | - | - | 100 | - | - |
| Profit receivable on bank balance | - | 3,933 | - | - | - |
| Remuneration payable to the Management Company | 4,279 | - | - | - | - |
| Sindh Sales Tax payable on remuneration of the Management Company | 556 | - | - | - | - |
| Remuneration payable to the Trustee | - | - | 285 | - | - |
| Sindh Sales Tax payable on remuneration of the Trustee | - | - | 37 | - | - |
| Sales load and conversion charges payable | 1,193 | 7,858 | - | - | - |
| Selling and marketing expenses payable | 11,786 | - | - | - | - |

Allocated expenses payable 5,419 - - - - -

| As at June 30, 2022 (Audited) | | | | | |
|---|--|---------|-------------------------------|----------------------------------|---|
| Management Company | Associated companies and others * & ** | Trustee | Funds under common management | Directors and key executives *** | Other connected persons / related parties *** |
| (Units in '000) | | | | | |
| Balances | | | | | |
| Units held | 2 | - | 574 | 15 | 4,206 |
| (Rupees in '000) | | | | | |
| Value of units held | 202 | - | 57,836 | 1,511 | 423,795 |
| Bank balances | 43,747 | - | - | - | - |
| Profit receivable on bank balances | - | - | - | - | - |
| Security deposit | - | 100 | - | - | - |
| Remuneration payable to the Management Company | 2,195 | - | - | - | - |
| Sindh Sales Tax payable on remuneration of the Management Company | 285 | - | - | - | - |
| Remuneration payable to the Trustee | - | 155 | - | - | - |
| Sindh Sales Tax payable on remuneration of the Trustee | - | 20 | - | - | - |
| Sales load and conversion charges payable | 406 | 5,530 | - | - | - |
| Selling and marketing expenses payable | 8,253 | - | - | - | - |
| Allocated expenses payable | 2,130 | - | - | - | - |

* This represents Holding Company (including the related subsidiaries of the Holding Company) of the Management Company, associated companies / undertakings of the Management Company.

** These include balances in relation to the entities where common directorship exist as at the reporting date.

*** These include balances in relation to those directors, key executives and other connected persons / related parties that exist as at the reporting date.

18 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 the 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.

18.1 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 December 31, 2022 and June 30, 2022, the Fund held the following financial instruments measured at fair value:

| (Un-audited) | | | |
|--|-----------|---------|-----------|
| As at December 31, 2022 | | | |
| Level 1 | Level 2 | Level 3 | Total |
| (Rupees in '000) | | | |
| ASSETS | | | |
| Financial assets 'at fair value through profit or loss' | | | |
| Commercial papers * | 142,064 | - | 142,064 |
| Government securities - Market Treasury Bills | 4,585,541 | - | 4,585,541 |
| | 4,727,605 | - | 4,727,605 |

| ASSETS | (Audited) | | | |
|---|------------------------------|---------|---------|---------|
| | As at June 30, 2022 | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets 'at fair value through profit or loss' | ----- (Rupees in '000) ----- | | | |
| Commercial papers * | - | 142,351 | - | 142,351 |

* The valuation of commercial papers has been done based on amortisation to its fair values as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and are placed with counterparties which have high credit rating.

19 GENERAL

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

20 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on January 26, 2023 by the Board of Directors of the Management Company.

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Aslam Sadruddin
Director

UCF

UBL Cash Fund

INVESTMENT OBJECTIVE

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

| | |
|------------------------------|--|
| Management Company | UBL Fund Managers Limited |
| Trustee | Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500 |
| Distribution Company | United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk) |
| Auditor | Yousuf Adil & Co., Chartered Accountants |
| Bankers | United Bank Limited Samba Bank Limited Allied Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited |
| Management Co. Rating | AM1 (VIS) |
| Fund Rating | AA+(f) (PACRA) |
| | |

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahr-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



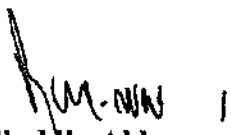
TRUSTEE REPORT TO THE UNIT HOLDERS

UBL CASH FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of UBL Cash Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provision of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badinuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS' OF UBL CASH FUND

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **UBL CASH FUND** (the "Fund") as at December 31, 2022, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' funds, condensed interim cash flow statement and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year then ended. The Management Company (**UBL Fund Managers Limited**) is responsible for the preparation and presentation of this condensed interim financial information in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2022 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures of the condensed interim income statement, condensed interim statement of comprehensive income and related notes for the quarter ended December 31, 2022 have not been reviewed, as we are only required to review the cumulative figures for the half year ended December 31, 2022.

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


Chartered Accountants

Place: Karachi
Date: February 24, 2023
UDIN: RR202210091IDLvXtwWP

UBL CASH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---|------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| ASSETS | | | |
| Bank balances | 4 | 2,897,704 | 21,071,692 |
| Placements and term deposits receipts | 5 | - | - |
| Investments | 6 | 9,161,814 | - |
| Advance income tax | 7 | 834 | 1,480 |
| Receivable against sale of investments | | 3,297,172 | - |
| Mark-up receivable | | 56,728 | 65,376 |
| Prepayment and other receivables | | 4,876 | 1,621 |
| Total assets | | 15,419,128 | 21,140,169 |
| LIABILITIES | | | |
| Payable to UBL Fund Managers Limited - Management Company | 8 | 30,317 | 5,290 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 9 | 655 | 515 |
| Payable to the Securities and Exchange Commission of Pakistan | 10 | 1,031 | 1,329 |
| Accrued expenses and other liabilities | 11 | 10,134 | 50,481 |
| Total liabilities | | 42,137 | 57,615 |
| NET ASSETS | | 15,376,991 | 21,082,554 |
| UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED) | | 15,376,991 | 21,082,554 |
| Contingencies and commitments | | | |
| | 12 | ----- Number of units ----- | |
| Number of units in issue | 13 | 142,415,673 | 210,308,607 |
| | | ----- Rupees ----- | |
| Net assets value per unit | | 107.9726 | 100.2458 |
| Face value per unit | | 100.0000 | 100.0000 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL CASH FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Note | Half year ended December 31, | | Quarter ended December 31, | |
|---|------|---------------------------------|----------------|-------------------------------|----------------|
| | | 2022 | 2021 | 2022 | 2021 |
| Rupees in '000 | | | | | |
| INCOME | | | | | |
| Financial income | | 819,849 | 243,522 | 407,101 | 148,597 |
| (Loss) / gain on sale of investments - net | | (3,538) | 26 | (3,001) | (556) |
| Unrealised (loss) / gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net | | 6,788 | - | 6,788 | - |
| Total income | | 823,099 | 243,548 | 410,888 | 148,041 |
| EXPENSES | | | | | |
| Remuneration of UBL Fund Managers Limited - Management Company | 8.1 | 11,043 | - | 11,043 | - |
| Sindh Sales Tax on remuneration of the Management Company | 8.2 | 1,436 | - | 1,436 | - |
| Allocated expenses | 8.3 | 12,828 | 5,416 | 1,494 | 2,376 |
| Selling and marketing expenses | 8.4 | 16,272 | - | 7,259 | - |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 9 | 3,203 | 1,880 | 1,606 | 980 |
| Annual fee of the Securities and Exchange Commission of Pakistan | 10 | 1,031 | 561 | 517 | 316 |
| Auditor's remuneration | | 190 | 187 | 163 | 126 |
| Brokerage and settlement charges | | 638 | 314 | 443 | 158 |
| Bank charges | | - | 8 | - | 6 |
| Legal and professional charges | | 193 | 115 | 119 | 77 |
| Listing fee | | 13 | 14 | 8 | 7 |
| Total expenses | | 46,847 | 8,495 | 24,088 | 4,046 |
| Net operating income for the period | | 776,252 | 235,053 | 386,800 | 143,995 |
| Reversal of provision for Sindh Workers' Welfare Fund | | - | 5,779 | - | - |
| Net income for the period before taxation | | 776,252 | 240,832 | 386,800 | 143,995 |
| Taxation | 14 | - | - | - | - |
| Net income for the period after taxation | | 776,252 | 240,832 | 386,800 | 143,995 |
| Allocation of net income for the period | | | | | |
| Net income for the period after taxation | | 776,252 | 240,832 | 386,800 | 143,995 |
| Income already paid on units redeemed | | (443,292) | (88,743) | (267,113) | (75,037) |
| | | 332,960 | 152,089 | 119,687 | 68,958 |
| Accounting income available for distribution | | | | | |
| - Relating to capital gains | | 3,251 | - | 3,251 | - |
| - Excluding capital gains | | 329,709 | 152,089 | 116,436 | 68,958 |
| | | 332,960 | 152,089 | 119,687 | 68,958 |
| Earnings per unit | 15 | | | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL CASH FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended December 31, | | Quarter ended December 31, | |
|--|---------------------------------|---------|-------------------------------|---------|
| | 2022 | 2021 | 2022 | 2021 |
| ----- Rupees in '000 ----- | | | | |
| Net income for the period after taxation | 776,252 | 240,832 | 386,800 | 143,995 |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income for the period | 776,252 | 240,832 | 386,800 | 143,995 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL CASH FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended December 31, 2022 | | | Half year ended December 31, 2021 | | | |
|--|--------------------------------------|-------------------------|---------------------|--------------------------------------|-------------------------|---------------------|----------------|
| | Capital value | Undistributed income | Total | Capital value | Undistributed income | Total | |
| ----- Rupees in '000 ----- | | | | | | | |
| Net assets at the beginning of the period | 21,061,114 | 21,440 | 21,082,554 | 5,758,711 | 3,748 | 5,762,459 | |
| Issuance of 277,900,664 units (2021: 173,354,382 units) | | | | | | | |
| - Capital value | 27,858,374 | - | 27,858,374 | 17,353,987 | - | 17,353,987 | |
| - Element of income | 1,232,103 | - | 1,232,103 | 449,691 | - | 449,691 | |
| Total amount received on issuance of units | 29,090,477 | - | 29,090,477 | 17,803,678 | - | 17,803,678 | |
| Redemption of 345,793,598 units (2021: 122,428,902 units) | | | | | | | |
| - Capital value | (34,664,356) | - | (34,664,356) | (12,255,990) | - | (12,255,990) | |
| - Element of income | (464,644) | (443,292) | (907,936) | (144,355) | (88,743) | (233,098) | |
| Total amount paid on redemption of units | (35,129,000) | (443,292) | (35,572,292) | (12,400,345) | (88,743) | (12,489,088) | |
| Total comprehensive income for the period | - | 776,252 | 776,252 | - | 240,832 | 240,832 | |
| Net assets at the end of the period | 15,022,591 | 354,400 | 15,376,991 | 11,162,044 | 155,837 | 11,317,881 | |
| Undistributed income brought forward: | | | | | | | |
| - Realised | | 21,440 | | | 3,748 | | |
| - Unrealised | | - | | | - | | |
| | | 21,440 | | | 3,748 | | |
| Accounting income available for distribution | | | | | | | |
| - Relating to capital gains | | 3,251 | | | - | | |
| - Excluding capital gains | | 329,709 | | | 152,089 | | |
| | | 332,960 | | | 152,089 | | |
| Undistributed income carried forward | | 354,400 | | | 155,837 | | |
| Undistributed income carried forward comprising of: | | | | | | | |
| - Realised | | 347,612 | | | 155,837 | | |
| - Unrealised | | 6,788 | | | - | | |
| | | 354,400 | | | 155,837 | | |
| | | | --- Rupees --- | | | | --- Rupees --- |
| Net assets value per unit at the beginning of the period | | | 100.2458 | | | 100.1070 | |
| Net assets value per unit at the end of the period | | | 107.9726 | | | 104.3234 | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL CASH FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended December 31, | |
|--|---------------------------------|-------------------|
| | 2022 | 2021 |
| | ----- Rupees in '000 ----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period before taxation | 776,252 | 240,832 |
| Adjustments for: | | |
| Financial income | (819,849) | (243,522) |
| Loss / (gain) on sale of investments - net | 3,538 | (26) |
| Unrealised loss / (gain) on revaluation of investments classified as at 'fair value through profit and loss' | (6,788) | - |
| Reversal of provision for Sindh Workers' Welfare Fund | - | (5,779) |
| | (823,099) | (249,327) |
| Cash used in operations before working capital changes | (46,847) | (8,495) |
| (Increase) / decrease in assets | | |
| Investments - net | (9,158,564) | 26 |
| Receivable against sale of investments | (3,297,172) | - |
| Prepayment and other receivables | (3,255) | (82) |
| | (12,458,991) | (56) |
| Increase / (decrease) in liabilities | | |
| Payable to UBL Fund Managers Limited - Management Company | 25,027 | 1,544 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 140 | 161 |
| Payable to the Securities and Exchange Commission of Pakistan | (298) | 27 |
| Accrued expenses and other liabilities | (40,347) | (16,364) |
| | (15,478) | (14,632) |
| Cash used in operations | (12,521,316) | (23,183) |
| Mark-up received | 828,497 | 175,980 |
| Advance tax refund | 646 | - |
| Net cash (used in) / generated from operating activities | (11,692,173) | 152,797 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Amount received on issuance of units | 29,090,477 | 17,803,678 |
| Amount paid on redemption of units | (35,572,292) | (12,489,088) |
| Net cash (used in) / generated from financing activities | (6,481,815) | 5,314,590 |
| Net (decrease) / increase in cash and cash equivalents during the period | (18,173,988) | 5,467,387 |
| Cash and cash equivalents at the beginning of the period | 21,071,692 | 5,783,932 |
| Cash and cash equivalents at the end of the period | 2,897,704 | 11,251,319 |
| Cash and cash equivalents | | |
| Bank balances | 2,897,704 | 9,251,319 |
| Placements and term deposit receipts | - | 2,000,000 |
| | 2,897,704 | 11,251,319 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL CASH FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Cash Fund (the "Fund") was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on July 10, 2018 after it was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 04, 2018 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from September 23, 2019. The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Management Company after fulfilling the requirements for registration of the Trust Deed under Sindh Act, 2020, has registered the Collective Investment Scheme Trust Deed with the Registrar acting under Sindh Act, 2020 on August 13, 2021.

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-end mutual fund categorized as money market scheme and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.

The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.

The investment objective of the Fund is to generate attractive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors.

VIS Credit Rating Company Limited has reaffirmed management quality rating of "AM1" (stable outlook) to the Management Company as on December 30, 2022. Pakistan Credit Rating Agency Limited has assigned a stability rating of "AA+(f)" to the Fund as on October 01, 2022.

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

This condensed interim financial information has been 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), directives issued by the SECP 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 information have, however, been limited based on the requirements of IAS - 34. 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 audited financial statements of the Fund for the year ended June 30, 2022.

2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that this condensed interim financial information gives a true and fair view of the state of affairs of the Fund as at December 31, 2022.

2.4 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except for the investments which are stated at fair value.

2.5 Functional and presentation currency

This condensed interim financial information is presented in Pakistan Rupees, which is the functional and presentation currency of the Fund. All amounts have been rounded off to the nearest thousands of Rupee, unless otherwise indicated.

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

3.1 The accounting policies applied and methods of computation used for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2022.

3.2 The preparation of this condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.

3.3 There are certain standards, interpretations on accounting and reporting standards as applicable in Pakistan and amendments to certain existing standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2022. 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, 2022.

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|------------------------------------|------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| 4. BANK BALANCES | | | |
| In local currency: | | | |
| - Profit and loss sharing accounts | 4.1 | 2,897,464 | 21,071,692 |
| - Current Account | | 240 | - |
| | | <u>2,897,704</u> | <u>21,071,692</u> |

4.1 Mark-up on these profit and loss sharing accounts range from 14.5% to 17.10% (June 30, 2022: 12.25% to 17.25%) per annum. These include an amount held by a related party, United Bank Limited, amounting to Rs. 131 million (June 30, 2022: Rs. 22.80 million) on which return is earned at 14.5% (June 30, 2022: 12.25%) per annum.

5. PLACEMENTS AND TERM DEPOSIT RECEIPTS

(Un-audited) (Audited)
December 31, June 30,
2022 2022
----- Rupees in '000 -----

Financial assets at amortised cost

| | | | |
|------------------------|-----|---|---|
| Term deposits receipts | 5.1 | - | - |
| Letter of placements | 5.2 | - | - |
| | | - | - |

5.1. Term deposits receipts

| Name of Company | Maturity date | As at July 1, 2022/2021 | Purchased during the period / year | Matured during the period / year | As at December 31, 2022 / June 30, 2022 | Carrying value as a percentage of net assets of the Fund |
|---|---------------|----------------------------|------------------------------------|----------------------------------|---|--|
| | | ----- Rupees in '000 ----- | | | | % |
| Bank Al-falah Limited | July 28, 2022 | - | 750,000 | 750,000 | - | - |
| As at December 31, 2022 (Un-audited) | | - | 750,000 | 750,000 | - | - |
| As at June 30, 2022 (Audited) | | 500,000 | 4,450,000 | 4,950,000 | - | - |

5.1.1 Term deposit receipts carried interest rate of 14.10% per annum.

5.2. Letter of placements

| Name of the investee company | Maturity date | As at July 1, 2022/2021 | Purchased during the period / year | Matured during the period / year | As at December 31, 2022 / June 30, 2022 | Carrying value as a percentage of net assets of the Fund |
|---|-------------------|----------------------------|------------------------------------|----------------------------------|---|--|
| | | ----- Rupees in '000 ----- | | | | % |
| Pak Oman Investment Company Limited | July 18, 2022 | - | 1,000,000 | 1,000,000 | - | - |
| Askari Bank Limited | July 19, 2022 | - | 1,000,000 | 1,000,000 | - | - |
| Pak Oman Investment Company Limited | July 19, 2022 | - | 1,000,000 | 1,000,000 | - | - |
| Askari Bank Limited | July 22, 2022 | - | 1,000,000 | 1,000,000 | - | - |
| Pak Oman Investment Company Limited | July 22, 2022 | - | 1,000,000 | 1,000,000 | - | - |
| Pak Brunei Investment Company Limited | July 28, 2022 | - | 1,000,000 | 1,000,000 | - | - |
| Pak Oman Investment Company Limited | July 28, 2022 | - | 1,000,000 | 1,000,000 | - | - |
| Askari Bank Limited | July 29, 2022 | - | 1,000,000 | 1,000,000 | - | - |
| Saudi Pak Industrial & Agricultural Investment Company Ltd. | August 29, 2022 | - | 500,000 | 500,000 | - | - |
| Pak Brunei Investment Company Limited | August 30, 2022 | - | 500,000 | 500,000 | - | - |
| Pak Oman Investment Company Limited | October 10, 2022 | - | 900,000 | 900,000 | - | - |
| Pak Oman Investment Company Limited | October 14, 2022 | - | 900,000 | 900,000 | - | - |
| Pak Kuwait Inv Co Ltd | December 9, 2022 | - | 700,000 | 700,000 | - | - |
| Pak Kuwait Inv Co Ltd | December 16, 2022 | - | 700,000 | 700,000 | - | - |
| Askari Bank Limited | December 20, 2022 | - | 500,000 | 500,000 | - | - |
| Pak Kuwait Inv Co Ltd | December 23, 2022 | - | 500,000 | 500,000 | - | - |
| Pak Oman Investment Company Limited | December 23, 2022 | - | 1,000,000 | 1,000,000 | - | - |
| Askari Bank Limited | December 29, 2022 | - | 1,000,000 | 1,000,000 | - | - |
| As at December 31, 2022 (Un-audited) | | - | 15,200,000 | 15,200,000 | - | - |
| As at June 30, 2022 (Audited) | | - | 16,940,000 | 16,940,000 | - | - |

5.2.1 Letter of placements carried interest rate ranging from 13.75% to 16.55%

| | Note | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|--|------|--------------------------------------|-------------------------------|
| Rupees in '000 | | | |
| 6. INVESTMENTS | | | |
| At fair value through profit and loss | | | |
| Government securities | | | |
| - Market Treasury Bills | 6.1 | 8,877,687 | - |
| - GOP Ijarah Sukuks | 6.2 | - | - |
| | | 8,877,687 | - |
| Financial asset At amortised cost | | | |
| Commercial paper | 6.3 | 284,127 | - |
| | | 9,161,814 | - |

6.1 Government securities - Market Treasury Bills
At fair value through profit or loss

| Issue date | Tenor | Face value | | | Total carrying value as at December 31, 2022 / June 30, 2022 | Total market value as at December 31, 2022 / June 30, 2022 | Appreciation / (diminution) as at December 31, 2022 / June 30, 2022 | Market value as a percentage of total investments | Market value as a percentage of net assets of the Fund | |
|---|----------|---------------------------|------------------------------------|---|--|--|---|---|--|---|
| | | As at July 1, 2022 / 2021 | Purchased during the period / year | Sold / matured during the period / year | | | | | | As at December 31, 2022 / June 30, 2022 |
| ----- Rupees in '000 ----- | | | | | | | | | | |
| January 27, 2022 | 6 Months | - | 3,340,000 | 3,340,000 | - | - | - | - | - | |
| February 24, 2022 | 6 Months | - | 500,000 | 500,000 | - | - | - | - | - | |
| March 10, 2022 | 6 Months | - | 1,360,000 | 1,360,000 | - | - | - | - | - | |
| April 07, 2022 | 6 Months | - | 1,000,000 | 1,000,000 | - | - | - | - | - | |
| April 28, 2022 | 6 Months | - | 500,000 | 500,000 | - | - | - | - | - | |
| April 28, 2022 | 3 Months | - | 5,819,000 | 5,819,000 | - | - | - | - | - | |
| June 16, 2022 | 3 Months | - | 3,400,000 | 3,400,000 | - | - | - | - | - | |
| July 14, 2022 | 3 Months | - | 1,900,000 | 1,900,000 | - | - | - | - | - | |
| July 28, 2022 | 3 Months | - | 18,345,000 | 18,345,000 | - | - | - | - | - | |
| August 11, 2022 | 3 Months | - | 2,000,000 | 2,000,000 | - | - | - | - | - | |
| August 25, 2022 | 3 Months | - | 700,000 | 700,000 | - | - | - | - | - | |
| September 08, 2022 | 3 Months | - | 500,000 | 500,000 | - | - | - | - | - | |
| October 06, 2022 | 3 Months | - | 6,800,000 | 6,800,000 | - | - | - | - | - | |
| October 20, 2022 | 3 Months | - | 10,100,000 | 8,800,000 | 1,300,000 | 1,293,667 | 475 | 14.13% | 8.42% | |
| November 03, 2022 | 3 Months | - | 3,900,000 | 1,500,000 | 2,400,000 | 2,373,762 | 1,563 | 25.93% | 15.45% | |
| November 17, 2022 | 3 Months | - | 6,500,000 | 4,500,000 | 2,000,000 | 1,965,977 | 1,967,507 | 1,530 | 21.48% | 12.80% |
| December 01, 2022 | 3 Months | - | 1,000,000 | 1,000,000 | - | - | - | 0.00% | 0.00% | |
| December 15, 2022 | 3 Months | - | 3,850,000 | 1,500,000 | 2,350,000 | 2,279,784 | 2,636 | 24.91% | 14.84% | |
| December 29, 2022 | 3 Months | - | 2,000,000 | 1,000,000 | 1,000,000 | 957,709 | 958,293 | 584 | 10.46% | 6.23% |
| As at December 31, 2022 (Un-audited) | | - | 73,514,000 | 64,464,000 | 9,050,000 | 8,870,899 | 8,877,687 | 6,788 | 96.90% | 57.73% |
| As at June 30, 2022 (Audited) | | - | 102,686,000 | 102,686,000 | - | - | - | - | - | |

6.1.1 These Market Treasury Bills carried effective yield ranging from 16.1% to 16.99% per annum.

6.2 **Government of Pakistan Ijarah Sukuks**
At fair value through profit or loss

| Issue Date | Tenor | Face Value | | | | Carrying value as at December 31, 2022 / June 30, 2022 | Market value as at December 31, 2022 / June 30, 2022 | Appreciation / (diminution) as at December 31, 2022 / June 30, 2022 | Market value as a percentage of total investments | Market value as a percentage of net assets of the Fund |
|---|---------|----------------------------|------------------------------------|---|---|--|--|---|---|--|
| | | As at July 01, 2022 / 2021 | Purchased during the period / year | Sold / matured during the period / year | As at December 31, 2022 / June 30, 2022 | | | | | |
| ----- Rupees in '000 ----- % ----- | | | | | | | | | | |
| December 30, 2022 | 3 Years | - | 3,300,000 | 3,300,000 | - | - | - | - | - | |
| As at December 31, 2022 (Un-audited) | | - | 3,300,000 | 3,300,000 | - | - | - | - | - | |
| As at June 30, 2022 (Audited) | | - | - | - | - | - | - | - | - | |

6.2.1 This Ijarah Sukuk carried profit rate of 17.30% (June 30, 2022: Nil) per annum.

6.3 **Commercial Paper**
At amortised cost

| Name of the investee company | Maturity Date | As at July 01, 2022 / 2021 | Purchased during the period / year | Sold / matured during the period / year | As at December 31, 2022 / June 30, 2022 | Carrying value as at December 31, 2022 / June 30, 2022 | Carrying value as a percentage of total investments | Carrying value as a percentage of net assets of the Fund |
|---|---------------|----------------------------|------------------------------------|---|---|--|---|--|
| ----- Rupees in '000 ----- % ----- | | | | | | | | |
| Lucky Electric Power Company Limited | May 02, 2023 | - | 300,000 | - | 300,000 | 284,127 | 3.10% | 1.85% |
| As at December 31, 2022 (Un-audited) | | - | 300,000 | - | 300,000 | 284,127 | 3.10% | 1.85% |
| As at June 30, 2022 (Audited) | | - | - | - | - | - | - | - |

6.3.1 This commercial paper carries profit rate of 17.34% (June 30, 2022: Nil) per annum.

7. ADVANCE INCOME TAX

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding tax under section 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" 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 certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 in prior periods. The Management Company is confident that the amount will be refunded to the Fund.

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---|------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| 8. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY | | | |
| Remuneration payable to the Management Company | 8.1 | 11,043 | - |
| Sindh Sales Tax on remuneration payable to the Management Company | 8.2 | 1,436 | - |
| Allocated expenses payable | 8.3 | 1,505 | 5,088 |
| Selling and marketing expenses payable | 8.4 | 16,272 | - |
| Back end load payable | | 29 | 171 |
| Other payable | | 32 | 31 |
| | | <u>30,317</u> | <u>5,290</u> |

8.1 As per the offering document of the Fund, the Management Company during previous year extended the temporary waiver of its Management Fee on the Fund. During current period, Management Company has started charging management fee from November 07, 2022 at rates ranging from 0% to 1% of daily net assets.

8.2 'The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (2022: 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). During the period, the Management Company has charged the Fund at the rates ranging from 0% to 3.71% (June 30, 2022: 0.02% to 1.03%) of daily net assets.

8.4 In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at rates ranging from 0% to 2.06% (June 30, 2022: Nil)

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

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fee has been charged at the rate of 0.055% from July 01, 2022 to December 31, 2022 (June 30, 2022: 0.055%) per annum of average daily net assets of the Fund during the period. The remuneration is payable on monthly basis in arrears. The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2022: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with NBFC Regulations a collective investment scheme classified as open end scheme is required to pay to the SECP an amount equal to 0.02% (June 30, 2022: 0.02%) of the average annual net assets of the Fund as annual fee.

| | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|--|--------------------------------------|-------------------------------|
| 11. ACCRUED EXPENSES AND OTHER LIABILITIES | Note | ----- Rupees in '000 ----- |
| Withholding tax payable | 2,145 | 26,849 |
| Capital gain tax payable | 4,845 | 21,171 |
| Annual listing fee payable | - | 30 |
| Zakat payable | 701 | 701 |
| Brokerage payable | 1,160 | 521 |
| Auditor's remuneration payable | 162 | 213 |
| Other payables | 1,121 | 996 |
| | 10,134 | 50,481 |

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

| | (Un-audited) For the half year ended December 31, 2022 | (Audited) For the year ended June 30, 2022 |
|--|--|--|
| 13. NUMBER OF UNITS IN ISSUE | ----- Number of units ----- | |
| Total units in issue at the beginning of the period / year | 210,308,607 | 57,562,986 |
| Units issued during the period / year | 277,900,664 | 612,978,212 |
| Units redeemed during the period / year | (345,793,598) | (460,232,591) |
| Total units in issue at end of the period / year | 142,415,673 | 210,308,607 |

14. TAXATION

The Fund's income is exempt from income 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. Further, 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. 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. Since the Management Company intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2023 to the unit holders in the manner as explained above, no provision for taxation has been made in this condensed interim financial information.

15. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in this condensed interim financial information 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. TOTAL EXPENSE RATIO

The annualised total expense ratio of the Fund for the period ended December 31, 2022 is 0.91% (December 31, 2021: 0.30%) which includes 0.05% (December 31, 2021: 0.03%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2% of average net assets prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

17. 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.

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.

The fair value of financial assets traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

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 liabilities that are not based on observable market data (i.e. unobservable inputs) (level 3).

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

| | Fair value | | | |
|--|---------------------------|-----------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | Total |
| <u>As at December 31, 2022 (Un-audited)</u> | ----- Rupees in 000 ----- | | | |
| Market Treasury Bills | - | 8,877,687 | - | 8,877,687 |
| | - | 8,877,687 | - | 8,877,687 |

| | Fair value | | | |
|---|---------------------------|---------|---------|-------|
| | Level 1 | Level 2 | Level 3 | Total |
| <u>As at June 30, 2022 (Audited)</u> | ----- Rupees in 000 ----- | | | |
| Market Treasury Bills | - | - | - | - |
| | - | - | - | - |

- 17.1 Except for the investments as disclosed above, all other financial assets and liabilities are carried at amortised cost. The estimated fair value of all financial assets and liabilities at amortised cost is considered not significantly different from the carrying value as the items are short-term in nature.

18. 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 half year ended December 31, 2022 are as follows:

| Management Company | Associated Companies and others* | Trustee | Funds under common management | Directors and key executives | Other connected persons / related parties** |
|--------------------|----------------------------------|---------|-------------------------------|------------------------------|---|
|--------------------|----------------------------------|---------|-------------------------------|------------------------------|---|

Transactions for the period -----Half year ended December 31, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | | |
|----------------|--------|--------|---|---|-------|--------|
| Units issued | 50,887 | 45 | - | - | 1,203 | 62,504 |
| Units redeemed | 70,102 | 10,529 | - | - | 126 | 72,238 |

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

| | | | | | | |
|---|-----------|-----------|-------|--------|---|-----------|
| Value of units issued | 5,264,979 | 4,700 | - | - | - | 6,600,006 |
| Value of units redeemed | 7,218,510 | 1,062,277 | - | - | - | 7,470,965 |
| Mark-up on profit and loss sharing accounts | - | 1,234 | - | - | - | - |
| Sale of securities | - | 1,956,715 | - | 65,884 | - | - |
| Purchase of securities | - | 1,142,580 | - | - | - | - |
| Remuneration (inclusive of Sindh Sales Tax) | 12,479 | - | 3,203 | - | - | - |
| Allocated expenses | 12,828 | - | - | - | - | - |
| Selling and marketing expenses | 16,272 | - | - | - | - | - |

Transactions during the period ----- Half year ended December 31, 2021 (Un-audited) -----

----- Units in '000 -----

| | | | | | | |
|----------------|---------|--------|---|---|---|--------|
| Units issued | 161,299 | 16,376 | - | - | - | 41,643 |
| Units redeemed | 151,233 | - | - | - | - | 31,402 |

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

| | | | | | | |
|---|------------|-----------|-------|--------|---|------------|
| Value of units issued | 16,472,013 | 1,695,760 | - | - | - | 4,300,041 |
| Value of units redeemed | 15,413,254 | - | - | - | - | 3,172,558 |
| Mark-up on profit and loss sharing accounts | - | 310 | - | - | - | - |
| Sale of securities | - | - | - | 65,884 | - | 21,386,311 |
| Purchase of securities | - | 1,142,580 | - | - | - | 17,212,086 |
| Remuneration (inclusive of Sindh Sales Tax) | - | - | 1,880 | - | - | - |
| Allocated expenses | 5,416 | - | - | - | - | - |

| Management Company | Associated Companies and others* | Trustee | Funds under common management | Directors and key executives | Other connected persons / related parties** |
|--------------------|----------------------------------|---------|-------------------------------|------------------------------|---|
|--------------------|----------------------------------|---------|-------------------------------|------------------------------|---|

Balances held

----- As at December 31, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|---|----|---|---|-------|--------|
| Units held | - | 17 | - | - | 1,077 | 33,513 |
|------------|---|----|---|---|-------|--------|

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

| | | | | | | |
|--|--------|---------|-----|---|---------|-----------|
| Value of units held | - | 1,853 | - | - | 116,271 | 3,618,475 |
| Bank balances | - | 131,247 | - | - | - | - |
| Remuneration payable (inclusive of Sindh Sales Tax) | 12,479 | - | 655 | - | - | - |
| Allocated expenses payable | 1,505 | - | - | - | - | - |
| Back end load payable | 29 | - | - | - | - | - |
| Selling and marketing expenses payable | 16,272 | - | - | - | - | - |
| Mark-up receivable | - | 5,198 | - | - | - | - |
| Other payable | 32 | - | - | - | - | - |

Balances held

----- As at June 30, 2022 (Audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|--------|--------|---|---|---|---------|
| Units held | 19,215 | 10,501 | - | - | - | 102,453 |
|------------|--------|--------|---|---|---|---------|

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

| | | | | | | |
|--|-----------|-----------|-----|---|---|------------|
| Value of units held | 1,926,182 | 1,052,653 | - | - | - | 10,270,491 |
| Bank balances | - | 22,797 | - | - | - | - |
| Other receivable | 1,311 | - | - | - | - | - |
| Remuneration payable (inclusive of Sindh Sales Tax) | - | - | 515 | - | - | - |
| Mark-up receivable | - | 251 | - | - | - | - |
| Allocated expenses payable | 5,088 | - | - | - | - | - |
| Sales end load payable | 171 | - | - | - | - | - |
| Other payable | 31 | - | - | - | - | - |

* 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 the entities where common directorship existed at period / year end.

19. GENERAL

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, 2022 and December 31, 2021 have not been reviewed by auditors.

20. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on January 26, 2023 by the Board of Directors of the Management Company.

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

SD

Yasir Qadri
Chief Executive Officer

SD

Umair Ahmed
Chief Financial Officer

SD

Imran Sarwar
Director

UGSF

UBL Government Securities Fund

INVESTMENT OBJECTIVE

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

| | |
|-----------------------------|---|
| Management Company | UBL Fund Managers Limited |
| Trustee | Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shakra-e-Faisal, Karachi. Tel: (9221) 111-111-500 |
| Distribution Company | United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk) |
| Auditor | BDO Ebrahim & Co., Chartered Accountants |
| Bankers | United Bank Limited Bank Alfalah Limited MCB Bank Limited Faysal Bank Limited Allied Bank Limited Habib Bank Limited 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 Taraqiati Bank Limited Soneri Bank Limited |
| Management Co.Rating | AM1 (VIS) |
| Fund Rating | A+(f) (JCR-VIS) |

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal
Karachi - 74400, Pakistan.

Tel: (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



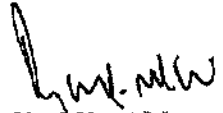
TRUSTEE REPORT TO THE UNIT HOLDERS

UBL GOVERNMENT SECURITIES FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of UBL Government Securities Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 17, 2023



Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS OF UBL GOVERNMENT SECURITIES FUND

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of UBL GOVERNMENT SECURITIES FUND as at December 31, 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund together with the notes forming parts thereof (here-in-after referred to as the "condensed interim financial information"), for the half year ended December 31, 2022. UBL Fund Managers Limited (Management Company) is responsible for the preparation and presentation of these condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2022 does not present fairly, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matters

The financial statements of the Fund for the year ended June 30, 2022 were audited and condensed interim financial information for the half year ended December 31, 2021 was reviewed by another firm of chartered accountants who through their audit report dated September 30, 2022, and review report dated February 24, 2022 expressed an unmodified opinion and conclusion thereon, respectively.

The figures for the quarter ended December 31, 2022 and December 31, 2021 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

KARACHI

DATED: 26 JAN 2023

UDIN: RR202210067CADUE3Nx5

CHARTERED ACCOUNTANTS
Engagement Partner: Tariq Feroz Khan

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022

| | | December 31, 2022 (Un-Audited) | June 30, 2022 (Audited) |
|---|------|--------------------------------------|-------------------------------|
| | Note | ----- (Rupees in '000) ----- | |
| ASSETS | | | |
| Bank balances | 4 | 304,066 | 1,160,028 |
| Investments | 5 | 1,116,315 | 1,025 |
| Mark up / interest receivable | | 35,555 | 7,825 |
| Prepayments and other receivables | | 1,103 | 5,210 |
| Advance tax | 6 | 5,180 | 5,180 |
| TOTAL ASSETS | | <u>1,462,219</u> | <u>1,179,268</u> |
| LIABILITIES | | | |
| Payable to UBL Fund Managers Limited - Management Company | 7 | 3,345 | 2,694 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 8 | 85 | 70 |
| Payable to Securities and Exchange Commission of Pakistan | 9 | 127 | 347 |
| Accrued expenses and other liabilities | 10 | 56,957 | 61,323 |
| TOTAL LIABILITIES | | <u>60,514</u> | <u>64,434</u> |
| NET ASSETS | | <u><u>1,401,705</u></u> | <u><u>1,114,834</u></u> |
| UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED) | | <u><u>1,401,705</u></u> | <u><u>1,114,834</u></u> |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 11 | ----- (Number of units) ----- | |
| NUMBER OF UNITS IN ISSUE | | <u><u>12,446,534</u></u> | <u><u>10,531,659</u></u> |
| | | ----- (Rupees) ----- | |
| Net cash used in operating activities | | <u><u>112.6181</u></u> | <u><u>105.8555</u></u> |
| NET ASSETS VALUE PER UNIT | | <u><u>112.6181</u></u> | <u><u>105.8555</u></u> |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Aslam Sadruddin
Director

UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

| | Note | Half Year ended | | Quarter ended | |
|---|------|------------------------------|---------------|------------------------------|---------------|
| | | December 31, | December 31, | December 31, | December 31, |
| | | 2022 | 2021 | 2022 | 2021 |
| | | ----- (Rupees in '000) ----- | | ----- (Rupees in '000) ----- | |
| INCOME | | | | | |
| Income from Government securities | | 72,788 | 74,469 | 39,479 | 34,407 |
| Income from money market placements | | 453 | 2,378 | - | 1,115 |
| Mark-up on bank deposits | | 24,431 | 9,446 | 15,072 | 4,249 |
| Realized loss on sale of investments - net | | (5,371) | (7,833) | (10,401) | (6,809) |
| Unrealised diminution on revaluation of investments classified as 'financial asset' at fair value through profit or loss' - net | | (3,326) | (7,663) | (3,322) | (6,060) |
| Other income | | - | 175 | - | 175 |
| TOTAL INCOME | | 88,975 | 70,972 | 40,828 | 27,077 |
| EXPENSES | | | | | |
| Remuneration of UBL Fund Managers Limited - Management Company | | 7,656 | 10,688 | 4,150 | 4,845 |
| Sindh Sales tax on Management Company's remuneration | | 995 | 1,389 | 539 | 629 |
| Allocated expenses | | 2,538 | 3,430 | 1,400 | 1,847 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 8 | 349 | 624 | 192 | 254 |
| Sindh Sales tax on remuneration Central Depository Company of Pakistan Limited - Trustee | | 45 | 81 | 25 | 33 |
| Annual fee of Securities and Exchange Commission of Pakistan | 9 | 127 | 206 | 70 | 92 |
| Bank charges | | 5 | 15 | - | 15 |
| Auditors' remuneration | | 240 | 206 | 219 | 103 |
| Brokerage and settlement expenses | | 382 | 328 | 243 | 105 |
| Legal and professional charges | | 97 | 97 | 84 | 48 |
| Fee and subscription charges | | 166 | 157 | 100 | 87 |
| Total operating expenses | | 12,600 | 17,221 | 7,022 | 8,058 |
| Operating profit for the period | | 76,375 | 53,751 | 33,806 | 19,019 |
| Reversal of provision for Sindh Workers' Welfare Fund | | - | 31,057 | - | - |
| Net income before taxation | | 76,375 | 84,808 | 33,806 | 19,019 |
| Taxation | 12 | - | - | - | - |
| Net income after taxation | | 76,375 | 84,808 | 33,806 | 19,019 |
| Allocation of net income for the period | | | | | |
| Income already paid on redemption of units | | (9,639) | (33,356) | (4,880) | (5,942) |
| Net income for the period | | 66,736 | 51,452 | 28,926 | 13,077 |
| Income available for distribution: | | | | | |
| Relating to capital gains | | - | - | (4,205) | - |
| Excluding capital gains | | 66,736 | 51,452 | 33,130 | 13,077 |
| | | 66,736 | 51,452 | 28,925 | 13,077 |
| Earnings per unit | 13 | | | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Aslam Sadruddin
Director

UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

| | Half year ended | | Quarter ended | |
|---|-------------------------------------|------------------------------|-------------------------------------|------------------------------|
| | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| | ----- (Rupees in '000) ----- | | ----- (Rupees in '000) ----- | |
| Net income after taxation | 76,375 | 84,808 | 33,806 | 19,019 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income for the period | <u>76,375</u> | <u>84,808</u> | <u>33,806</u> | <u>19,019</u> |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Aslam Sadruddin
Director

**UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | -----Half year ended----- | | | | | |
|--|---------------------------|----------------------|----------------------|-------------------|----------------------|----------------------|
| | December 31, 2022 | | | December 31, 2021 | | |
| | Capital value | Undistributed income | Total | Capital value | Undistributed income | Total |
| ----- (Rupees in '000) ----- | | | | | | |
| Net assets at the beginning of the period | 910,449 | 204,385 | 1,114,834 | 1,831,551 | 203,697 | 2,035,248 |
| Issuance of 9,336,826 units (2021: 44,701,635 units) | | | | | | |
| Capital value of units | 988,359 | - | 988,359 | 4,728,463 | - | 4,728,463 |
| Element of income | 35,181 | - | 35,181 | 34,760 | - | 34,760 |
| Total proceeds on issuance of units | 1,023,540 | - | 1,023,540 | 4,763,223 | - | 4,763,223 |
| Redemption of 7,421,951 units (2021: 51,577,460 units) | | | | | | |
| Capital value (at net asset per unit at the beginning of the period) | (785,655) | - | (785,655) | (5,455,776) | - | (5,455,776) |
| Element of loss | (17,750) | (9,639) | (27,389) | (1,503) | (33,356) | (34,859) |
| Total payments on redemption of units | (803,405) | (9,639) | (813,044) | (5,457,279) | (33,356) | (5,490,635) |
| Total comprehensive income for the year | - | 76,375 | 76,375 | - | 84,808 | 84,808 |
| Distributions during the period: | | | | | | |
| Rs. 0.6094 per unit declared on July 30, 2021 as cash dividend | - | - | - | (6,409) | (5,623) | (12,032) |
| Rs. 2.0456 per unit declared on Aug 27, 2021 as cash dividend | - | - | - | (26,000) | (19,866) | (45,866) |
| Rs. 0.3328 per unit declared on Sep 24, 2021 as cash dividend | - | - | - | (4,058) | (3,413) | (7,471) |
| Rs. 0.5234 per unit declared on Oct 29, 2021 as cash dividend | - | - | - | (4,162) | (5,931) | (10,093) |
| Net income for the period less distribution | - | 76,375 | 76,375 | (40,629) | 49,975 | 9,346 |
| Net assets at the end of the period | 1,130,584 | 271,121 | 1,401,705 | 1,096,865 | 220,316 | 1,317,181 |
| Undistributed income brought forward comprises of: | | | | | | |
| Realised gain | | 204,436 | 204,436 | | 204,658 | 204,658 |
| Unrealised loss | | (51) | (51) | | (961) | (961) |
| Total undistributed income brought forward | | 204,385 | 204,385 | | 203,697 | 203,697 |
| Income available for distribution: | | | | | | |
| Relating to capital gains | | - | - | | - | - |
| Excluding capital gains | | 66,736 | 66,736 | | 51,452 | 51,452 |
| Distribution during the period: | | | | | | |
| Rs. 0.6094 per unit declared on July 30, 2021 as cash dividend | | - | - | | (5,623) | (5,623) |
| Rs. 2.0456 per unit declared on Aug 27, 2021 as cash dividend | | - | - | | (19,866) | (19,866) |
| Rs. 0.3328 per unit declared on Sep 24, 2021 as cash dividend | | - | - | | (3,413) | (3,413) |
| Rs. 0.5234 per unit declared on Oct 29, 2021 as cash dividend | | - | - | | (5,931) | (5,931) |
| Undistributed income carried forward | | 271,121 | 271,121 | | (34,833) | (34,833) |
| Undistributed income carried forward comprises of: | | | | | | |
| Realised gain | | 274,447 | 274,447 | | 227,979 | 227,978 |
| Unrealised loss | | (3,326) | (3,326) | | (7,663) | (7,663) |
| Total undistributed income carried forward | | 271,121 | 271,121 | | 220,316 | 220,315 |
| | | | (Rupees) Per unit | | | (Rupees) Per unit |
| Net assets value per unit at the beginning of the period | | | 105.8555 | | | 105.7783 |
| Net assets value per unit at the end of the period | | | 112.6181 | | | 106.5261 |

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
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Aslam Sadruddin
Director

UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended | |
|---|------------------------------|-----------------------|
| | December 31, 2022 | December 31, 2021 |
| | ----- (Rupees in '000) ----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period before taxation | 76,375 | 84,808 |
| Adjustments for: | | |
| Income from Government securities | (72,788) | (86,293) |
| Income from money market placements | (453) | (2,378) |
| Mark-up on bank deposits | (24,431) | (9,446) |
| Unrealised loss on revaluation of investments at fair value through profit or loss - net | 3,326 | 7,663 |
| Realized loss on sale of investments - net | 5,371 | 7,833 |
| Provision for Sindh Workers' Welfare Fund | - | (31,057) |
| | <u>(88,975)</u> | <u>(113,678)</u> |
| | (12,600) | (28,870) |
| (Increase) / decrease in assets | | |
| Investments - net | (1,123,987) | 778,983 |
| Prepayments and other receivables | 4,107 | (253) |
| | <u>(1,119,880)</u> | <u>778,730</u> |
| Decrease in liabilities | | |
| Payable to UBL Fund Managers Limited - Management Company | 651 | 735 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 15 | (73) |
| Annual fee payable to Securities and Exchange Commission of Pakistan | (220) | (654) |
| Accrued expenses and other liabilities | (4,367) | (761,038) |
| | <u>(3,921)</u> | <u>(761,030)</u> |
| Cash used in operations | (1,136,401) | (11,170) |
| Profit received on bank balances and investments | 69,943 | 84,502 |
| Net cash (used in) / generated from operating activities | <u>(1,066,458)</u> | <u>73,332</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Receipts from issuance of units | 1,023,540 | 4,763,223 |
| Payments against redemption of units | (813,044) | (5,490,635) |
| Dividend paid | - | (75,462) |
| Net cash generated from / (used in) financing activities | <u>210,496</u> | <u>(802,874)</u> |
| Net decrease in cash and cash equivalents | (855,962) | (729,542) |
| Cash and cash equivalents at the beginning of the period | 1,160,028 | 1,642,718 |
| Cash and cash equivalents at the end of the period | <u><u>304,066</u></u> | <u><u>913,176</u></u> |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Aslam Sadruddin
Director

UBL GOVERNMENT SECURITIES FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

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 Trust Deed of the fund was registered under Sindh Trust Act, 2020 on August 13, 2021. The Fund commenced its operations from July 7, 2011.
- 1.2 The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi, Pakistan.
- 1.3 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.
- 1.4 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 categorized as an open-ended income scheme in accordance with Circular No.7 of 2009 issued by the SECP.
- 1.5 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.
- 1.6 Title to the assets of the Fund are held in the name of the CDC as the Trustee of the Fund.
- 1.7 VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as at December 31, 2022 and a stability rating of "A+(f)" to the Fund as at December 31, 2022.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan 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, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations'), provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP.

Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP differ with the requirements of the IAS 34, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP have been followed.

- 2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS 34. 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 audited financial statements of the Fund for the year ended June 30, 2022.
- 2.1.3 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, 2022, 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 unit holders' fund are extracted from the unaudited condensed interim financial information for the half year ended December 31, 2021.

2.1.4 This condensed interim financial information is unaudited, but 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, 2022 have not been reviewed.

2.1.5 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2022.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, unless stated otherwise.

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 Rupee ('Rupees' or 'Rs.')

which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, ASSUMPTIONS AND CHANGES THEREIN

3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2022.

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.

3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2022.

3.4 There are certain standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan effective for the first time in this condensed interim financial information and are mandatory for the Fund's accounting period beginning on or after July 01, 2022. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

3.5 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, 2022.

| | Note | December 31, 2022 (Un-Audited) | June 30, 2022 (Audited) |
|------------------------------|------|-----------------------------------|----------------------------|
| ----- (Rupees in '000) ----- | | | |
| 4 BANK BALANCES | | | |
| Cash at bank | | | |
| In current accounts | | 7 | 7 |
| In savings accounts | 4.1 | 304,059 | 1,160,021 |
| | | 304,066 | 1,160,028 |

4.1 Profit rates on these savings accounts range from 8% to 16% per annum (June 30, 2022: 12.25% to 16.60% per annum). This includes an amount held by a related party (United Bank Limited) amounting to Rs. 1.664 million (June 30, 2022: Rs. 12.2 million) on which return is earned at 14.50% (June 30, 2022: 14%) per annum.

| 5 | INVESTMENTS | Note | December 31, 2022 | June 30, 2022 |
|---|---------------------------|----------------|------------------------------|---------------|
| | | | (Un-Audited) | (Audited) |
| | | | ----- (Rupees in '000) ----- | |
| | Pakistan Investment Bonds | 5.1, 5.2 & 5.3 | 767,892 | 1,025 |
| | Market Treasury Bills | 5.1 & 5.4 | 348,423 | - |
| | | | <u>1,116,315</u> | <u>1,025</u> |

5.1 Details of Government Securities are as follows:

| Name of security | At the beginning of the period | Acquired during the period | Sold / matured during period | At the end of the period | Market value as at December 31, 2022 | Market value as at June 30, 2022 | Percentage of investment | |
|----------------------------------|--------------------------------|----------------------------|------------------------------|--------------------------|--------------------------------------|----------------------------------|--------------------------|---------|
| Note | No. of holdings | | | | (Un-Audited) | (Audited) | | |
| ----- (Rupees in '000) ----- | | | | | | | | |
| Pakistan Investment Bonds | | | | | | | | |
| Fixed Rate | | | | | | | | |
| PIB-3 Years | - | 16,000 | 16,000 | - | - | - | 0.00% | |
| PIB-5 Years | 5.2 | 5,000 | 11,000 | 5,000 | 409 | 424 | 0.04% | |
| PIB- 10 Years | - | 1,500 | 1,500 | - | - | - | 0.00% | |
| Floating Rate | | | | | | | | |
| PIB-FRB-3 | 5.3 | - | 2,335,000 | - | 2,335,000 | 230,651 | 20.66% | |
| PIB-FRB-10 | 5.3 | - | 425,000 | - | 425,000 | 41,982 | 3.76% | |
| PIB-FRB-11 | - | 6,000 | 19,920,000 | - | - | - | 0.00% | |
| PIB-FRB-19 | - | - | 250 | 250 | - | - | 0.00% | |
| PIB-FRB-22 | - | - | 150 | 150 | - | - | 0.00% | |
| PIB-FRB-24 | 5.3 | - | 5,000 | - | 5,000 | 494,850 | 44.33% | |
| PIB-FRB-26 | - | - | 200 | 200 | - | - | 0.00% | |
| Market Treasury Bills | | | | | | | | |
| T-bill 3 months | 5.4 | - | 16,500 | 13,000 | 3,500 | 348,423 | 31.21% | |
| T-bill 6 months | - | - | - | - | - | - | 0.00% | |
| T-bill 12 months | - | - | 5,000 | 5,000 | - | - | 0.00% | |
| | | 11,000 | 22,735,600 | 19,973,100 | 2,773,500 | 1,116,315 | 1,025 | 100.00% |

- 5.2 These comprise of fixed rate Pakistan Investment Bonds (PIBs) having face value amounting to Rs. 0.5 million respectively (June 30, 2022: Rs. 0.5 million) and carry interest rate of 7.50% (June 30, 2022: 7.50%).
- 5.3 These comprise of fixed rate Pakistan Investment Bonds (PIBs) having face value amounting to Rs. 233.5 million, Rs. 500 million & Rs. 42.5 million respectively (June 30, 2022: Rs. 600 million) and carry interest rates of 16.3806% , 16.9623% & 16.543% (June 30, 2022: 15.40%).
- 5.4 These represent Market Treasury Bills (MTBs) having a face value of Rs. 350 million (June 30, 2022: Nil) and carrying purchase yield of 15.02% (June 30, 2022: Nil).

6 ADVANCE TAX

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance 2001 (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 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 151 of ITO 2001. The management is confident that the same shall be refunded after filing refund application within stipulated time.

| | | December 31, 2022 (Un-Audited) | June 30, 2022 (Audited) |
|--------------------------|--|-----------------------------------|----------------------------|
| -----Rupees in '000----- | | | |
| 7 | PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY | | |
| | Remuneration payable (including Sindh Sales tax) | 7.1 & 7.2 1,728 | 1,344 |
| | Conversion charges payable | 182 | 181 |
| | Allocated expenses payable | 7.3 1,392 | 825 |
| | Sales load payable | 26 | 327 |
| | Other payable | 17 | 17 |
| | | 3,345 | 2,694 |

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 daily gross earnings with floor of 1% and cap of 1.25% per annum of the daily average 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, 2022: 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 at the rate 0.4% per annum of average daily net assets while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations.

| | | December 31, 2022 (Un-Audited) | June 30, 2022 (Audited) |
|--------------------------|--|-----------------------------------|----------------------------|
| -----Rupees in '000----- | | | |
| 8 | PAYABLE TO CENTRAL DEPOSITORY COMPANY LIMITED OF PAKISTAN - TRUSTEE | | |
| | Trustee fee payable (inclusive of Sindh sales tax) | 85 | 70 |
| 9 | PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN | | |
| | Annual fee payable | 127 | 347 |

10 ACCRUED EXPENSES AND OTHER LIABILITIES

| | | | |
|--|---|----------------|--------|
| | Provision for indirect duties and taxes | 10.1 52,558 | 52,558 |
| | Dividend Payable As Capital Repayment - Non Taxable | 482 | - |
| | Zakat deducted at source payable | 348 | 347 |
| | Capital gains tax payable | 1,071 | 1,196 |
| | Auditors' remuneration payable | 517 | 278 |
| | Brokerage expense payable | 701 | 318 |
| | Sales load payable | 10.2 353 | 127 |
| | Payable against legal expenses and professional Fees | 194 | 98 |
| | Withholding tax payable | - | 5,770 |
| | Other payables | 733 | 631 |
| | | 56,957 | 61,323 |

10.1 Provision for indirect duties and taxes

The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. Had the provision not been retained, the net asset value per unit of the Fund as at December 31, 2022 would have been higher by Rs. 4.22 per unit (June 30, 2022: Rs. 4.99 per unit).

- 10.2 This includes sales load payable to United Bank Limited, Al-Ameen Islamic Financial Services (Private) Limited, and payable to others amounting to Rs. 0.259 million (June 30, 2022: Rs. 0.117 million), Rs. 0.061 million (June 30, 2022: Rs. 0.07 million) and Rs 0.33 million (June 30, 2022: Nil).

11 CONTINGENCIES AND COMMITMENTS

11.1 CONTINGENCIES

Collective Investment Schemes (CIS) are required to withhold tax being a withholding tax agent as it is a prescribed person under sub section 7 of section 153 of Income Tax Ordinance 2001 (Ordinance) and is required to deduct and deposit withholding tax on payments made by the CIS under the various tax provisions of the Ordinance.

During the year ended June 30, 2019, Deputy Commissioner Inland Revenue (DCIR) issued a show cause notice for tax year 2016 dated November 14, 2018 claiming that CIS failed to deduct and deposit withholding tax on payments made by the CIS. Tax counsel on behalf of the CIS responded to show cause notice along with reconciliation and supporting evidence/records on November 23, 2018; however, after change of jurisdiction, the Assessing Officer (AO) without looking into the details already available on the record, passed an ex-parte Order under section 161, 205 & 182 of the Ordinance dated November 29, 2019 whereby an arbitrary demand of Rs. 83.413 million including default surcharge of Rs. 8.204 million and Penalty of Rs. 6.837 million was created against the Fund.

Aggrieved from the order of AO the CIS filed an appeal before the Learned Commissioner Inland Revenue (Appeals-III) (CIR(A)), Karachi on both legal & factual grounds dated December 30, 2019. The said appeal was listed for hearing on January 07, 2021. The Learned CIR(A) vide Appellate Order dated January 15, 2021 annulled the Monitoring Order and remanded the matter to the AO with the direction to pass speaking and judicious order after providing sufficient opportunity of being heard.

In pursuance thereof, appeal effect monitoring proceedings under section 124 & 129 read with sections 161, 205 and 182 of the Ordinance were initiated by the DCIR, which was duly complied with and provided reconciliation along with all supporting documents and records.

The DCIR passed Appeal Effect Monitoring Order under section 124 & 129 read with Sections 161, 205 and 182 of the Ordinance dated December 31, 2021 whereby a default of Tax under section 161 amounting to Rs. 4.03 million at rate of 25% under section 150 of the Ordinance along with Default Surcharge of Rs. 2.418 million under section 205 and Penalty of Rs. 0.403 million under section 182 was created on the alleged ground that no appropriate explanation or documentary evidence (i.e. exemption certificates) in respect of identified parties (as reproduced in the impugned Appeal Effect Order) was furnished by the Fund.

The said Appeal Effect Order was further challenged in appeal before the Learned Commissioner Inland Revenue (Appeals-III), Karachi on both legal and factual grounds. On February 23, 2022, the Learned Appellate Commissioner remanded the matter to DCIR for re-examination / re-verification by holding that the parties / entities as identified in the Appellate Order were not eligible for grant of exemption from withholding tax u/s 150 of the Ordinance as their exemption certificates do not reflect the name of the CIS as withholding agent; whereas confirmed the chargeability of Default Surcharge u/s 205 and deleted the penalty. Further appeal against the said Appellate Order was filed by the CIS before the Learned Appellate Tribunal Inland Revenue on March 8, 2022. No date of hearing has been communicated to date. The Management Company is confident that the outcome of the appeal will be in favor of the CIS.

During the year ended June 30, 2022, Deputy Commissioner Inland Revenue (DCIR) issued a show-cause notice for the tax years 2017 and 2018 dated December 20, 2021, claiming that CIS failed to deduct and deposit withholding tax on payments made by the CIS. On March 30, 2022, DCIR issued orders, based on the reply submitted by our tax advisor, demanding tax amounting to Rs .0.152 million and Rs 0.527 million for the tax years 2017 and 2018 respectively. DCIR's orders were based on factual inaccuracies; therefore, the CIS filed appeals for tax year 2017 and 2018 with Commissioner (Appeals) against the said orders. As a matter of abundant caution and on the advice of our tax advisor legal counsel, payment against the said orders was made; however, no provision is made in these annual financial statements as the Management Company is confident that the outcome of the appeals will be in favor of the CIS.

On January 2, 2023, Commissioner (Appeals) passed the order for both tax years and did not accept the judgment passed by Lahore High Court (LHC) on the ground that Sindh High Court (SHC) has also decided the said matter otherwise and held that exemption certificate is required from the Lahore based approved funds. On advice of tax advisors, the CIS is in the process of filing appeal before the Appellate Tribunal on the ground that LHC judgment was applied only on those Approved Funds which fall within the jurisdiction of the Province of Punjab on which LHC Judgment is applicable.

11.2 COMMITMENTS

There were no commitments as at December 31, 2022 (June 30, 2022: Nil).

12 TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year, as reduced by the capital gains whether realised or unrealized, is distributed to the unit holders in cash. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute at least 90% of the Fund's accounting income as reduced by capital gains (whether realised or unrealized) to its unit holders.

13 EARNINGS PER UNIT

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

14 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by Securities and Exchange Commission of Pakistan (SECP), the Total Expense Ratio of the Fund is 1.98% as on December 31, 2022 and this includes 0.19% representing Government levy and SECP fee.

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 half year end are as follows:

Other

| | Management Company | Associated Companies | Trustee | Funds under Common Management | Directors and Key Executives | Other Connected persons / related parties |
|---|--------------------|----------------------|---------|-------------------------------|------------------------------|---|
| ----- (Rupees in '000) ----- | | | | | | |
| Transactions during the half year ended December 31, 2022 (Un-Audited) | | | | | | |
| Profit on savings accounts | - | 1,343 | - | - | - | - |
| Bank charges | - | 5 | - | - | - | - |
| Units issued | 500 | - | - | - | - | 300,000 |
| Units redeemed | - | - | - | - | - | - |
| Sales load paid | 573 | - | - | - | - | - |
| Purchase of securities | - | - | - | - | - | - |
| Sale of securities | - | - | - | 308,583 | - | - |
| Remuneration (including Sindh Sales Tax) | 8,651 | - | 394 | - | - | - |
| Dividend Paid | - | - | - | - | - | - |
| Central Depository System (CDS Charges) | - | - | - | - | - | - |
| Allocated expenses | 2,538 | - | - | - | - | - |
| Transactions during the half year ended December 31, 2021 (Un-Audited) | | | | | | |
| Profit on savings accounts | - | 450 | - | - | - | - |
| Bank charges | - | 4 | - | - | - | - |
| Units issued | 310,699 | - | - | - | - | - |
| Units redeemed | 311,197 | - | - | - | - | - |
| Sales load paid | - | - | - | - | - | - |
| Purchase of securities | - | 95,343 | - | - | - | - |
| Sale of securities | - | 394,733 | - | 147,401 | - | - |
| Remuneration (including Sindh Sales Tax) | 12,078 | - | 705 | - | - | - |
| Dividend Paid | 332 | - | - | - | - | - |
| Central Depository System (CDS Charges) | - | - | 2 | - | - | - |
| Allocated expenses | 3,430 | - | - | - | - | - |
| Balances held as at December 31, 2022(Un-Audited) | | | | | | |
| Units held (in Units '000) | 5 | - | - | - | 2 | 2,714 |
| Units held (in Rupees '000) | 514 | - | - | - | 259 | 305,683 |
| Bank balances | - | 1,668 | - | - | - | - |
| Remuneration payable | 1,728 | - | 85 | - | - | - |
| Sales load payable | 26 | 259 | - | - | - | - |
| Conversion charges payable | 182 | - | - | - | - | - |
| Allocated expenses payable | 1,392 | - | - | - | - | - |
| Other payables | 17 | - | - | - | - | - |
| Profit receivable | - | 1,138 | - | - | - | - |
| Balances held as at June 30, 2022 (Audited) | | | | | | |
| Units held (in Units '000) | - | - | - | - | 2,296 | - |
| Units held (in Rupees '000) | - | - | - | - | 243 | - |
| Bank balances | - | 12,279 | - | - | - | - |
| Remuneration payable | 1,344 | - | 70 | - | - | - |
| Sales load payable | 327 | 93 | - | - | - | - |
| Conversion charges payable | 181 | - | - | - | - | - |
| Allocated expenses payable | 825 | - | - | - | - | - |
| Other payables | 17 | - | - | - | - | - |
| Profit receivable | - | 137 | - | - | - | - |

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged or liability can be settled, between knowledgeable willing parties in an arm's length transaction. 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.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

International Financial Reporting Standard (IFRS) 13, "Fair Value Measurement" requires the Fund to classify 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:

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

| Carrying Amount | | Fair value | | |
|---|-------------------|-------------------------------------|-----------|---------|
| ----- As at December 31, 2022 ----- | | ----- As at December 31, 2022 ----- | | |
| Fair value through profit or loss | Amortized cost | Level 1 | Level 2 | Level 3 |
| ----- (Un-Audited)----- | | | | |
| ----- Rupees in '000----- | | | | |
| Financial assets measured at fair value | | | | |
| Pakistan Investment Bonds | 767,892 | - | 767,892 | - |
| Market Treasury Bills | 348,423 | - | 348,423 | - |
| | 1,116,315 | - | 1,116,315 | - |
| Financial assets not measured at fair value | | | | |
| Bank balances | - 304,066 | - | - | - |
| Mark up / interest receivable | - 35,555 | - | - | - |
| Other receivables | - 1,103 | - | - | - |
| | - 340,724 | - | - | - |
| | 1,116,315 340,724 | - | 1,116,315 | - |
| Financial liabilities not measured at fair value | | | | |
| Payable to Management Company | - 3,146 | - | - | - |
| Payable to Trustee | - 75 | - | - | - |
| Accrued expenses and other liabilities | - 56,957 | - | - | - |
| | - 60,178 | - | - | - |

| Carrying Amount | | Fair value | | |
|--|----------------|---------------------------------|---------|---------|
| ----- As at June 30, 2022 ----- | | ----- As at June 30, 2022 ----- | | |
| Fair value through profit or loss | Amortised cost | Level 1 | Level 2 | Level 3 |
| ----- (Audited)----- | | | | |
| ----- Rupees in '000----- | | | | |
| Financial assets measured at fair value | | | | |
| Pakistan Investment Bonds | 1,025 | - | 1,025 | - |
| Market Treasury Bills | - | - | - | - |
| | 1,025 | - | 1,025 | - |

| Carrying Amount | | Fair value | | | |
|---|----------------|---------------------------------|---------|---------|---|
| ----- As at June 30, 2022 ----- | | ----- As at June 30, 2022 ----- | | | |
| Fair value through profit or loss | Amortised cost | Level 1 | Level 2 | Level 3 | |
| ----- (Audited)----- | | | | | |
| ----- Rupees in '000----- | | | | | |
| Bank balances | - | 1,160,028 | - | - | - |
| Mark up / interest receivable | - | 7,825 | - | - | - |
| Other receivables | - | 5,210 | - | - | - |
| | - | 1,173,063 | - | - | - |
| | 1,025 | 1,173,063 | - | 1,025 | - |
| Financial liabilities not measured at fair value | | | | | |
| Payable to Management Company | - | 2,539 | - | - | - |
| Payable to Trustee | - | 62 | - | - | - |
| Accrued expenses and other liabilities | - | 61,323 | - | - | - |
| | - | 63,924 | - | - | - |

16.1 Valuation techniques

For level 2 investments at fair value through profit or loss - investments in Market Treasury Bills and Pakistan Investment Bonds, the Fund uses rates which are derived from PKRV, PKFRV and PKISRV rates at reporting date.

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

16.3 Transfers during the period

No transfers were made between various levels of fair value hierarchy during the reporting period.

17 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation. However, no significant reclassification has been made during the reporting period.

18 GENERAL

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

19 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on **January 26, 2023**

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Aslam Sadruddin
Director

UIOF

UBL Income Opportunity Fund

INVESTMENT OBJECTIVE

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

| | |
|------------------------------|--|
| Management Company | UBL Fund Managers Limited |
| Trustee | Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500 |
| Distribution Company | United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk) |
| Auditors | BDO Ebrahim & Co., Chartered Accountants |
| Bankers | United Bank Limited Bank Alfalah Limited Faysal Bank Limited Telenor Microfinance bank Allied Bank Khushali bank limited MCB Bank Limited JS bank limited Samba bank limited Habib Bank Sindh Bank limited Zarai Tariaqati bank limited Soneri Bank Limited National bank of Pakistan |
| Management Co. Rating | AMI (VIS) |
| Fund Rating | AA - (f) - VIS |

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal
Karachi - 74400, Pakistan.

Tel: (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

UBL INCOME OPPORTUNITY FUND

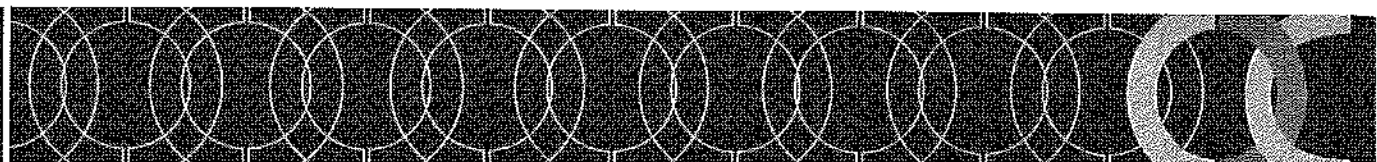
Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of UBL Income Opportunity Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023





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Pakistan

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS OF UBL INCOME OPPORTUNITY FUND

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities UBL INCOME OPPORTUNITY FUND ("the Fund") as at December 31, 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund funds' together with the notes forming parts thereof (here-in-after referred to as the "condensed interim financial information"), for the half year ended December 31, 2022. UBL Fund Managers Limited (Management Company) is responsible for the preparation and presentation of these condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2022 does not present fairly, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matters

The financial statements of the Fund for the year ended June 30, 2022 were audited and condensed interim financial information for the half year ended December 31, 2021 was reviewed by another firm of chartered accountants who through their audit report dated September 30, 2022, and review report dated February 24, 2022 expressed an unmodified opinion and conclusion thereon, respectively.

The figures for the quarter ended December 31, 2022 and December 31, 2021 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

KARACHI

DATED: 26 JAN 2023

UDIN: RR202210067ATaCJ7IxD

CHARTERED ACCOUNTANTS
Engagement Partner: Zulfikar Ali Causer

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

**UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022**

| | | December 31, 2022 (Un-Audited) | June 30, 2022 (Audited) |
|---|------|---|--|
| | Note | -----Rupees in '000----- | |
| ASSETS | | | |
| Bank balances | 4 | 426,974 | 1,577,365 |
| Investments | 5 | 813,973 | 516,544 |
| Profit / mark-up receivable | | 52,154 | 42,902 |
| Advance tax | 6 | 759 | 759 |
| Advances, deposits, prepayments and other receivables | 7 | 8,228 | 12,715 |
| TOTAL ASSETS | | <u>1,302,088</u> | <u>2,150,285</u> |
| LIABILITIES | | | |
| Payable to the UBL Fund Managers Limited - Management Company | 8 | 2,412 | 7,031 |
| Payable to the Trustee | 9 | 103 | 148 |
| Payable to Securities and Exchange Commission of Pakistan | 10 | 192 | 562 |
| Accrued expenses and other liabilities | 11 | 9,962 | 31,517 |
| TOTAL LIABILITIES | | <u>12,669</u> | <u>39,258</u> |
| NET ASSETS | | <u>1,289,419</u> | <u>2,111,028</u> |
| UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED) | | <u>1,289,419</u> | <u>2,111,028</u> |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 12 | -----Number of units----- | |
| Number of units in issue | | <u>11,014,866</u> | <u>19,123,368</u> |
| | | -----Rupees----- | |
| Net assets value per unit | | <u>117.0617</u> | <u>110.3899</u> |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

| | Note | Half year ended December 31 | | Quarter ended December 31 | |
|---|------|--------------------------------|----------------|------------------------------|---------------|
| | | 2022 | 2021 | 2022 | 2021 |
| -----Rupees in '000----- | | | | | |
| INCOME | | | | | |
| Realised (loss) / gain on sale of investments - net | | (2,900) | 11,011 | (7,032) | (2,224) |
| Income from Government securities | | 65,373 | 55,356 | 29,890 | 26,114 |
| Income from term finance certificates and sukus | | 26,404 | 12,635 | 13,919 | 7,881 |
| Income from money market placements | | 10,029 | 6,454 | 695 | 1,638 |
| Mark-up on bank deposits | | 40,985 | 25,691 | 22,652 | 16,883 |
| Dividend Income | | 805 | 646 | 805 | 506 |
| Other Income | | - | 216 | - | 148 |
| | | <u>140,696</u> | <u>112,009</u> | <u>60,929</u> | <u>50,946</u> |
| Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at 'fair value through loss or profit' - net | 5.3 | <u>(12,173)</u> | <u>3,044</u> | <u>(12,139)</u> | <u>1,824</u> |
| | | <u>128,523</u> | <u>115,053</u> | <u>48,790</u> | <u>52,770</u> |
| EXPENSES | | | | | |
| Remuneration of the Management Company | | 10,000 | 8,929 | 4,363 | 4,101 |
| Sindh sales tax on remuneration of the Management Company | | 1,300 | 1,161 | 567 | 533 |
| Remuneration of the Trustee | | 721 | 1,051 | 338 | 472 |
| Sindh sales tax on remuneration of the Trustee | | 94 | 137 | 44 | 62 |
| Annual fee to the Securities and Exchange Commission of Pakistan | | 192 | 280 | 90 | 126 |
| Allocation of expenses related to registrar services, accounting, operation and valuation services | | 1,944 | 2,437 | 922 | 1,257 |
| Selling and marketing expense | | 1 | 26 | - | 1 |
| Auditors' remuneration | | 235 | 182 | 136 | 68 |
| Fees and subscription | | 191 | 118 | 188 | 56 |
| Securities transaction and settlement costs | | 461 | 1,923 | 159 | 346 |
| Bank charges | | 139 | 103 | 47 | 48 |
| Total operating expenses | | <u>15,278</u> | <u>16,347</u> | <u>6,854</u> | <u>7,070</u> |
| Operating profit for the period | | <u>113,245</u> | <u>98,706</u> | <u>41,936</u> | <u>45,700</u> |
| Reversal of provision for Sindh Workers' Welfare Fund | | - | 6,724 | - | - |
| Net profit for the period before taxation | | <u>113,245</u> | <u>105,430</u> | <u>41,936</u> | <u>45,700</u> |
| Taxation | 13 | - | - | - | - |
| Net profit for the period after taxation | | <u>113,245</u> | <u>105,430</u> | <u>41,936</u> | <u>45,700</u> |
| Allocation of net income for the period | | | | | |
| Income already paid on redemption of units | | (49,418) | (41,284) | (43,559) | (23,521) |
| Net profit for the period | | <u>63,827</u> | <u>64,146</u> | <u>(1,623)</u> | <u>22,179</u> |
| Income available for distribution: | | | | | |
| Relating to capital gains | | - | 6,067 | (3,774) | (6,121) |
| Excluding capital gains | | <u>63,827</u> | <u>58,079</u> | <u>2,152</u> | <u>28,300</u> |
| | | <u>63,827</u> | <u>64,146</u> | <u>(1,622)</u> | <u>22,179</u> |
| Earnings per unit | 14 | | | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022**

| | Half year ended December 31 | | Quarter ended December 31 | |
|---|--|----------------|--------------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| | -----Rupees in '000----- | | | |
| Net income for the period | 113,245 | 105,430 | 41,936 | 45,700 |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income for the period | <u>113,245</u> | <u>105,430</u> | <u>41,936</u> | <u>45,700</u> |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | Half year ended December 31 | |
|---|--------------------------------|------------------|
| | 2022 | 2021 |
| Note | -----Rupees in '000----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period before taxation | 113,245 | 105,430 |
| Adjustments for: | | |
| Realized capital loss / (gain) on sale of investments - net | 2,900 | (11,011) |
| Mark-up / profit on bank deposits | (40,985) | (25,691) |
| Income from Government securities | (65,373) | (55,356) |
| Income from term finance certificates and sukus | (26,404) | (12,635) |
| Income from money market placements | (10,029) | (6,454) |
| Dividend income | (805) | (646) |
| Unrealised (appreciation) / diminution on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net | 12,173 | (3,044) |
| Reversal for Sindh Workers' Welfare Fund (SWWF) | - | (6,724) |
| | <u>(15,278)</u> | <u>(16,131)</u> |
| (Increase) / decrease in assets | | |
| Investments - net | (312,502) | 871,865 |
| Receivable against sale of investment | - | (28,675) |
| Advances, deposits, prepayments and other receivables | 5,292 | 11,692 |
| | <u>(307,210)</u> | <u>854,882</u> |
| Increase / (decrease) in liabilities | | |
| Payable to the Management Company | (4,619) | (891) |
| Payable to the Trustee | (45) | 28 |
| Payable to the Securities and Exchange Commission of Pakistan | (370) | (17) |
| Accrued expenses and other liabilities | (21,555) | (29,420) |
| Payable against purchase of investment | - | (151,568) |
| | <u>(26,589)</u> | <u>(181,868)</u> |
| Cash (used in) / generated from operations | <u>(349,077)</u> | <u>656,883</u> |
| Income received from Government securities | 64,615 | - |
| Income received from money market placement | 9,828 | - |
| Income received from term finance certificates and sukus | 33,351 | - |
| Mark-up received | 25,745 | 92,226 |
| | <u>133,539</u> | <u>92,226</u> |
| Net cash flows (used in) / generated from operating activities | <u>(215,538)</u> | <u>749,109</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Receipts from issue of units | 691,996 | 3,294,702 |
| Payment against redemption of units | (1,626,849) | (3,468,969) |
| Net cash used in financing activities | <u>(934,853)</u> | <u>(174,267)</u> |
| Net (decrease) / increase in cash and cash equivalents | <u>(1,150,391)</u> | <u>574,842</u> |
| Cash and cash equivalents at the beginning of the period | <u>1,577,365</u> | <u>1,145,130</u> |
| Cash and cash equivalents at end of the period | <u>426,974</u> | <u>1,719,972</u> |

4

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
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended December 31 | | | | | |
|--|-----------------------------|----------------------|------------------|------------------|----------------------|------------------|
| | 2022 | | | 2021 | | |
| | Capital Value | Undistributed Income | Total | Capital Value | Undistributed Income | Total |
| -----Rupees in '000----- | | | | | | |
| Net assets at beginning of the period | 2,097,043 | 13,984 | 2,111,027 | 2,191,822 | 12,527 | 2,204,349 |
| Issuance of units 6,065,510 (2021: 29,526,716 units) | | | | | | |
| Capital value (at net asset value per unit at the beginning of the period) | 669,571 | - | 669,571 | 3,255,430 | - | 3,255,430 |
| Element of income | 22,425 | - | 22,425 | 39,272 | - | 39,272 |
| Total proceeds on issuance of units | 691,996 | - | 691,996 | 3,294,702 | - | 3,294,702 |
| Redemption of units 14,174,011 (2021: 30,868,553 units) | | | | | | |
| Capital value (at net asset value per unit at the beginning of the period) | (1,564,668) | - | (1,564,668) | (3,403,372) | - | (3,403,372) |
| Income already paid on redemption of units | - | - | - | - | (41,284) | (41,284) |
| Element of loss | (12,763) | (49,418) | (62,181) | (24,313) | - | (24,313) |
| Total payments on redemption of units | (1,577,431) | (49,418) | (1,626,849) | (3,427,685) | (41,284) | (3,468,969) |
| Total comprehensive income for the period | - | 113,245 | 113,245 | - | 105,430 | 105,430 |
| Net assets at end of the period | <u>1,211,608</u> | <u>77,811</u> | <u>1,289,419</u> | <u>2,058,840</u> | <u>76,673</u> | <u>2,030,083</u> |
| Undistributed income brought forward | | | | | | |
| Realised gain | | 6,706 | | | 11,697 | |
| Unrealised gain | | 7,278 | | | 830 | |
| | | 13,984 | | | 12,527 | |
| Accounting income available for distribution | | | | | | |
| Relating to capital gains | | - | | | 6,067 | |
| Excluding capital gains | | 63,827 | | | 58,079 | |
| | | 63,827 | | | 64,146 | |
| Undistributed income carried forward | | <u>77,811</u> | | | <u>76,673</u> | |
| Undistributed income carried forward | | | | | | |
| Realised gain | | 89,984 | | | 73,629 | |
| Unrealised (loss)/ gain | | (12,173) | | | 3,044 | |
| | | <u>77,811</u> | | | <u>76,673</u> | |
| | | | (Rupees) | | | (Rupees) |
| | | | per unit | | | per unit |
| Net assets value per unit at beginning of the period | | | <u>110.3899</u> | | | <u>110.2537</u> |
| Net assets value per unit at end of the period | | | <u>117.0617</u> | | | <u>114.4949</u> |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL INCOME OPPORTUNITY FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

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 Trust Deed of the Fund was registered under Sindh Trust Act, 2020 on August 30, 2021. 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, 2022 and a stability rating of "AA-(f)" to the Fund as at December 29, 2022.
- 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

2.1.1 This condensed interim financial information has been 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, the provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations'), the directives issued by the SECP and the requirements of the Trust Deed.

Where 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, the directives issued by the SECP and the requirements of the Trust Deed differ from the requirements of the 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, the directives issued by the SECP and the requirements of the Trust Deed have been followed.

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS - 34. 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 audited financial statements of the Fund for the year ended June 30, 2022.

2.1.3 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, 2022, 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 unitholders' fund are extracted from the reviewed condensed interim financial information for the half year ended December 31, 2021.

2.1.4 This condensed interim financial information is unaudited, but 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, 2022 have not been reviewed.

2.1.5 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2022.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, unless stated otherwise.

2.3 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupee (Rupee's or 'Rs.' which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES

- 3.1 The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2022.
- 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.
- 3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2022.
- 3.4 There are certain standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan effective for the first time in this condensed interim financial information and are mandatory for the Fund's accounting period beginning on or after July 01, 2022. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a material effect on this condensed interim financial information.
- 3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements of the Fund for the year ended June 30, 2022.

| | | December 31, 2022 (Un-Audited) | June 30, 2022 (Audited) |
|------------|--|---|--|
| | Note | -----Rupees in '000----- | |
| 4 | BANK BALANCES | | |
| | In current accounts | 48 | 48 |
| | In savings accounts | 4.1 | 426,926 |
| | | <u>426,974</u> | <u>1,577,317</u> |
| | | <u>426,974</u> | <u>1,577,365</u> |
| 4.1 | These bank accounts carry mark-up at rates ranging between 14.50% to 17.30% (June 30, 2022: 5.5% to 17.56%) per annum. This includes an amount held by a related parties, (United Bank Limited) amounting to Rs. 1.19 million (June 30, 2022: Rs. 446.371 million) on which return is earned at rate ranging between 7% to 14.50% (June 30, 2022: 5.5% to 17.56%) per annum. | | |
| 5 | INVESTMENTS | | |
| | Financial assets | | |
| | At fair value through profit or loss | 5.1 | 733,973 |
| | At amortized cost | 5.2 | 80,000 |
| | | <u>813,973</u> | <u>350,468</u> |
| | | <u>813,973</u> | <u>516,544</u> |
| 5.1 | Financial assets at fair value through profit or loss | | |
| | Government securities | | |
| | Market treasury bills | 5.1.1 | - |
| | Pakistan Investment Bonds | 5.1.2 | 494,850 |
| | | <u>494,850</u> | <u>-</u> |
| | Term Finance Certificates | 5.1.3 | 214,123 |
| | Corporate Sukuk bonds | 5.1.4 | 25,000 |
| | | <u>733,973</u> | <u>350,468</u> |
| | | <u>733,973</u> | <u>350,468</u> |

5.1.1 Market Treasury Bills

| Issue date | Tenure | Face value | | | | Carrying value | Market value As at December 31, 2022 | Unrealised appreciation / (diminution) | Market value as a percentage of net assets | Market value as a percentage of total investments |
|---------------------------------|-----------|--------------------|-----------------------------|-----------------------------------|-------------------------|----------------|--------------------------------------|--|--|---|
| | | As at July 1, 2022 | Purchases during the period | Sales / matured during the period | As at December 31, 2022 | | | | | |
| -----Rupees in '000----- | | | | | | | | | | |
| June 30, 2022 | 3 Months | - | 3,194,000 | 3,194,000 | - | - | - | 0.00% | 0.00% | |
| July 28, 2022 | 3 Months | - | 600,000 | 600,000 | - | - | - | 0.00% | 0.00% | |
| August 11, 2022 | 3 Months | - | 500,000 | 500,000 | - | - | - | 0.00% | 0.00% | |
| September 8, 2022 | 3 Months | - | 500,000 | 500,000 | - | - | - | 0.00% | 0.00% | |
| October 6, 2022 | 3 Months | - | 1,050,000 | 1,050,000 | - | - | - | 0.00% | 0.00% | |
| December 29, 2022 | 3 Months | - | 1,000,000 | 1,000,000 | - | - | - | 0.00% | 0.00% | |
| March 10, 2022 | 6 Months | - | 500,000 | 500,000 | - | - | - | 0.00% | 0.00% | |
| August 25, 2022 | 12 Months | - | 400,000 | 400,000 | - | - | - | 0.00% | 0.00% | |
| October 6, 2022 | 12 Months | - | 500,000 | 500,000 | - | - | - | 0.00% | 0.00% | |
| Total - As at December 31, 2022 | | - | 8,244,000 | 8,244,000 | - | - | - | 0.00% | 0.00% | |
| Total - As at June 30, 2022 | | - | 225,850 | 226,850 | - | - | - | 0.00% | 0.00% | |

5.1.2 Pakistan Investment Bonds

5.1.2.1 Non-Floating

| Issue date | Tenure | Face value | | | | Carrying value | Market value As at December 31, 2022 | Unrealised (diminution) / appreciation | Market value as a percentage of net assets | Market value as a percentage of total investments |
|---------------------------------|----------|--------------------|-----------------------------|-------------------------|-------------------------|----------------|--------------------------------------|--|--|---|
| | | As at July 1, 2022 | Purchases during the period | Sales during the period | As at December 31, 2022 | | | | | |
| -----Rupees in '000----- | | | | | | | | | | |
| August 4, 2022 | 3 Years | - | 2,000,000 | 2,000,000 | - | - | - | 0.00% | 0.00% | |
| April 29, 2022 | 5 Years | - | 977,000 | 977,000 | - | - | - | 0.00% | 0.00% | |
| October 13, 2022 | 5 Years | - | 900,000 | 900,000 | - | - | - | 0.00% | 0.00% | |
| December 10, 2020 | 10 Years | - | 150,000 | 150,000 | - | - | - | 0.00% | 0.00% | |
| Total - As at December 31, 2022 | | - | 4,027,000 | 4,027,000 | - | - | - | 0.00% | 0.00% | |
| Total - As at June 30, 2022 | | - | 49,800 | 54,350 | - | - | - | 0.00% | 0.00% | |

5.1.2.2 As at December 31, 2022, Pakistan Investment Bonds (PIBs) had a face value of Rs. Nil (June 30 2022: Rs. Nil) carrying effective yield of Nil % per annum (June 30 2022: Nil), per annum.

5.1.2.3 Floating

| Issue date | Tenure | Face value | | | | Carrying value as at December 31, 2022 | Market value As at December 31, 2022 | Unrealised diminution on re-measurement of investments | Market value as a percentage of net assets | Market value as a percentage of total investments |
|---------------------------------|---------|--------------------|-----------------------------|-------------------------|-------------------------|--|--------------------------------------|--|--|---|
| | | As at July 1, 2022 | Purchases during the period | Sales during the period | As at December 31, 2022 | | | | | |
| -----Rupees in '000----- | | | | | | | | | | |
| June 18, 2020 | 3 Years | - | 470,000 | 470,000 | - | - | - | 0.00% | 0.00% | |
| May 6, 2021 | 3 Years | - | 685,000 | 685,000 | - | - | - | 0.00% | 0.00% | |
| December 30, 2021 | 3 Years | - | 500,000 | 500,000 | - | - | - | 0.00% | 0.00% | |
| June 18, 2020 | 3 Years | - | 200,000 | 200,000 | - | - | - | 0.00% | 0.00% | |
| September 8, 2022 | 3 Years | - | 1,500,000 | 1,000,000 | 500,000 | 500,000 | 494,850 | (5,150) | 38.38% | |
| November 17, 2022 | 3 Years | - | 875,000 | 875,000 | - | - | - | - | 0.00% | |
| Total - As at December 31, 2022 | | - | 4,230,000 | 3,730,000 | 500,000 | 500,000 | 494,850 | (5,150) | 38.38% | |
| Total - As at June 30, 2022 | | - | - | - | - | - | - | - | 0.00% | |

5.1.3 Term Finance Certificates

| Name of the investee company | As at July 1, 2022 | Purchases during the period | Sales during the period | As at December 31, 2022 | Carrying value as at December 31, 2022 | Market value As at December 31, 2022 | Unrealised (diminution) / appreciation | Market value as a percentage of net assets | Market value as a percentage of total investments |
|----------------------------------|--------------------|-----------------------------|-------------------------|-------------------------|--|--------------------------------------|--|--|---|
| ----- Units ----- | | | | | ----- (Rupees in '000) ----- | | | | |
| Term Finance Certificates | | | | | | | | | |
| Samba Bank Limited * | 333 | - | - | 333 | 33,280 | 33,230 | (50) | 2.58% | 4.08% |
| Soneri Bank Limited | 20,000 | - | 20,000 | - | - | - | - | 0.00% | 0.00% |
| Bank Alfalah Limited ** | 7,000 | - | - | 7,000 | 35,000 | 32,380 | (2,620) | 2.51% | 3.98% |
| Bank Al-Habib Limited *** | 30,000 | - | - | 30,000 | 149,880 | 148,513 | (1,367) | 11.52% | 18.25% |
| Total - as at December 31, 2022 | 57,333 | - | 20,000 | 37,333 | 218,160 | 214,123 | (4,037) | 17% | 26% |
| Total - as at June 30, 2022 | 35,204 | 30,014 | 2,885 | 62,333 | 343,190 | 350,468 | 7,278 | 16.60% | 67.85% |

* The face value of TFC is Rs. 99,780 per certificate

** The face value of TFC is Rs. 5,000 per certificate

*** The face value of TFC is Rs. 4,993 per certificate

5.1.4 Corporate Sukuk Bond

| Name of the investee company | As at July 1, 2022 | Purchases during the period | Sales during the period | As at December 31, 2022 | Carrying value as at June 30, 2022 | Market value as at June 30, 2022 | Unrealised (diminution) / appreciation | Market value as a percentage of net assets | Market value as a percentage of total investments |
|---------------------------------|--------------------|-----------------------------|-------------------------|-------------------------|------------------------------------|----------------------------------|--|--|---|
| ----- Units ----- | | | | | ----- (Rupees in '000) ----- | | | | |
| Corporate Sukuk Bond | | | | | | | | | |
| K-Electric Limited | - | 250 | - | 250 | 25,000 | 25,000 | - | 1.94% | 3.07% |
| Total - as at December 31, 2022 | - | 250 | - | 250 | 25,000 | 25,000 | - | 1.94% | 3.07% |
| Total - as at June 30, 2022 | - | - | - | - | - | - | - | 0.00% | 0.00% |

5.1.4.1 These Term Finance Certificates carry mark-up at the rate ranging between 17.47% (2022: 12.62%), per annum.

5.1.4.2 Significant terms and conditions of Corporate Sukuk Bond as at December 31, 2022 are as follows:

| Name of the investee company | Remaining principal (per certificate) | Mark-up rate (per annum) | Issue date |
|------------------------------|---------------------------------------|--------------------------|------------------|
| Corporate Sukuk Bond | | | |
| K-Electric Limited | 100,000 | 3 months KIBOR + 1.94% | November 1, 2022 |

| | Note | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|---|-------|--------------------------------------|-------------------------------|
| ------(Rupees in '000)----- | | | |
| 5.2 Financial assets at amortized cost | | | |
| Commercial paper | | - | 166,076 |
| Term Deposit Receipts | 5.2.1 | 80,000 | - |
| | | 80,000 | 166,076 |

5.2.1 Term Deposit Receipts

| Name of Investee Company | Face Value | | | |
|-------------------------------|-----------------------|--------------------------------|----------------------------|------------------------|
| | As at July 1, 2022 | Purchases during the period | Sales during the period | As at June 30, 2022 |
| ------(Rupees in '000)----- | | | | |
| The Bank of Punjab | - | 80,000 | - | 80,000 |
| Total as at December 31, 2022 | - | 80,000 | - | 80,000 |
| Total as at June 30, 2022 | - | - | - | - |

5.3 Net unrealized (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss'

| | | |
|-------------------------------------|-----------|-----------|
| Market value of investments | 733,973 | 572,021 |
| Less: Carrying value of investments | (746,146) | (574,205) |
| | (12,173) | (2,184) |

6 ADVANCE TAX

| | | |
|-------------|-----|-----|
| Advance tax | 759 | 759 |
|-------------|-----|-----|

6.1 The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 (ITO 2001). Furthermore, the Fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 150A, 151 and 233 of ITO 2001.

The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/2008-Vol.II- 66417-R", dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). However, various withholding agents have deducted advance tax under section 151 of ITO 2001. The management is confident that the same shall be refunded after filing refund application within stipulated time as per Income Tax Ordinance, 2001.

| | | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|-----------|--|--------------------------------------|-------------------------------|
| | Note | ------(Rupees in '000)----- | |
| 7 | ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES | | |
| | Security deposit with: | | |
| | National Clearing Company of Pakistan Limited (NCCPL) | 3,000 | 3,000 |
| | Central Depository Company of Pakistan Limited | 100 | 100 |
| | | <u>3,100</u> | <u>3,100</u> |
| | Prepaid expenses | 2 | 19 |
| | Advance against NCCPL exposure margin | 4,320 | 4,320 |
| | Receivable against conversion in of units | - | 5,274 |
| | Dividend receivable | 807 | 2 |
| | | <u>8,228</u> | <u>12,715</u> |
| 7.1 | This includes prepaid expenses recognized in respect of payment made for rating fee and listing fee. | | |
| 8 | PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY | | |
| | Remuneration payable of the Management Company | 1,256 | 1,823 |
| | Sindh Sales Tax payable on the Management Company's remuneration | 163 | 237 |
| | Sales load payable | 24 | 4,085 |
| | Allocation of expenses related to registrar services, accounting, operation and valuation services | 912 | 833 |
| | Conversion charges | 55 | 52 |
| | Selling and marketing expense payable | 2 | 1 |
| | | <u>2,412</u> | <u>7,031</u> |
| 9 | PAYABLE TO THE TRUSTEE | | |
| | Trustee fee payable | 91 | 131 |
| | Sindh Sales Tax on remuneration of the Trustee | 12 | 17 |
| | | <u>103</u> | <u>148</u> |
| 10 | PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN | | |
| | Annual fee payable | 192 | 561 |

| | | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|--|-------------|---|--|
| | Note | ------(Rupees in '000)----- | |
| 11 ACCRUED EXPENSES AND OTHER LIABILITIES | | | |
| Provision for Federal Excise Duty | 11.1 | 1,597 | 1,597 |
| Withholding tax payable | | - | 14,346 |
| Auditors' remuneration | | 544 | 309 |
| Brokerage payable | | 2,045 | 1,524 |
| Zakat payable | | 503 | 503 |
| Others | | 5,273 | 13,238 |
| | | <u>9,962</u> | <u>31,517</u> |

- 11.1 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from June 13, 2013. As the asset management services rendered by the Management Company of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund, the Management Company was of the view that further levy of FED was not justified.

On September 04, 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various Asset Management Companies, together with their representatives of Collective Investment Schemes through their trustees, challenging the levy of FED.

The SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication. With effect from July 1, 2016, FED on services provided or rendered by Non-Banking Financial Institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016. In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution, the provision for FED made prior to this year has been maintained by the Fund which at December 31, 2022 aggregates to Rs.1.597 (2022: Rs.1.597) million. Had the provision for FED not been recorded in the financial statements of the Fund, the net assets value of the Fund as at December 31, 2022 would have been higher by Re.0.14 (2022: Re.0.84) per unit.

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2022 (June 30, 2022: Nil).

13 TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year, as reduced by the capital gains whether realised or unrealized, is distributed to the unitholders in cash. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current reporting period, as the Management Company intends to distribute at least 90% of the Fund's accounting income as reduced by capital gains (whether realised or unrealized) to its unitholders.

14 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units 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 year 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) ----- | | | | | | |
| Transactions during the half year ended December 31, 2022 (Un-Audited) | | | | | | |
| Profit on savings accounts | - | 1,037 | - | - | - | - |
| Bank charges | 61 | - | - | - | - | - |
| Units issued | - | - | - | - | 7 | - |
| Units redeemed | - | - | - | - | 6,316 | 7,000 |
| Remuneration (including Sindh sales tax) | 11,300 | - | 815 | - | - | - |
| Sale of Investment | - | 181,992 | - | - | - | - |
| Central Depository System (CDS Charges) | - | - | - | - | - | - |
| Selling and marketing expense | 1 | - | - | - | - | - |
| Allocated expenses | 1,944 | - | - | - | - | - |
| Transactions during the half year ended December 31, 2021 (Un-Audited) | | | | | | |
| Profit on savings accounts | - | 506 | - | - | - | - |
| Bank charges | - | 12 | - | - | - | - |
| Units issued | 1,227,000 | 1,620 | - | - | 11,682 | - |
| Units redeemed | 1,234,848 | - | - | - | 34,452 | - |
| Sale of investment | - | 676,886 | 294,410 | 97,349 | - | - |
| Remuneration (including Sindh sales tax) | 10,090 | - | 1,187 | - | - | - |
| Central Depository System (CDS Charges) | - | - | 57 | - | - | - |
| Selling and marketing expenses | 26 | - | - | - | - | - |
| Allocated expenses | 2,437 | - | - | - | - | - |
| Balances held as at December 31, 2022 (Un-Audited) | | | | | | |
| Units held (in Units '000) | - | - | - | - | 9 | 1,351 |
| Units held (in Rupees '000) | - | - | - | - | 1 | 158,142 |
| Bank balances | 1,189 | - | - | - | - | - |
| Remuneration payable | 1,419 | - | - | - | - | - |
| Allocated expenses payable | 912 | - | - | - | - | - |
| Other Payable | - | - | - | - | - | - |
| Selling and marketing payable | 2 | - | - | - | - | - |
| Profit receivable | 1,037 | - | - | - | - | - |
| Balances held as at June 30, 2022 (Audited) | | | | | | |
| Units held (in Units '000) | - | - | - | - | 38 | - |
| Units held (in Rupees '000) | - | - | - | - | 4,195 | - |
| Bank balances | - | 19,077 | - | - | - | - |
| Security deposits | - | - | 100 | - | - | - |
| Remuneration payable | 2,060 | - | 148 | - | - | - |
| Sales load and other payables | 4,137 | - | - | - | - | - |
| Mark-up receivable | - | 348 | - | - | - | - |
| Payable against allocated expenses | 833 | - | - | - | - | - |
| Selling and marketing expenses | 1 | - | - | - | - | - |

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 their 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.

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

As per the requirements of IFRS 13 (Fair Value Measurements), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

| | | December 31, 2022 (Un-Audited) | | | | | | |
|---|------|--------------------------------------|------------------|------------------|---------------|----------------|----------|----------------|
| | | Carrying Amount | | | Fair Value | | | |
| | | Fair value through profit or loss | Amortized cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Note | | -----Rupees in '000----- | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| | 16.1 | | | | | | | |
| | | 494,850 | - | 494,850 | - | 494,850 | - | 494,850 |
| | | 214,123 | - | 214,123 | - | 214,123 | - | 214,123 |
| | | 25,000 | - | 25,000 | - | 25,000 | - | 25,000 |
| | | - | 80,000 | 80,000 | 80,000 | - | - | 80,000 |
| | | <u>733,973</u> | <u>80,000</u> | <u>813,973</u> | <u>80,000</u> | <u>733,973</u> | <u>-</u> | <u>813,973</u> |
| Financial assets not measured at fair value | | | | | | | | |
| | 16.2 | | | | | | | |
| | | - | 426,974 | 426,974 | | | | |
| | | - | 52,154 | 52,154 | | | | |
| | | - | 3,100 | 3,100 | | | | |
| | | <u>-</u> | <u>482,228</u> | <u>482,228</u> | | | | |
| Financial liabilities not measured at fair value | | | | | | | | |
| | 16.2 | | | | | | | |
| | | - | 2,086 | 2,086 | | | | |
| | | - | 91 | 91 | | | | |
| | | - | 6,265 | 6,265 | | | | |
| | | <u>-</u> | <u>8,442</u> | <u>8,442</u> | | | | |
| | | June 30, 2022 (Audited) | | | | | | |
| | | Carrying Amount | | | Fair Value | | | |
| | | Fair value through profit or loss | Amortized cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Note | | ----- (Rupees in '000) ----- | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| | 16.1 | | | | | | | |
| | | - | - | - | - | - | - | - |
| | | 350,468 | - | 350,468 | - | 350,468 | - | 350,468 |
| | | <u>350,468</u> | <u>-</u> | <u>350,468</u> | <u>-</u> | <u>350,468</u> | <u>-</u> | <u>350,468</u> |
| Financial assets not measured at fair value | | | | | | | | |
| | 16.2 | | | | | | | |
| | | - | 1,577,365 | 1,577,365 | | | | |
| | | - | 42,902 | 42,902 | | | | |
| | | - | 12,715 | 12,715 | | | | |
| | | <u>-</u> | <u>1,632,982</u> | <u>1,632,982</u> | | | | |
| Financial liabilities not measured at fair value | | | | | | | | |
| | 16.2 | | | | | | | |
| | | - | 6,794 | 6,794 | | | | |
| | | - | 91 | 91 | | | | |
| | | - | 31,517 | 31,517 | | | | |
| | | <u>-</u> | <u>38,402</u> | <u>38,402</u> | | | | |

For level 2 investments at fair value through profit or loss - investment in respect of Pakistan Investment Bonds, Fund uses the rates which are derived from PKRV and PKRFV rates at reporting date and for investment in respect of Term Finance Certificates/ Sukuk, Fund uses the rates prescribed by MUFAP.

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

16.3 Transfers during the reporting period

No transfers were made between various levels of fair value hierarchy during the reporting period.

17 TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the Fund for the half year ended December 31, 2022 is 1.59% (December 31, 2021: 1.17%) which includes 0.17% (December 31, 2021: 0.13%) representing Government levy and SECP fee.

18 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue by the Board of Directors of the Management Company on January 26, 2023.

19 GENERAL

- 19.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.
- 19.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure, effect of which is not material.

For UBL Fund Managers Limited (Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UGIF

UBL Growth and Income Fund

INVESTMENT OBJECTIVE

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

| | |
|-----------------------------|--|
| Management Company | UBL Fund Managers Limited |
| Trustee | Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shakra-e-Faisal, Karachi. Tel: (9221) 111-111-500 |
| Distribution Company | United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk) |
| Auditors | Yousuf Adil & Co.,Chartered Accountants |
| Bankers | Allied Bank Limited Bank Alfalah Limited Faysal Bank Limited Habib Bank Limited JS Bank Limited Khushhali Bank Ltd. MCB Bank Limited National Bank of Pakistan Samba Bank Limited Silk Bank Limited Sindh Bank Limited Summit Bank Limited Telenor Microfinance Bank Limited The Bank of Punjab United Bank Limited Zarai Taraqiati Bank Limited Soneri Bank Limited |
| Management Co.Rating | AMI (VIS) |
| Fund Rating | A+(f) (VIS) |

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

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TRUSTEE REPORT TO THE UNIT HOLDERS

UBL GROWTH & INCOME FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of UBL Growth & Income Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund, and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 17, 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS' OF UBL GROWTH AND INCOME FUND

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **UBL GROWTH AND INCOME FUND** (the "Fund") as at December 31, 2022, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' funds, condensed interim cash flow statement and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year then ended. The Management Company (**UBL Fund Managers Limited**) is responsible for the preparation and presentation of this condensed interim financial information in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2022 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 of the Fund for the half year ended December 31, 2021 was reviewed and the financial statements of the Fund for the year ended June 30, 2022 were audited by another firm of Chartered Accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated February 24, 2022 and September 30, 2022 respectively.

The figures of the condensed interim income statement, condensed interim statement of comprehensive income and related notes for the quarter ended December 31, 2022 have not been reviewed, as we are only required to review the cumulative figures for the half year ended December 31, 2022.

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


Chartered Accountants

Place: Karachi
Date: February 24, 2023
UDIN: RR202210091x5sX0Yojr

**UBL GROWTH AND INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022**

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---|------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| ASSETS | | | |
| Bank balances | 4 | 711,636 | 1,111,434 |
| Term deposit receipts | 5 | 40,000 | - |
| Investments | 6 | 996,797 | 335,011 |
| Mark-up receivable | | 44,658 | 25,383 |
| Security deposit, prepayments and other receivables | | 22,351 | 25,392 |
| Advance income tax | 7 | 3,495 | 3,495 |
| Total assets | | 1,818,936 | 1,500,715 |
| LIABILITIES | | | |
| Payable to UBL Fund Managers Limited - Management Company | 8 | 12,048 | 8,076 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 9 | 130 | 102 |
| Payable to the Securities and Exchange Commission of Pakistan | 10 | 180 | 325 |
| Dividend payable | | - | 14,510 |
| Accrued expenses and other liabilities | 11 | 32,700 | 43,915 |
| Total liabilities | | 45,058 | 66,928 |
| NET ASSETS | | 1,773,878 | 1,433,787 |
| UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED) | | 1,773,878 | 1,433,787 |
| Contingencies and commitments | 12 | ----- Number of units ----- | |
| Number of units in issue | 13 | 18,991,036 | 16,845,170 |
| | | ----- Rupees ----- | |
| Net assets value per unit | | 93.4061 | 85.1156 |
| Face value per unit | | 100.0000 | 100.0000 |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL GROWTH AND INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Note | Half year ended December 31, | | Quarter ended December 31, | |
|---|-----------|---------------------------------|---------------|-------------------------------|---------------|
| | | 2022 | 2021 | 2022 | 2021 |
| ----- Rupees in '000 ----- | | | | | |
| INCOME | | | | | |
| Financial income | | 136,127 | 64,131 | 72,507 | 32,661 |
| (Loss) / gain on sale of investments - net | | (11,396) | (2,433) | (15,753) | (2,090) |
| Dividend income | | - | 12,830 | - | 4,843 |
| Unrealised (loss) / gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net | | (6,878) | (1,089) | (6,663) | (2,833) |
| Other income | | 1,666 | 280 | 832 | 280 |
| Total income | | 119,519 | 73,719 | 50,923 | 32,861 |
| Reversal of provision against debt securities - net | 6.4 & 6.5 | 72,081 | 8,333 | 70,137 | 2,777 |
| EXPENSES | | | | | |
| Remuneration of UBL Fund Managers Limited - Management Company | 8.1 | 8,144 | 5,253 | 4,152 | 2,243 |
| Sindh Sales Tax on remuneration of the Management Company | 8.2 | 1,059 | 683 | 540 | 550 |
| Selling and marketing expenses | 8.3 | 7,560 | 2,944 | 5,080 | 2,339 |
| Allocated expenses | 8.4 | 5,126 | 5,145 | 2,689 | 2,299 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 9 | 762 | 746 | 400 | 342 |
| Annual fee of the Securities and Exchange Commission of Pakistan | 10 | 180 | 176 | 94 | 81 |
| Bank charges | | 1 | 125 | 1 | 62 |
| Auditor's remuneration | | 176 | 185 | 91 | 102 |
| Brokerage and settlement expenses | | 566 | 1,700 | 220 | 524 |
| Legal and professional charges | | 216 | 339 | 170 | 290 |
| Listing fee | | 13 | 13 | 7 | 7 |
| Total expenses | | 23,803 | 17,309 | 13,444 | 8,839 |
| Net operating income for the period | | 167,797 | 64,743 | 107,616 | 26,799 |
| Reversal of provision for Sindh Workers' Welfare Fund | | - | 19,112 | - | - |
| Net income for the period before taxation | | 167,797 | 83,855 | 107,616 | 26,799 |
| Taxation | 14 | - | - | - | - |
| Net income for the period after taxation | | 167,797 | 83,855 | 107,616 | 26,799 |
| Allocation of net income for the period | | | | | |
| Net income for the period after taxation | | 167,797 | 83,855 | 107,616 | 26,799 |
| Income already paid on units redeemed | | (21,908) | (34,568) | (15,639) | (14,228) |
| | | 145,889 | 49,287 | 91,977 | 12,571 |
| Accounting income available for distribution | | | | | |
| - Relating to capital gains | | - | - | - | - |
| - Excluding capital gains | | 145,889 | 49,287 | 91,977 | 12,571 |
| | | 145,889 | 49,287 | 91,977 | 12,571 |
| Earnings per unit | 15 | | | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL GROWTH AND INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | Half year ended December 31, | | Quarter ended December 31, | |
|--|---------------------------------|--------|-------------------------------|--------|
| | 2022 | 2021 | 2022 | 2021 |
| | ----- Rupees in '000 ----- | | | |
| Net income for the period after taxation | 167,797 | 83,855 | 107,616 | 26,799 |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income for the period | 167,797 | 83,855 | 107,616 | 26,799 |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL GROWTH AND INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | Half year ended December 31, 2022 | | | Half year ended December 31, 2021 | | |
|---|--------------------------------------|-----------------------|------------------|--------------------------------------|-----------------------|--------------------|
| | Capital value | Undistributed loss | Total | Capital value | Undistributed loss | Total |
| | ----- Rupees in '000 ----- | | | | | |
| Net assets at the beginning of the period | 1,913,974 | (480,187) | 1,433,787 | 2,276,177 | (481,488) | 1,794,689 |
| Issuance of 9,170,254 units (2021: 22,862,427 units) | | | | | | |
| - Capital value | 780,532 | - | 780,532 | 1,943,960 | - | 1,943,960 |
| - Element of income | 13,539 | - | 13,539 | 53,237 | - | 53,237 |
| Total amount received on issuance of units | 794,071 | - | 794,071 | 1,997,197 | - | 1,997,197 |
| Redemption of 7,024,388 units (2021: 27,849,629 units) | | | | | | |
| - Capital value | (597,885) | - | (597,885) | (2,368,015) | - | (2,368,015) |
| - Element of income | (1,984) | (21,908) | (23,892) | (35,795) | (34,568) | (70,363) |
| Total amount paid on redemption of units | (599,869) | (21,908) | (621,777) | (2,403,810) | (34,568) | (2,438,378) |
| Total comprehensive income for the period | - | 167,797 | 167,797 | - | 83,855 | 83,855 |
| Interim distributions during the period | - | - | - | - | - | - |
| Net income for the period less distribution | - | 167,797 | 167,797 | - | 83,855 | 83,855 |
| Net assets at the end of the period | 2,108,176 | (334,298) | 1,773,878 | 1,869,564 | (432,201) | 1,437,363 |
| Undistributed loss brought forward: | | | | | | |
| - Realised | | (483,026) | | | (482,540) | |
| - Unrealised | | 2,839 | | | 1,052 | |
| Total undistributed income brought forward | | (480,187) | | | (481,488) | |
| Accounting income available for distribution | | | | | | |
| - Related to capital gains | | - | | | - | |
| - Excluding capital gains | | 145,889 | | | 49,287 | |
| | | 145,889 | | | 49,287 | |
| Interim distribution during the period | | - | | | - | |
| Undistributed loss carried forward | | (334,298) | | | (432,201) | |
| Undistributed loss carried forward comprising of: | | | | | | |
| - Realised | | (327,420) | | | (431,112) | |
| - Unrealised | | (6,878) | | | (1,089) | |
| | | (334,298) | | | (432,201) | |
| | | | | | | |
| | | | --- Rupees --- | | | --- Rupees --- |
| Net assets value per unit at the beginning of the period | | | 85.1156 | | | 85.0286 |
| Net assets value per unit at the end of the period | | | 93.4061 | | | 89.1682 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL GROWTH AND INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | Half year ended December 31, | |
|---|---------------------------------|------------------|
| | 2022 | 2021 |
| Note | ----- Rupees in '000 ----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period before taxation | 167,797 | 83,855 |
| Adjustments for: | | |
| Financial income | (136,127) | (64,131) |
| Loss on sale of investments - net | 11,396 | 2,433 |
| Dividend income | - | (12,830) |
| Unrealised (loss) / gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net | 6,878 | 1,089 |
| Reversal of of provision on debt securities | (72,081) | (8,333) |
| Reversal of provision for Sindh Workers' Welfare Fund | - | (19,112) |
| | (189,934) | (100,884) |
| Cash used in operations before working capital changes | (22,137) | (17,029) |
| (Increase) / decrease in assets | | |
| Investments - net | (607,979) | 820,088 |
| Security deposit, prepayments and other receivables | 3,041 | (4,979) |
| Receivable against spread transactions | - | (15,709) |
| Advance income tax | - | (3) |
| | (604,938) | 799,397 |
| Increase / (decrease) in liabilities | | |
| Payable to UBL Fund Managers Limited - Management Company | 3,972 | 1,570 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 28 | (5) |
| Payable to the Securities and Exchange Commission of Pakistan | (145) | (103) |
| Accrued expenses and other liabilities | (11,215) | (104,604) |
| | (7,360) | (103,142) |
| Cash (used in) / generated from operations | (634,435) | 679,226 |
| Mark-up received | 116,853 | 66,002 |
| Net cash (used in) / generated from operating activities | (517,582) | 745,228 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Amount received from issuance of units | 794,071 | 1,997,197 |
| Amount paid on redemption of units | (621,777) | (2,438,378) |
| Dividend paid | (14,510) | - |
| Net cash generated from / (used in) financing activities | 157,784 | (441,181) |
| Net (decrease) / increase in cash and cash equivalents during the period | (359,798) | 304,047 |
| Cash and cash equivalents at the beginning of the period | 1,111,434 | 592,261 |
| Cash and cash equivalents at the end of the period | 751,636 | 896,308 |
| Cash and cash equivalents | | |
| Bank balances | 4 711,636 | 896,308 |
| Term deposit receipts | 5 40,000 | - |
| | 751,636 | 896,308 |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL GROWTH AND INCOME FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

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. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont road, Civil lines, Karachi.

The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Management Company after fulfilling the requirements for registration of the Trust Deed under Sindh Act, 2020, has registered the Collective Investment Scheme Trust Deed with the Registrar acting under Sindh Act, 2020 on August 27, 2021.

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-end mutual fund categorised as aggressive fixed income 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.

The investment objective of the Fund is to invest in medium to long term fixed income instruments as well as short tenor money market instruments and seeks to generate competitive, long term, risk adjusted returns.

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.

VIS Credit Rating Company has reaffirmed management quality rating of "AM1" (stable outlook) to the Management Company on December 30, 2022 and assigned a stability rating of "A+(f)" to the Fund as on December 29, 2022.

Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been 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; 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), directives issued by the SECP and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, directives issued by the SECP and requirements of the Trust Deed differ with the requirements of IAS - 34, the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, directives issued by the SECP and requirements of the Trust Deed have been followed.

2.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS - 34. 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 audited financial statements of the Fund for the year ended June 30, 2022.

2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that this condensed interim financial information gives a true and fair view of the state of affairs of the Fund as at December 31, 2022.

2.4 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except for the investments which are stated at fair value.

2.5 Functional and presentation currency

This condensed interim financial information is presented in Pakistan Rupees, which is the functional and presentation currency of the Fund. All amounts have been rounded off to the nearest thousands of Rupee, unless otherwise indicated.

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

3.1 The accounting policies applied and methods of computation used for the preparation of this condensed interim financial information are same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2022.

3.2 The preparation of this condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.

3.3 There are certain standards, interpretations on accounting and reporting standards as applicable in Pakistan and amendments to certain existing standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2022. 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, 2022.

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---------------------------|------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| 4. BANK BALANCES | | | |
| In local currency: | | | |
| - Savings accounts | 4.1 | 711,636 | 1,111,299 |
| - Current accounts | | - | 135 |
| | | <u>711,636</u> | <u>1,111,434</u> |

4.1 Mark-up rates on these savings accounts range between 14.5% to 16.15% per annum (June 30, 2022: 12.25% to 16.60% per annum). This includes balances held by related parties, United Bank Limited and Khushhali Bank Limited, amounting to Rs. 6.9 million (June 30, 2022: Rs. 5.6 million) and Rs. 0.02 million (June 30, 2022: Rs. 0.02 million) on which return is earned at 14.50% (June 30, 2022: 12.25%) per annum.

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---|------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| 5. TERM DEPOSIT RECEIPTS | | | |
| Financial assets at amortised cost | | | |
| Term deposits receipts | 5.1 | 40,000 | - |

5.1 Term deposit receipt

| Name of Company | Note | As at | Purchased during | Matured during | As at | Carrying value as |
|---|-------|----------------------------|-------------------|-------------------|---|--|
| | | July 1, 2022 / 2021 | the period / year | the period / year | December 31, 2022 / June 30, 2022 | a percentage of net assets of the Fund |
| | | ----- Rupees in '000 ----- | | | | % |
| The Bank of Punjab | 5.1.1 | - | 40,000 | - | 40,000 | 2.25% |
| As at December 31, 2022 (Un-audited) | | - | 40,000 | - | 40,000 | 2.25% |
| As at June 30, 2022 (Audited) | | 150,000 | - | 150,000 | - | - |

5.1.1 Term deposit receipts carry interest rates at 18.31% per annum having maturity of 35 days.

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---|------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| 6. INVESTMENTS | | | |
| At fair value through profit and loss | | | |
| Government securities - Market Treasury Bills | 6.1 | - | - |
| Government securities - Pakistan Investment Bonds | 6.2 | 794,153 | - |
| Debt securities - Term Finance Certificates / Sukuks - unquoted | 6.3 | 111,669 | 146,982 |
| Debt securities - Term Finance Certificates / Sukuks - quoted | 6.3 | 90,975 | 91,973 |
| | | 996,797 | 238,955 |
| At amortised cost | | | |
| Commercial paper | 6.7 | - | 96,056 |
| Total | | 996,797 | 335,011 |

6.1 Government securities - Market Treasury Bills
'at fair value through profit or loss'

| Issue date | Tenor | Face value | | | | Total carrying value as at December 31, 2022 / June 30, 2022 | Total market value as at December 31, 2022 / June 30, 2022 | Appreciation / (diminution) as at December 31, 2022 / June 30, 2022 | Market value as a percentage of total investment | Market value as a percentage of net assets |
|---|----------|---------------------------|------------------------------------|---|---|--|--|---|--|--|
| | | As at July 1, 2022 / 2021 | Purchased during the period / year | Sold / matured during the period / year | As at December 31, 2022 / June 30, 2022 | | | | | |
| ----- Rupees in '000 ----- | | | | | | | | | | |
| March 10, 2022 | 6 Months | - | 550,000 | 550,000 | - | - | - | - | - | |
| June 30, 2022 | 3 Months | - | 500,000 | 500,000 | - | - | - | - | - | |
| July 28, 2022 | 3 Months | - | 950,000 | 950,000 | - | - | - | - | - | |
| August 11, 2022 | 3 Months | - | 250,000 | 250,000 | - | - | - | - | - | |
| August 25, 2022 | 1 Year | - | 600,000 | 600,000 | - | - | - | - | - | |
| September 8, 2022 | 3 Months | - | 500,000 | 500,000 | - | - | - | - | - | |
| October 6, 2022 | 3 Months | - | 500,000 | 500,000 | - | - | - | - | - | |
| October 6, 2022 | 1 Year | - | 500,000 | 500,000 | - | - | - | - | - | |
| As at December 31, 2022 (Un-audited) | | - | 4,350,000 | 4,350,000 | - | - | - | - | - | |
| As at June 30, 2022 (Audited) | | 100,000 | 11,003,000 | 11,103,000 | - | - | - | - | - | |

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

| Issue date | Tenor | Face value | | | | Total carrying value as at December 31, 2022 / June 30, 2022 | Total market value as at December 31, 2022 / June 30, 2022 | Appreciation / (diminution) as at December 31, 2022 / June 30, 2022 | Market value as a percentage of total investment | Market value as a percentage of net assets |
|---|----------|---------------------------|------------------------------------|---|---|--|--|---|--|--|
| | | As at July 1, 2022 / 2021 | Purchased during the period / year | Sold / matured during the period / year | As at December 31, 2022 / June 30, 2022 | | | | | |
| ----- Rupees in '000 ----- | | | | | | | | | | |
| August 9, 2018 | 10 Years | - | 50,000 | - | 50,000 | 49,675 | 49,390 | (285) | 4.95% | 2.78% |
| August 22, 2019 | 10 Years | - | 253,000 | - | 253,000 | 253,000 | 249,913 | (3,087) | 25.07% | 14.09% |
| June 18, 2020 | 3 Years | - | 430,000 | 430,000 | - | - | - | - | - | - |
| December 10, 2020 | 10 Years | - | 150,000 | 150,000 | - | - | - | - | - | - |
| May 6, 2021 | 5 Years | - | 980,000 | 980,000 | - | - | - | - | - | - |
| October 29, 2021 | 5 Years | - | 685,700 | 685,700 | - | - | - | - | - | - |
| December 30, 2021 | 2 Years | - | 250,000 | 250,000 | - | - | - | - | - | - |
| April 29, 2022 | 5 Years | - | 700,000 | 700,000 | - | - | - | - | - | - |
| August 4, 2022 | 3 Years | - | 700,000 | 700,000 | - | - | - | - | - | - |
| September 8, 2022 | 2 Years | - | 2,250,000 | 1,750,000 | 500,000 | 494,891 | 494,850 | (41) | 49.64% | 27.90% |
| October 13, 2022 | 5 Years | - | 1,493,000 | 1,493,000 | - | - | - | - | - | - |
| November 17, 2022 | 5 Years | - | 200,000 | 200,000 | - | - | - | - | - | - |
| As at December 31, 2022 (Un-audited) | | - | 8,141,700 | 7,338,700 | 803,000 | 797,566 | 794,153 | (3,413) | 79.67% | 44.77% |
| As at June 30, 2022 (Audited) | | 350,025 | 2,153,500 | 2,503,525 | - | - | - | - | - | - |

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

| Particulars | Note | As at July 01, 2022 | Purchased during the period / year | Disposed / matured during the period / year | As at December 31, 2022 | Carrying value as at December 31, 2022 / June 30, 2022 before provision for diminution | Provision for (diminution) (Note 6.5) | Carrying value as at December 31, 2022 / June 30, 2022 after provision for diminution | Market value as at December 31, 2022 / June 30, 2022 | Appreciation / (diminution) | Market value as a percentage of investment of the Fund | Market value as a percentage of net assets of the Fund | Market value as a percentage of total size of the issue |
|--|---------------|---------------------|------------------------------------|---|----------------------------------|--|---------------------------------------|---|--|-----------------------------|--|--|---|
| | | | | | -----Number of certificates----- | | | | -----Rupees in '000----- | | | | -----%----- |
| Non Performing Term Finance Certificates / Sukuks | | | | | | | | | | | | | |
| Unquoted | | | | | | | | | | | | | |
| Chemicals | | | | | | | | | | | | | |
| Agritech Limited - Sukuk | 6.3.1 | 3,800 | - | - | 3,800 | 14,453 | (14,453) | - | - | - | - | - | - |
| Agritech Limited - TFC (January 14, 2008) | 6.3.1 & 6.5.1 | 147,000 | - | - | 147,000 | 524,945 | (524,945) | - | - | - | - | - | - |
| Agritech Limited - TFC (November 30, 2007) | 6.3.1 & 6.5.1 | 58,000 | - | - | 58,000 | 220,075 | (220,075) | - | - | - | - | - | - |
| Household Goods | | | | | | | | | | | | | |
| New Allied Electronic Industries - TFC | 6.3.1 | 31,000 | - | - | 31,000 | 31,162 | (31,162) | - | - | - | - | - | - |
| New Allied Electronic Industries - Sukuk | 6.3.1 | 10,000 | - | - | 10,000 | 35,000 | (35,000) | - | - | - | - | - | - |
| Financial Services | | | | | | | | | | | | | |
| Security Leasing Corporation Limited - Sukuk II | 6.3.1 | 20,000 | - | - | 20,000 | 22,028 | (22,028) | - | - | - | - | - | - |
| As at December 31, 2022 (Un-audited) | | | | | | 847,663 | (847,663) | - | - | - | - | - | - |
| As at June 30, 2022 (Audited) | | | | | | 915,854 | (915,854) | - | - | - | - | - | - |
| Quoted | | | | | | | | | | | | | |
| Trust Investment Bank Limited - TFC | 6.3.1 | 23,877 | - | - | 23,877 | 44,499 | (44,499) | - | - | - | - | - | - |
| As at December 31, 2022 (Un-audited) | | | | | | 44,499 | (44,499) | - | - | - | - | - | - |
| As at June 30, 2022 (Audited) | | | | | | 44,499 | (44,499) | - | - | - | - | - | - |

6.3.1 Due to continuous default on repayment of coupon by the issuer, the Fund has classified said investment as non-performing debt securities. The Fund has suspended further accrual of mark-up there against.

| Particulars | Note | As at July 01, 2022 | Purchased during the period / year | Disposed / matured during the period / year | As at December 31, 2022 | Carrying value as at December 31, 2022 / June 30, 2022 before provision for diminution | Provision for (diminution) (Note 6.5) | Carrying value as at December 31, 2022 / June 30, 2022 after provision for diminution | Market value as at December 31, 2022 / June 30, 2022 | Appreciation / (diminution) | Market value as a percentage of investment of the Fund | Market value as a percentage of net assets of the Fund | Market value as a percentage of total size of the issue |
|-------------|------|---------------------|------------------------------------|---|-------------------------|--|---------------------------------------|---|--|-----------------------------|--|--|---|
| | | | | | | ----- Number of certificates ----- | | | | ----- Rupees in '000 ----- | | | |

Performing Term Finance Certificates / Sukuks

Unquoted

Power Generation and Distribution

| | | | | | | | | | | | | | |
|--------------------------|-------|---|-----|---|-----|--------|---|--------|--------|---|-------|-------|-------|
| K-Electric Limited - VII | 6.3.2 | - | 250 | - | 250 | 25,000 | - | 25,000 | 25,000 | - | 2.51% | 1.41% | 0.00% |
|--------------------------|-------|---|-----|---|-----|--------|---|--------|--------|---|-------|-------|-------|

Commercial Banks

| | | | | | | | | | | | | | |
|-------------------------------------|-------|--------|---|--------|--------|--------|---|--------|--------|---------|-------|-------|-------|
| Jahangir Siddiqui & Company Limited | 6.3.2 | 10,000 | - | - | 10,000 | 12,834 | - | 12,834 | 12,724 | (110) | 1.28% | 0.72% | 0.85% |
| Bank Al Habib Limited | 6.3.2 | 15,000 | - | - | 15,000 | 77,146 | - | 77,146 | 73,945 | (3,201) | 7.42% | 4.17% | 1.48% |
| Soneri Bank Limited | | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |

As at December 31, 2022 (Un-audited)

| | | | | | | | | | | | | | |
|--|--|--|--|--|--|----------------|----------|----------------|----------------|----------------|---------------|--------------|--------------|
| | | | | | | 114,980 | - | 114,980 | 111,669 | (3,311) | 11.20% | 6.30% | 2.33% |
|--|--|--|--|--|--|----------------|----------|----------------|----------------|----------------|---------------|--------------|--------------|

At June 30, 2022 (Audited)

| | | | | | | | | | | | | | |
|--|--|--|--|--|--|---------|---|---------|---------|-------|--------|--------|--------|
| | | | | | | 142,422 | - | 142,422 | 146,982 | 4,560 | 43.87% | 10.25% | 43.87% |
|--|--|--|--|--|--|---------|---|---------|---------|-------|--------|--------|--------|

Quoted

Power Generation and Distribution

| | | | | | | | | | | | | | |
|---------------------|-------|-------|---|---|-------|--------|---|--------|--------|------|-------|-------|-------|
| K Electric Limited* | 6.3.2 | 3,335 | - | - | 3,335 | 16,195 | - | 16,195 | 16,101 | (94) | 1.62% | 0.91% | 0.06% |
|---------------------|-------|-------|---|---|-------|--------|---|--------|--------|------|-------|-------|-------|

Commercial Banks

| | | | | | | | | | | | | | |
|----------------------|-------|-------|---|---|-------|--------|---|--------|--------|-------|-------|-------|-------|
| Bank Alfalah Limited | 6.3.2 | 5,400 | - | - | 5,400 | 24,766 | - | 24,766 | 24,979 | 213 | 2.51% | 1.41% | 0.23% |
| Samba Bank Limited** | 6.3.2 | 500 | - | - | 500 | 50,168 | - | 50,168 | 49,895 | (273) | 5.01% | 2.81% | 1.00% |

As at December 31, 2022 (Un-audited)

| | | | | | | | | | | | | | |
|--|--|--|--|--|--|---------------|----------|---------------|---------------|--------------|--------------|--------------|--------------|
| | | | | | | 91,129 | - | 91,129 | 90,975 | (154) | 9.13% | 5.13% | 1.29% |
|--|--|--|--|--|--|---------------|----------|---------------|---------------|--------------|--------------|--------------|--------------|

At June 30, 2022 (Audited)

| | | | | | | | | | | | | | |
|--|--|--|--|--|--|--------|---|--------|--------|---------|--------|-------|--------|
| | | | | | | 93,694 | - | 93,694 | 91,973 | (1,721) | 27.45% | 6.41% | 27.45% |
|--|--|--|--|--|--|--------|---|--------|--------|---------|--------|-------|--------|

* These have facevalue of Rs. 4,750 each.

** These have facevalue of Rs. 99,940 each.

6.3.2 Significant terms and conditions of Term finance certificates and sukuk bonds outstanding as at December 31, 2022 are as follows:

| Name of security | Issue date | Mark-up rate (Per annum) | Maturity | Secured / Unsecured | Ratings |
|------------------------------------|--------------------|-----------------------------|--------------------|------------------------|---------|
| Jhangir Siddiqui & Company Limited | July 18, 2017 | 6M Kibor + 1.40% | July 18, 2022 | Secured | AA+ |
| K Electric | August 3, 2020 | 3M Kibor + 1.70% | August 3, 2027 | Secured | AA+ |
| Bank Alfalah Limited | January 15, 2021 | 6M Kibor + 0.75% | January 15, 2024 | Secured | AAA |
| Samba Bank Limited | March 1, 2021 | 6M Kibor + 1.35% | March 1, 2031 | Unsecured | AA- |
| Bank Al Habib Limited | September 30, 2021 | 6M Kibor + 0.75% | September 30, 2031 | Unsecured | AAA |
| K Electric - VII | November 1, 2022 | Kibor + 1.70% | November 1, 2029 | Secured | AA+ |

6.4 Reversal of provision against debt securities

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---|-------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| Pre IPO Placements for issuance of Term Finance Certificates | | | |
| Pre-IPO placement | 6.4.1 | 53,611 | 61,387 |
| Reversal of Provision | | (3,889) | (7,776) |
| | | 49,722 | 53,611 |
| Less: Provision for impairment | | (49,722) | (53,611) |
| | | - | - |
| | | - | - |

6.4.1 This represents Pre-IPO disbursement to Dewan Cement Company (the Company) on January 14, 2008 for purchase of Term Finance Certificate. As per the requirement of the Trust Deed, the IPO was to take place within 270 days of the initial disbursement, however, the Company has not yet arranged the IPO. Accordingly, the Management Company decided to suspend mark-up on this placement from October 29, 2008 and has recorded full provision against the said placement (including principal and interest) in accordance with circular no. 33 of 2012 issued by the SECP.

During the period, the Company has paid Rs. 5,555 million against the said disbursement out of which Rs. 3.889 million and Rs.1.666 million relates to principal and interest respectively. Accordingly, the Management Company has reversed the provision for impairment by Rs. 3.889 million.

6.5 Provision for diminution in value of investments

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|--|-------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| Term Finance Certificates / Sukuks - Non Performing | | | |
| Opening balance | | 960,354 | 960,354 |
| Reversal during the period / year | 6.5.1 | (68,192) | - |
| | | 892,162 | 960,354 |
| Closing balance | | (892,162) | (960,354) |
| | | - | - |
| | | - | - |

6.5.1 During the period, the Agritech Limited has paid Rs. 68.192 million against the outstanding principal. Accordingly, the Management Company has reversed the provision for impairment with the amount received.

6.6 Details of non-compliant investments

| Particulars | Note | Type of investment | As at July 01, 2022 / 2021 | Purchased during the year | Sold during the year | As at December 31, 2022 / June 30, 2022 | Carrying amount as at December 31, 2022 / June 30, 2022 | Percentage of total net assets | Percentage of total investment |
|---|-------|--------------------|------------------------------|---------------------------|----------------------|---|---|--------------------------------|--------------------------------|
| | | | ----- Number of shares ----- | | | -- Rupees -- | | -----%----- | |
| Azgard Nine Limited | 6.6.1 | Preference shares | 200,000 | - | - | 200,000 | - | - | - |
| As at December 31, 2022 (Un-audited) | | | 200,000 | - | - | 200,000 | - | - | - |
| As at June 30, 2022 (Audited) | | | 200,000 | - | - | 200,000 | - | - | - |

6.6.1 These represents cumulative, non-voting, convertible and redeemable preference shares having a face value of Rs.10 each and carrying a profit rate of 8.95% per annum. These were due for redemption on September 30, 2009 but due to default by the company, management has made full provision of Rs.0.85 million against the outstanding amount.

6.7 Commercial paper

| Name of the investee company | Maturity Date | As at July 01, 2022 / 2021 | Purchased during the year | Sold during the year | As at December 31, 2022 / June 30, 2022 | Carrying amount as at December 31, 2022 / June 30, 2022 | Percentage of total net assets | Percentage of total investment |
|---|------------------|------------------------------|---------------------------|----------------------|---|---|--------------------------------|--------------------------------|
| | | ----- Number of shares ----- | | | -- Rupees -- | | -----%----- | |
| Lucky Electric Power Company Limited | November 2, 2022 | 75,000 | - | 75,000 | - | - | - | - |
| Mughal Iron & Steel Industries Limited | July 21, 2022 | 25,000 | - | 25,000 | - | - | - | - |
| As at December 31, 2022 (Un-audited) | | 100,000 | - | 100,000 | - | - | - | - |
| As at June 30, 2022 (Audited) | | - | 100,000 | - | 100,000 | 96,056 | 6.70% | 28.67% |

7. ADVANCE INCOME TAX

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 (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 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT) / 2008-Vol.II- 66417-R" 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 certificate(s) from CIR, withholding agent had deducted advance tax under section 151 of ITO 2001 In prior and current periods. The Management Company is confident that the amount will be refunded to the Fund.

8. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---|------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| Remuneration payable to the Management Company | 8.1 | 1,504 | 980 |
| Sindh Sales Tax on remuneration payable to the Management Company | 8.2 | 196 | 127 |
| Selling and marketing expenses payable | 8.3 | 7,558 | 4,329 |
| Allocated expenses payable | 8.4 | 2,694 | 1,396 |
| Conversion charges | | 79 | 1,149 |
| Other payable | | 17 | 95 |
| | | <u>12,048</u> | <u>8,076</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 (note 16). The remuneration is payable to the Management Company monthly in arrears. During the period ended December 31, 2022 the Management Company has charged management fee at the rate of 6.2% of gross earnings.
- 8.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2022: 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) up to a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses at the rates ranging from 0.58% to 1.48% (June 30, 2022: 0.4% - 0.58%) of the daily net assets while keeping in view the overall return and the Total Expense Ratio limit of the Fund.
- 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). During the period, the Management Company has charged the Fund at the rate of 0.57% (June 30, 2022: 0.15% - 1.15%) of daily net assets.

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

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fee has been charged at the rate of 0.075% from July 01, 2022 to December 31, 2022 (June 30, 2022: 0.075%) per annum of average daily net assets of the Fund during the period. The remuneration is payable on monthly basis in arrears. The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2022: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with NBFC Regulations a collective investment scheme classified as open end scheme is required to pay to the SECP an amount equal to 0.02% (June 30, 2022: 0.02%) of the average annual net assets of the Fund as annual fee.

| | | December 31, 2022 (Un-audited) | June 30, 2022 (Audited) |
|---|------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | |
| 11. ACCRUED EXPENSES AND OTHER LIABILITIES | | | |
| Auditor's remuneration payable | | 364 | 188 |
| Sales load payable | | 911 | 4,361 |
| Brokerage expense payable | | 805 | 405 |
| Legal and professional charges payable | | 1,994 | 1,724 |
| Capital gains tax payable | | 1,703 | 1,192 |
| Zakat deducted at source payable | | 1,162 | 1,162 |
| Withholding tax payable | | - | 10,085 |
| Provision for indirect duties and taxes | 11.1 | 24,359 | 24,359 |
| CDS fee payable to CDC | | 45 | 45 |
| NCCP transaction charges | | 25 | 25 |
| Other payables | | 1,332 | 369 |
| | | 32,700 | 43,915 |

11.1 This represents provision for Federal Excise Duty (FED) as at December 31, 2022. 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, 2022. Had the said provision for FED not been recorded in the financial statements of the Fund, the net assets value of the Fund, as at December 31, 2022 would have been higher by Rs. 1.28 (June 30, 2022: Rs. 1.45) per unit.

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

| | (Un-audited) For the half year ended December 31, 2022 | (Audited) For the year ended June 30, 2022 |
|--|--|--|
| | ----- Number of units ----- | |
| 13. NUMBER OF UNITS IN ISSUE | | |
| Total units in issue at the beginning of the period / year | 16,845,170 | 21,106,985 |
| Units issued during the period / year | 9,170,254 | 38,170,248 |
| Units redeemed during the period / year | (7,024,388) | (42,432,063) |
| Total units in issue at the end of the period / year | 18,991,036 | 16,845,170 |

14. TAXATION

The Fund's income is exempt from income 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. Further, 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. 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. Since the Management Company intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2023 to the unit holders in the manner as explained above, no provision for taxation has been made in this condensed interim financial information.

15. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in this condensed interim financial information 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. TOTAL EXPENSE RATIO

The annualised total expense ratio of the Fund for the period ended December 31, 2022 is 2.48% (December 31, 2021: 1.97%) which includes 0.15% (December 31, 2021: 0.13%) representing Government Levy 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 fund.

17. 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.

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.

The fair value of financial assets traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify 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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets including their levels in the fair value hierarchy.

| | Fair value | | | |
|--|----------------------------|---------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Total |
| | ----- Rupees in '000 ----- | | | |
| Pakistan Investment Bonds | - | 794,153 | - | 794,153 |
| Debt Securities - Term Finance Certificates / Sukuks | - | 202,644 | - | 202,644 |
| | - | 996,797 | - | 996,797 |

| | Fair value | | | |
|--|----------------------------|---------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Total |
| | ----- Rupees in '000 ----- | | | |
| Pakistan Investment Bonds | - | - | - | - |
| Debt Securities - Term Finance Certificates / Sukuks | - | 238,955 | - | 238,955 |
| | - | 238,955 | - | 238,955 |

- 17.1 Except for the investments all other financial assets and liabilities are carried at amortised cost. The estimated fair value of all financial assets and liabilities at amortised cost is considered not significantly different from the carrying value as the items are short-term in nature.

18. 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 half year ended December 31, 2022 are as follows:

| | Management Company | Associated companies and others* | Trustee | Funds under common managemen | Directors and key executives ** | Other connected persons / related |
|--|--------------------|----------------------------------|---------|------------------------------|---------------------------------|-----------------------------------|
| Transactions during the period | | | | | | |
| ----- Half year ended December 31, 2022 (Un-audited) ----- | | | | | | |
| ----- Units in '000 ----- | | | | | | |
| Units issued | 576 | - | - | - | - | - |
| Units redeemed | 576 | - | - | - | 193 | - |
| ----- Rupees in '000 ----- | | | | | | |
| Value of units issued | 50,000 | - | - | - | 17 | - |
| Value of units redeemed | 50,866 | - | - | - | 16,858 | - |
| Mark-up on profit and loss sharing accounts | - | 1,280 | - | - | - | - |
| Purchase of securities | - | 133,624 | - | - | - | - |
| Sale of securities | - | 88,226 | - | - | - | - |
| Remuneration (inclusive of Sindh Sales Tax) | 9,203 | - | 762 | - | - | - |
| Selling and marketing expenses | 7,560 | - | - | - | - | - |
| Allocated expense | 5,126 | - | - | - | - | - |
| Central Depository Service charges | - | - | - | - | - | - |
| ----- Half year ended December 31, 2021 (Un-audited) ----- | | | | | | |
| ----- Units in '000 ----- | | | | | | |
| Units issued | 11,386 | 81 | - | - | 53 | - |
| Units redeemed | 11,444 | 164 | - | - | 116 | - |
| ----- Rupees in '000 ----- | | | | | | |
| Value of units issued | 997,000 | 7,200 | - | - | 4,702 | - |
| Value of units redeemed | 1,004,652 | 14,281 | - | - | 10,219 | - |
| Mark-up on profit and loss sharing accounts | - | 3,110 | - | - | - | - |
| Purchase of securities | - | - | - | - | - | - |
| Sale of securities | - | 238,306 | - | - | - | - |
| Remuneration (inclusive of Sindh Sales Tax) | 5,936 | - | 746 | - | - | - |
| Selling and marketing expenses | 2,944 | - | - | - | - | - |
| Allocated expense | 5,145 | - | - | - | - | - |
| Central Depository Service charges | - | - | 89 | - | - | - |

| Management Company | Associated companies and others* | Trustee | Funds under common managem | Directors and key executives ** | Other connected persons / related |
|--------------------|----------------------------------|---------|----------------------------|---------------------------------|-----------------------------------|
|--------------------|----------------------------------|---------|----------------------------|---------------------------------|-----------------------------------|

Balances held

----- As at December 31, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|---|---|---|---|----|-------|
| Units held | - | - | - | - | 59 | 2,354 |
|------------|---|---|---|---|----|-------|

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

| | | | | | | |
|---------------------------------------|-------|-------|-----|---|-------|---------|
| Value of units held | - | - | - | - | 5,511 | 219,878 |
| Bank balances | - | 6,899 | - | - | - | - |
| Deposits | - | - | - | - | - | - |
| Remuneration (inclusive of SST) | 1,700 | - | 130 | - | - | - |
| Selling and marketing expense payable | 7,558 | - | - | - | - | - |
| Allocated expenses payable | 2,694 | - | - | - | - | - |
| Sales load payable | - | - | - | - | - | - |
| Conversion payable | 79 | - | - | - | - | - |
| Mark-up receivable | - | 1,022 | - | - | - | - |
| CDC fee payable | - | - | - | - | - | - |
| Other payable | 17 | - | - | - | - | - |

----- As at June 30, 2022 (Audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|---|---|---|---|-----|-------|
| Units held | - | - | - | - | 193 | 2,354 |
|------------|---|---|---|---|-----|-------|

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

| | | | | | | |
|---------------------------------|-------|-------|-----|---|---------|-----------|
| Value of units held | - | - | - | - | 193,026 | 2,353,897 |
| Bank balances | - | 5,657 | - | - | - | - |
| Deposits | - | - | 100 | - | - | - |
| Remuneration (inclusive of SST) | 1,107 | - | 102 | - | - | - |
| Selling and marketing | 4,329 | - | - | - | - | - |
| Allocated expenses payable | 1,396 | - | - | - | - | - |
| Sales load payable | 1,149 | - | - | - | - | - |
| Conversion payable | - | - | - | - | - | - |
| Mark-up receivable | - | 1,078 | - | - | - | - |
| CDC fee payable | - | - | 45 | - | - | - |
| Other payable | 95 | - | - | - | - | - |

* 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 / 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.

19. GENERAL

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, 2022 have not been reviewed by auditors.

20. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on January 26, 2023 by the Board of Directors of the Management Company.

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

SD

Yasir Qadri
Chief Executive Officer

SD

Umair Ahmed
Chief Financial Officer

SD

Imran Sarwar
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.

| | |
|------------------------------|---|
| Management Company | UBL Fund Managers Limited |
| Trustee | Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500 |
| Distribution Company | United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk) |
| Auditors | EY Ford Rhodes, Chartered Accountants |
| Bankers | Allied Bank Limited Bank Alfalah Limited Habib Bank Limited JS Bank Limited MCB Bank Limited Samba Bank Limited Sindh Bank Limited Telenor Microfinance Bank Limited Zarai Taraqati Bank Limited United Bank Limited Soneri Bank Limited Habib Metropolitan Bank |
| Management Co. Rating | AM1 (VIS) |

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

UBL ASSET ALLOCATION FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of UBL Asset Allocation Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023

INDEPENDENT AUDITORS' REVIEW REPORT

To the Unit holders of UBL Asset Allocation Fund

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim Statement of Assets and Liabilities of **UBL Asset Allocation Fund** (the Fund) as at **31 December 2022**, and the related condensed interim Income Statement, condensed interim Statement of Comprehensive Income, condensed interim Cash Flow Statement and condensed interim Statement of Movement in Unit Holders' Fund, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management Company is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-months period ended 31 December 2022.

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 interim financial statements 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 interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditors' review report is Arslan Khalid.



Chartered Accountants

Date: 27 February 2023

Place: Karachi

UDIN Number: RR202210191aThDkdwRO

UBL ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF ASSETS & LIABILITIES
AS AT DECEMBER 31, 2022

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|--|------|--------------------------------------|-------------------------------|
| | Note | ----- (Rupees in '000) ----- | |
| ASSETS | | | |
| Bank balances | 4 | 83,580 | 111,406 |
| Investments | 5 | 326,502 | 436,848 |
| Advance tax | | 1,724 | 1,723 |
| Dividend and mark-up receivable | | 34,300 | 12,737 |
| Deposits and other receivables | | 13,719 | 13,720 |
| Receivable against sale of investments | | 2,650 | - |
| TOTAL ASSETS | | 462,475 | 576,434 |
| LIABILITIES | | | |
| Payable to UBL Fund Managers Limited - Management Company | 6 | 3,603 | 4,424 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 7 | 94 | 112 |
| Annual Fee payable to Securities and Exchange Commission of Pakistan | 8 | 51 | 155 |
| Payable against purchase of investments | | 1,926 | 86 |
| Accrued expenses and other liabilities | 9 | 10,092 | 11,326 |
| TOTAL LIABILITIES | | 15,766 | 16,103 |
| NET ASSETS | | 446,709 | 560,331 |
| UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED) | | 446,709 | 560,331 |
| CONTINGENCIES AND COMMITMENTS | 10 | | |
| | | ----- (Number) ----- | |
| NUMBER OF UNITS IN ISSUE | | 3,015,711 | 3,853,125 |
| | | ----- (Rupees) ----- | |
| NET ASSETS VALUE PER UNIT | | 148.1271 | 145.4225 |

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL ASSET ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

| | Note | Half year ended | | Quarter ended | |
|--|------|----------------------|----------------------|----------------------|----------------------|
| | | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| ----- (Rupees in '000) ----- | | | | | |
| INCOME | | | | | |
| Financial income on: | | | | | |
| - Bank balances | | 7,442 | 6,663 | 3,835 | 3,139 |
| - Government securities | | 2,493 | 9,282 | 2,493 | 4,792 |
| - Term finance certificates | | 7,895 | 6,001 | 4,120 | 3,429 |
| Dividend income | | 9,525 | 11,822 | 5,163 | 7,130 |
| Net gain / (loss) on redemption / sale of investments classified as 'at fair value through profit or loss' | | 275 | (1,261) | (997) | (929) |
| Net unrealised (loss) / gain on revaluation of investments classified as 'at fair value through profit or loss' | | (9,681) | (18,849) | (8,857) | 4,546 |
| Other income | | - | 33 | - | 33 |
| Total income | | 17,949 | 13,691 | 5,757 | 22,140 |
| EXPENSES | | | | | |
| Remuneration of the Management Company | 6.1 | 2,370 | 4,452 | 1,018 | 2,248 |
| Sales tax on Management fee | 6.2 | 308 | 579 | 132 | 292 |
| Allocation of expenses relating to the Fund | 6.4 | 886 | 1,299 | 413 | 781 |
| Selling and marketing expenses | 6.3 | 2,632 | 4,630 | 1,226 | 2,338 |
| Remuneration of the Trustee | 7.2 | 506 | 890 | 200 | 392 |
| Sales tax on remuneration of the Trustee | 7.3 | 66 | 116 | 66 | 116 |
| Annual fee to Securities and Exchange Commission of Pakistan | 8.1 | 51 | 89 | 24 | 45 |
| Auditors' remuneration | | 580 | 564 | 473 | 302 |
| Legal and professional charges | | 97 | 97 | 79 | 48 |
| Brokerage and settlement expenses | | 431 | 771 | 156 | 501 |
| Listing fee expense | | 14 | 14 | 10 | 7 |
| Bank charges and other expenses | | - | 4 | - | - |
| Total expenses | | 7,941 | 13,505 | 3,797 | 7,070 |
| Reversal for Sindh Workers' Welfare Fund (SWWF) | | - | 16,632 | - | - |
| Net income for the period before taxation | | 10,008 | 16,818 | 1,960 | 15,070 |
| Taxation | 12 | - | - | - | - |
| Net income for the period after taxation | | 10,008 | 16,818 | 1,960 | 15,070 |
| Allocation of net income for the period: | | | | | |
| Net income for the period after taxation | | 10,008 | 16,818 | 1,960 | 15,070 |
| Income already paid on units redeemed | | (2,479) | (841) | (603) | (841) |
| | | 7,529 | 15,977 | 1,357 | 14,229 |
| Accounting income available for distribution: | | | | | |
| - Relating to capital gains | | - | - | - | - |
| - Excluding capital gains | | 7,529 | 15,977 | 1,357 | 14,229 |
| | | 7,529 | 15,977 | 1,357 | 14,229 |

Earnings per unit

13

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

| | Half year ended | | Quarter ended | |
|--|------------------------------|----------------------|----------------------|----------------------|
| | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| | ----- (Rupees in '000) ----- | | | |
| Net income for the period after taxation | 10,008 | 16,818 | 1,960 | 15,070 |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive income for the period | 10,008 | 16,818 | 1,960 | 15,070 |

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Capital value | Undistributed income | Total | Capital value | Undistributed income | Total |
|---|------------------------------|----------------------|------------------|------------------|----------------------|------------------|
| | ----- (Rupees in '000) ----- | | | | | |
| Net assets at beginning of the period | 90,595 | 469,736 | 560,331 | 388,948 | 483,373 | 872,321 |
| Amount received on issuance 106,165 of units (2021: 699,444 units) | | | | | | |
| Capital value | 15,439 | - | 15,439 | 104,077 | - | 104,077 |
| Element of income during the period: | | | | | | |
| - Relating to net income for the period after taxation | 402 | - | 402 | 1,491 | - | 1,491 |
| Total amount received on issuance of units | 15,841 | - | 15,841 | 105,568 | - | 105,568 |
| Amount paid on redemption of 943,579 units (2021: 856,254 units) | | | | | | |
| Capital value | (137,218) | - | (137,218) | (127,399) | - | (127,399) |
| Element of income during the period: | | | | | | |
| - Relating to net income / (loss) for the period after taxation | 226 | (2,479) | (2,253) | (1,158) | (841) | (1,999) |
| Total amount paid on redemption of units | (136,992) | (2,479) | (139,471) | (128,557) | (841) | (129,398) |
| Net income for the period after tax | - | 10,008 | 10,008 | - | 16,818 | 16,818 |
| Distribution during the period | - | - | - | - | - | - |
| Net income for the period less distribution | - | 10,008 | 10,008 | - | 16,818 | 16,818 |
| Net assets at end of the period | (30,556) | 477,265 | 446,709 | 365,959 | 499,350 | 865,309 |
| Undistributed income / (loss) brought forward: | | | | | | |
| - Realised gains | - | 499,391 | 499,391 | - | 444,321 | 444,321 |
| - Unrealised (loss) / gains | - | (29,655) | (29,655) | - | 39,052 | 39,052 |
| | - | 469,736 | 469,736 | - | 483,373 | 483,373 |
| Accounting income available for distribution: | | | | | | |
| - Relating to capital gains | - | - | - | - | - | - |
| - Excluding capital gains | - | 7,529 | 7,529 | - | 15,977 | 15,977 |
| | - | 7,529 | 7,529 | - | 15,977 | 15,977 |
| Distribution during the period | - | - | - | - | - | - |
| Undistributed income carried forward | - | 477,265 | 477,265 | - | 499,350 | 499,350 |
| Undistributed income / (loss) carried forward | | | | | | |
| - Realised income | - | 486,946 | 486,946 | - | 518,199 | 518,199 |
| - Unrealised loss | - | (9,681) | (9,681) | - | (18,849) | (18,849) |
| | - | 477,265 | 477,265 | - | 499,350 | 499,350 |
| | | | (Rupees) | | | (Rupees) |
| Net assets value per unit at beginning of the period | | | <u>145.4225</u> | | | <u>148.8000</u> |
| Net assets value per unit at end of the period | | | <u>148.1271</u> | | | <u>151.6600</u> |

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL ASSET ALLOCATION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended December 31, | |
|---|---------------------------------|------------------|
| | 2022 | 2021 |
| | ----- (Rupees in '000) ----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period before taxation | 10,008 | 16,818 |
| Adjustments for: | | |
| Financial income on bank balances and investments | (17,830) | (21,946) |
| Net gain / (loss) on redemption / sale of investments classified as 'at fair value through profit or loss' | (275) | 1,261 |
| Dividend income | (9,525) | (11,822) |
| Net unrealised loss on revaluation of investments classified as 'at fair value through profit or loss' | 9,681 | 18,849 |
| Reversal for Sindh Workers' Welfare Fund | - | (16,632) |
| | (17,949) | (30,290) |
| Net cash used in operations before working capital changes | (7,941) | (13,472) |
| Decrease / (increase) in assets | | |
| Investments | 100,940 | (59,386) |
| Advance tax | (1) | (1) |
| Receivable against sale of equity shares | (2,650) | (107) |
| Deposits, prepayments and other receivables | 1 | 3,270 |
| | 98,290 | (56,224) |
| Decrease in liabilities | | |
| Payable to the Management Company | (821) | (620) |
| Payable to Central Depository Company of Pakistan Limited - Trustee | (18) | (20) |
| Payable to Securities and Exchange Commission of Pakistan | (104) | (128) |
| Payable against purchase of equity securities | 1,840 | (103,655) |
| Accrued expenses and other payables | (1,234) | (7,703) |
| | (337) | (112,126) |
| Dividend and mark-up received | 5,792 | 31,997 |
| Net cash generated / (used in) from operating activities | 95,804 | (149,825) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from issuance of units | 15,841 | 105,568 |
| Payments on redemption of units | (139,471) | (129,398) |
| Net cash used in from financing activities | (123,630) | (23,830) |
| Cash and cash equivalents at beginning of the period | 111,406 | 339,281 |
| Cash and cash equivalents at end of the period | 83,580 | 165,626 |
| CASH AND CASH EQUIVALENTS | | |
| Bank balances | 83,580 | 165,626 |
| | 83,580 | 165,626 |

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL ASSET ALLOCATION FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** 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 Trust Deed was previously registered under The "Trust Act 1882". The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, the above-mentioned Trust Deed has been registered under the Sindh Trust Act".
- 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 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.
- 1.4** 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'.
- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.6** VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company on December 31, 2022.

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 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, 2022.
- 2.3** The comparative figures in these condensed interim statement of asset and liabilities presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2022, whereas the comparative figures in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' fund have been extracted from the unaudited interim condensed financial statements for the period ended December 31, 2021.
- 2.4** 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 December 31, 2022.

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, 2022.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2021 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not 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

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

| Standards, interpretations and amendments | Effective date (annual periods beginning on or after) |
|---|--|
| Definition of Accounting Estimates - Amendments to IAS 8 | January 01, 2023 |
| Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 | January 01, 2023 |
| Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12 | January 01, 2023 |
| Classification of liabilities as current or non-current - Amendment to IAS 1 | January 01, 2024 |
| Lease Liability in a Sale and Leaseback - Amendments to IFRS 16 | January 01, 2024 |
| Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28 | Not yet finalized |

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

| Standards | IASB Effective date (annual periods beginning on or after) |
|---|---|
| IFRS 1 - First-time Adoption of International Financial Reporting Standards | July 01, 2009 |
| IFRS 17 – Insurance Contracts | January 01, 2023 |

| | | (Un-audited) December 31 2022 | (Audited) June 30, 2022 |
|-------------------------|---|--|--|
| | Note | ----- (Rupees in '000) ----- | |
| 4. BANK BALANCES | | | |
| Saving accounts | 4.1 | <u>83,580</u> | <u>111,406</u> |
| 4.1 | The rates of return on these balances range from 13.00% to 16% (June 30, 2022: 12.25% to 16.60%) per annum. These include an amount held by a related party (United Bank Limited) amounting to Rs.0.396 million (June 30, 2022: Rs.1.25 million). | | |

| | | (Un-audited) December 31 2022 | (Audited) June 30, 2022 |
|---|-------------|--|--|
| | Note | ----- (Rupees in '000) ----- | |
| 5. INVESTMENTS | | | |
| Investments by Category | | | |
| Fair value through profit or loss | | | |
| - Government securities - Pakistan Investment Bonds | 5.1 | 49,390 | 100,000 |
| - Debt securities - Term Finance Certificates | 5.2 | 114,312 | 130,827 |
| - Quoted equity securities | 5.3 | <u>162,800</u> | <u>206,021</u> |
| | | <u>326,502</u> | <u>436,848</u> |

5.1 Government securities - Pakistan Investment Bonds 'at fair value through profit or loss'
(Certificates having a nominal value of Rs.100,000 each)

| Particulars | Note | As at July 01, 2022 | Purchased during the period | Sold / matured during the period | As at December 31, 2022 | Balance as at December 31, 2022 | | | Market value as a percentage of net assets | Market value as a percentage of total investments |
|---|-------|---------------------|-----------------------------|----------------------------------|-------------------------|---------------------------------|---------------|--------------------------|--|---|
| | | | | | | Carrying value | Market value | Unrealised (loss) / gain | | |
| ----- Number of certificates ----- | | | | | | ----- (Rupees in '000) ----- | | | ----- % ----- | |
| Pakistan Investment Bonds - 10 years | 5.1.1 | 1,000 | - | 500 | 500 | 50,000 | 49,390 | (610) | 11.06% | 15.13% |
| Total as at December 31, 2022 (Un-Audited) | | | | | | 50,000 | 49,390 | (610) | 11.06% | 15.13% |
| Total as at June 30, 2022 (Audited) | | | | | | 100,230 | 100,000 | (230) | | |

5.1.1 This Pakistan Investment Bonds carry floating interest at the of 16.3806% per annum. This will mature latest by August 09, 2028.

5.2 Investment in Debt securities - Term Finance Certificates 'at fair value through profit or loss'

| Name of Security | Note | As at July | Purchased | Sold / | As at | Carrying | Market | Unrealised (loss) / gain | Market value | Market value |
|--|---------------|---------------|--------------------------|---------------------------------|----------------------|-------------------------------------|-------------------------------------|-----------------------------|---|-------------------------------------|
| | | 01, 2022 | during the period | matured during the period | December 31, 2022 | value as at December 31, 2022 | value as at December 31, 2022 | | as a percentage of total investments | as a percentage of net assets |
| | | ----- | (Number of certificates) | ----- | ----- | (Rupees in '000) | ----- | ----- | % | ----- |
| Unquoted | | | | | | | | | | |
| Investment and Brokerage Services | | | | | | | | | | |
| Jahangir Siddiqui and Company Limited - Term Finance Certificate (Face value at Rs.1,250 each) | 5.2.1 & 5.2.2 | 30,000 | - | - | 30,000 | 38,243 | 38,172 | (71) | 11.7% | 8.55% |
| Commercial Bank | | | | | | | | | | |
| Bank Al Habib Limited - PPTFC (Face value at Rs.4,998 each) | 5.2.1 & 5.2.2 | 7,000 | - | - | 7,000 | 36,001 | 34,508 | (1,493) | 10.6% | 7.72% |
| Quoted | | | | | | | | | | |
| Commercial Bank | | | | | | | | | | |
| Bank Alfalah Limited - Term Finance Certificate (Face value at Rs.5,000 each) | 5.2.1 & 5.2.2 | 9,000 | - | - | 9,000 | 41,277 | 41,632 | 355 | 12.8% | 9.32% |
| Total as at December 31, 2022 (Un-Audited) | | 46,000 | - | - | 46,000 | 115,521 | 114,312 | (1,209) | 35% | 26% |
| Total as at June 30, 2022 (Audited) | | | | | | 132,329 | 130,827 | (1,502) | (293) | |

5.2.1 These carry effective interest rate 17.19% to 9.03% (June 2022: 9.03% to 13.26%).

5.2.2 Significant terms and conditions of term finance certificates outstanding as at December 31, 2022 are as follows:

| Name of securities | Mark up rate (per annum) | Issue date | Maturity date |
|---|-----------------------------|------------|---------------|
| Jahangir Siddiqui and Company (July 18, 2017) | 6M KIBOR + 1.4% | 18-Jul-17 | 18-Jul-23 |
| Bank Alfalah Limited | 6M KIBOR + 0.75% | 15-Jan-21 | 15-Jan-24 |
| Bank Al Habib Limited | 6M KIBOR + 0.75% | 30-Sep-21 | 30-Sep-31 |

5.3 Quoted equity securities - 'at fair value through profit or loss'

| Name of the investee company | Note | As at July 01, 2022 | Purchased during the period | Bonus / Right issue during the period | Sold during the period | As at December 31, 2022 | Cost / carrying value as at December 31, 2022 | Market value as at December 31, 2022 | Unrealised (Loss) / Gain | 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 |
|--|-------|---------------------|-----------------------------|---------------------------------------|------------------------|-------------------------|---|--------------------------------------|--------------------------|---|--|---|
| (Number of shares) | | | | | | (Rupees in '000) | | | (%) | | | |
| Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise: | | | | | | | | | | | | |
| Oil and gas exploration companies | | | | | | | | | | | | |
| Mari Petroleum Company Limited | | 21,141 | - | - | 13,080 | 8,061 | 14,024 | 12,470 | (1,554) | 3.82% | 2.79% | 0.01% |
| Oil and Gas Development Company Limited | | 140,200 | 99,200 | - | 80,000 | 159,400 | 12,059 | 12,698 | 639 | 3.89% | 2.84% | 0.00% |
| Pakistan Petroleum Limited | 5.4.1 | 134,750 | 210,300 | - | 100,700 | 244,350 | 14,189 | 16,650 | 2,461 | 5.10% | 3.73% | 0.01% |
| Attock Petroleum Limited | | - | 3,800 | 50 | 3,800 | 50 | 14 | 14 | - | 0.00% | 0.00% | 0.00% |
| Pakistan Oilfields Limited | | 8,350 | - | - | 8,350 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| | | | | | | | 40,286 | 41,832 | 1,546 | 12.81% | 9.36% | 0.02% |
| Oil and gas marketing companies | | | | | | | | | | | | |
| Sui Northern Gas Pipeline Limited | | 36,000 | 31,000 | - | 66,800 | 200 | 7 | 8 | 1 | 0.00% | 0.00% | 0.00% |
| Pakistan State Oil Company Limited | 5.4.2 | 10,486 | 24,300 | - | 9,800 | 24,986 | 4,096 | 3,598 | (498) | 1.10% | 0.81% | 0.01% |
| | | | | | | | 4,103 | 3,606 | (497) | 1.10% | 0.81% | 0.01% |
| Power generation and distribution | | | | | | | | | | | | |
| The Hub Power Company Limited | | 232,653 | 24,000 | - | 144,650 | 112,003 | 7,559 | 7,065 | (494) | 2.16% | 1.58% | 0.01% |
| Nishat Power Limited | | - | 167,500 | - | 167,500 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| K Electric Limited** | | - | 429,000 | - | 100,000 | 329,000 | 1,048 | 888 | (160) | 0.27% | 0.20% | 0.00% |
| Saif Power Limited | | 100,000 | - | - | 100,000 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| | | | | | | | 8,607 | 7,953 | (654) | 2.43% | 1.78% | 0.01% |
| Chemicals | | | | | | | | | | | | |
| Dynea Pakistan Limited* | | 7,000 | 600 | - | - | 7,600 | 1,329 | 1,178 | (151) | 0.36% | 0.26% | 0.04% |
| Ghani Global Holdings Limited | | - | 13,000 | 1,300 | - | 14,300 | 212 | 161 | (51) | 0.05% | 0.04% | 0.00% |
| Ittehad Chemicals Limited | | - | 70,000 | - | - | 70,000 | 2,075 | 1,925 | (150) | 0.59% | 0.43% | 0.07% |
| Nimir Resins Limited | | 83,000 | 24,500 | - | 10,000 | 97,500 | 1,407 | 1,401 | (6) | 0.43% | 0.31% | 0.07% |
| | | | | | | | 5,023 | 4,665 | (358) | 1.43% | 1.04% | 0.18% |
| Fertilizer | | | | | | | | | | | | |
| Engro Corporation Limited | 5.4.1 | 5,475 | 34,500 | - | 5,550 | 34,425 | 8,250 | 9,020 | 770 | 2.76% | 2.02% | 0.01% |
| Engro Fertilizers Limited | | 34,761 | 110,100 | - | 78,000 | 66,861 | 5,510 | 5,141 | (369) | 1.57% | 1.15% | 0.01% |
| Fatima Fertilizer Company Limited | | 61,000 | 13,474 | - | 47,000 | 27,474 | 1,036 | 923 | (113) | 0.28% | 0.21% | 0.00% |
| Fauji Fertilizer Company Limited | | 105,062 | 16,000 | - | 120,500 | 562 | 62 | 55 | (7) | 0.02% | 0.01% | 0.00% |
| | | | | | | | 14,858 | 15,139 | 281 | 4.63% | 3.39% | 0.02% |
| Cement | | | | | | | | | | | | |
| Kohat Cement Company Limited | | 59,070 | 11,800 | - | 12,200 | 58,670 | 8,025 | 8,666 | 641 | 2.65% | 1.94% | 0.03% |
| Lucky Cement Limited | 5.4.1 | 13,272 | 500 | - | 5,650 | 8,122 | 3,719 | 3,627 | (92) | 1.11% | 0.81% | 0.00% |
| Maple Leaf Cement Factory Limited | | - | 181,500 | - | 111,000 | 70,500 | 2,065 | 1,591 | (474) | 0.49% | 0.36% | 0.01% |
| Pioneer Cement Limited | | - | 73,000 | - | 65,000 | 8,000 | 593 | 411 | (182) | 0.13% | 0.09% | 0.00% |
| | | | | | | | 14,402 | 14,295 | (107) | 4.38% | 3.20% | 0.04% |
| Automobile parts and accessories | | | | | | | | | | | | |
| Panther Tyres Limited | | 37,000 | - | - | 7,000 | 30,000 | 972 | 622 | (350) | 0.19% | 0.14% | 0.02% |
| | | | | | | | 972 | 622 | (350) | 0.19% | 0.14% | 0.02% |
| Automobile Assembler | | | | | | | | | | | | |
| Ghandhara Industries Limited | | - | 3,500 | - | - | 3,500 | 504 | 380 | (124) | 0.12% | 0.09% | 0.01% |
| | | | | | | | 504 | 380 | (124) | 0.12% | 0.09% | 0.01% |
| Leather and tanneries | | | | | | | | | | | | |
| Service Industries Limited | | 12,424 | 4,600 | - | 2,000 | 15,024 | 5,253 | 5,105 | (148) | 1.56% | 1.14% | 0.03% |
| | | | | | | | 5,253 | 5,105 | (148) | 1.56% | 1.14% | 0.03% |

| Name of the investee company | Note | As at July 01, 2022 | Purchased during the period | Bonus / Right issue during the period | Sold during the period | As at December 31, 2022 | Cost / carrying value as at December 31, 2022 | Market value as at December 31, 2022 | Unrealised (Loss) / Gain | 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 |
|--|-------|---------------------|-----------------------------|---------------------------------------|------------------------|------------------------------|---|--------------------------------------|--------------------------|---|--|---|
| ----- (Number of shares) ----- | | | | | | ----- (Rupees in '000) ----- | | | ----- (%) ----- | | | |
| Commercial banks | | | | | | | | | | | | |
| Habib Bank Limited | | 118,100 | 34,000 | - | 101,800 | 50,300 | 4,241 | 3,206 | (1,035) | 0.98% | 0.72% | 0.00% |
| Allied Bank Limited | | 27,000 | - | - | 27,000 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| Habib Metropolitan Bank Limited | | 26,000 | - | - | 26,000 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| Bank Alfalah Limited | | 186,332 | 7,000 | - | 186,103 | 7,229 | 231 | 218 | (13) | 0.07% | 0.05% | 0.00% |
| Bank AL Habib Limited | | 134,261 | - | - | 44,709 | 89,552 | 5,199 | 4,950 | (249) | 1.52% | 1.11% | 0.01% |
| Faysal Bank Limited | 5.4.2 | 183,008 | 22,000 | - | 6,500 | 198,508 | 4,684 | 5,127 | 443 | 1.57% | 1.15% | 0.01% |
| Meezan Bank Limited | | - | 44,000 | 1,025 | 11,150 | 33,875 | 3,915 | 3,372 | (543) | 1.03% | 0.75% | 0.00% |
| United Bank Limited**** | 5.4.1 | 119,833 | 63,500 | - | 51,500 | 131,833 | 15,065 | 13,282 | (1,783) | 4.07% | 2.97% | 0.01% |
| | | | | | | | 33,335 | 30,155 | (3,180) | 9.24% | 6.75% | 0.03% |
| Textile Composite | | | | | | | | | | | | |
| Nishat Mills Limited | | 6,400 | - | - | 6,400 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| Towellers Limited | | 1,900 | 500 | - | 2,400 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| Kohinoor Textile Mills Limited | | 120,946 | 24,500 | - | 8,000 | 137,446 | 7,015 | 6,494 | (521) | 1.99% | 1.45% | 0.05% |
| Gul Ahmed Textile Mills Limited | | 141,860 | - | - | 52,500 | 89,360 | 3,021 | 2,202 | (819) | 0.67% | 0.49% | 0.01% |
| Interloop Limited | | 62,015 | 33,080 | 2,907 | 16,200 | 81,802 | 4,839 | 4,634 | (205) | 1.42% | 1.04% | 0.01% |
| | | | | | | | 14,875 | 13,330 | (1,545) | 4.08% | 2.98% | 0.07% |
| Engineering | | | | | | | | | | | | |
| International Steels Limited | | - | 18,100 | - | 18,100 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| Amreli Steels Limited | | - | 18,500 | - | 18,500 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| Mughal Iron & Steel Industries Limited | | 11,500 | 4,700 | - | 16,200 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| | | | | | | | - | - | - | 0.00% | 0.00% | 0.00% |
| Cable and electrical goods | | | | | | | | | | | | |
| Pakistan Cables Limited | | 6,000 | 800 | 900 | - | 7,700 | 929 | 829 | (100) | 0.25% | 0.19% | 0.02% |
| | | | | | | | 929 | 829 | (100) | 0.25% | 0.19% | 0.02% |
| Sugar and allied industries | | | | | | | | | | | | |
| Shahmurad Sugar Mills Limited | | 15,000 | 1,500 | - | - | 16,500 | 1,459 | 2,149 | 690 | 0.66% | 0.48% | 0.08% |
| | | | | | | | 1,459 | 2,149 | 690 | 0.66% | 0.48% | 0.08% |
| Food and personal care product | | | | | | | | | | | | |
| Unity Foods Limited | | - | 61,500 | - | 61,500 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| Matco Foods Limited | | 107,500 | - | - | 79,000 | 28,500 | 710 | 969 | 259 | 0.30% | 0.22% | 0.02% |
| Shezan International Limited | | 7,880 | 1,700 | - | 1,000 | 8,580 | 1,428 | 1,271 | (157) | 0.39% | 0.28% | 0.09% |
| Bunnys Limited | | - | 21,000 | - | - | 21,000 | 545 | 310 | (235) | 0.09% | 0.07% | 0.03% |
| The Organic Meat Company Limited | | - | 16,500 | - | 2,000 | 14,500 | 334 | 300 | (34) | 0.09% | 0.07% | 0.01% |
| Treet Corporation Limited | | - | 8,500 | - | 8,000 | 500 | 13 | 8 | (5) | 0.00% | 0.00% | 0.00% |
| AT-Tahur Limited. | | 57,940 | 29,500 | 8,744 | - | 96,184 | 1,718 | 1,644 | (74) | 0.50% | 0.37% | 0.04% |
| | | | | | | | 4,748 | 4,502 | (246) | 1.37% | 1.01% | 0.19% |
| Glass and ceramics | | | | | | | | | | | | |
| Tariq Glass Industries Limited | | - | 4,400 | - | - | 4,400 | 374 | 287 | (87) | 0.09% | 0.06% | 0.00% |
| | | | | | | | 374 | 287 | (87) | 0.09% | 0.06% | 0.00% |
| Insurance | | | | | | | | | | | | |
| Adamjee Insurance Company Limited | | 46,256 | - | - | 45,500 | 756 | 24 | 21 | (3) | 0.01% | 0.00% | 0.00% |
| | | | | | | | 24 | 21 | (3) | 0.01% | 0.00% | 0.00% |

| | | | | | | | | | | | | |
|---|---------|---------|--------|--------|---------|----------------|----------------|----------------|---------------|---------------|--------------|-------|
| Technology and communication | | | | | | | | | | | | |
| Systems Limited | 6,540 | - | - | 1,750 | 4,790 | 1,581 | 2,318 | 737 | 0.71% | 0.52% | 0.00% | |
| Avanceon Limited | - | 60,400 | - | 36,000 | 24,400 | 1,953 | 1,611 | (342) | 0.49% | 0.36% | 0.01% | |
| Hum Network Limited*** | 354,500 | 155,000 | 60,900 | 50,000 | 520,400 | 3,067 | 3,039 | (28) | 0.93% | 0.68% | 0.05% | |
| | | | | | | 6,601 | 6,968 | 367 | 2.13% | 1.56% | 0.06% | |
| Paper and Board | | | | | | | | | | | | |
| Century Paper & Board Mills Limited | 18,400 | 6,000 | 2,140 | 2,500 | 24,040 | 1,386 | 1,190 | (196) | 0.36% | 0.27% | 0.01% | |
| | | | | | | 1,386 | 1,190 | (196) | 0.36% | 0.27% | 0.01% | |
| Miscellaneous | | | | | | | | | | | | |
| Shifa International Hospitals Limited | 18,700 | - | - | 1,500 | 17,200 | 3,081 | 1,842 | (1,239) | 0.56% | 0.41% | 0.03% | |
| Pakistan Aluminum Beverage Cans Limited | - | 36,000 | - | 36,000 | - | - | - | - | 0.00% | 0.00% | 0.00% | |
| | | | | | | 3,081 | 1,842 | (1,239) | 0.56% | 0.41% | 0.03% | |
| Pharmaceuticals | | | | | | | | | | | | |
| The Searle Company Limited | 5.4.2 | 3,007 | - | 751 | - | 3,758 | 328 | 221 | (107) | 0.07% | 0.05% | 0.00% |
| Highnoon Laboratories Limited | 5.4.2 | 6,185 | - | - | 1,000 | 5,185 | 2,747 | 2,801 | 54 | 0.86% | 0.63% | 0.01% |
| Citi Pharma Limited | | 30,000 | 45,000 | - | 4,000 | 71,000 | 2,226 | 1,715 | (511) | 0.53% | 0.38% | 0.03% |
| AGP Pakistan Limited | | 8,700 | - | - | 8,700 | - | - | - | - | 0.00% | 0.00% | 0.00% |
| Ferozsons Laboratories Limited | | - | 10,500 | 1,460 | - | 11,960 | 2,441 | 1,645 | (796) | 0.50% | 0.37% | 0.03% |
| GlaxoSmithKline Consumer Healthcare Limited | | - | 7,300 | - | 1,000 | 6,300 | 1,472 | 1,033 | (439) | 0.32% | 0.23% | 0.01% |
| IBL HealthCare Limited | | 4,940 | 7,500 | 1,244 | - | 13,684 | 628 | 515 | (113) | 0.16% | 0.12% | 0.02% |
| | | | | | | 9,842 | 7,930 | (1,912) | 2.44% | 1.78% | 0.10% | |
| Total as at December 31, 2022 (Un-Audited) | | | | | | 170,662 | 162,800 | (7,862) | 49.84% | 36.44% | | |
| Total as at June 30, 2022 (Audited) | | | | | | 233,941 | 206,021 | (27,920) | | | | |

* The par value per share is Rs.5.

** The par value per share is Rs.3.5.

*** The par value per share is Rs.1.

**** 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:

| | December 31 2022 | June 30, 2022 |
|----------------------------|---------------------|------------------|
| | (Number of shares) | |
| Engro Corporation Limited | 5,000 | 5,000 |
| Lucky Cement Limited | 5,000 | 10,000 |
| Pakistan Petroleum Limited | 25,000 | 25,000 |
| United Bank Limited | 50,000 | 50,000 |
| | 85,000 | 90,000 |

5.4.2 The fair market value of shares equivalent to 5% of bonus entitlement of the fund amounted to Rs.0.6247 (June 30, 2022: Rs.0.7609) million. For further details refer note 7.4.2 to the annual audited financial statements of the Fund for the year ended June 30, 2022.

| | | December 31 2022 (Un-audited) | June 30, 2022 (Audited) |
|---|------|-------------------------------------|-------------------------------|
| | Note | ----- (Rupees in 000) ----- | |
| 6. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY | | | |
| Remuneration payable to the Management Company | 6.1 | 392 | 467 |
| Sindh sales tax payable on remuneration of the Management Company | 6.2 | 51 | 321 |
| Sales load and others payable | | 113 | 3,438 |
| Selling and marketing expenses payable | 6.3 | 2,634 | 137 |
| Allocated expenses payable | 6.4 | 413 | - |
| | | <u>3,603</u> | <u>4,424</u> |

- 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 for the period at the rate of 1% of AUM.

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, 2022: 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 rates of 1.04% of 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 rate of 0.35% of AUM effective from July 01,2022 to December 31,2022.

| | | December 31 2022 (Un-audited) | June 30, 2022 (Audited) |
|---|------|-------------------------------------|-------------------------------|
| | Note | ----- (Rupees in 000) ----- | |
| 7. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE | | | |
| Remuneration payable to the Trustee | 7.1 | 83 | 99 |
| Sindh sales tax on Trustee remuneration | 7.2 | 11 | 13 |
| | | <u>94</u> | <u>112</u> |

7.1 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.

7.2 As per the Trust Deed and Offering Document, the tariff structure applicable to the Fund in respect of trustee fee for the half ended December 31, 2022 is as follows:

| Net assets: | Tariff per annum |
|--------------------------|---|
| - up to Rs.1 billion | Higher of Rs.0.7 million or 0.2% per annum of net asset value |
| - exceeding Rs.1 billion | Rs.2 million plus 0.10% per annum of net asset value |

7.3 Sales tax at the rate of 13% (June 30, 2022: 13%) on Trustee Remuneration is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

| | December 31 2022 (Un-audited) | June 30, 2022 (Audited) |
|---|-------------------------------------|-------------------------------|
| Note | ----- (Rupees in 000) ----- | |
| 8. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN | | |

| | | | |
|--------------------|-----|-----------|------------|
| Annual fee payable | 8.1 | <u>51</u> | <u>155</u> |
|--------------------|-----|-----------|------------|

8.1 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, 2022: 0.02%) of average annual net assets during the current period.

| | December 31 2022 (Un-audited) | June 30, 2022 (Audited) |
|--|-------------------------------------|-------------------------------|
| Note | ----- (Rupees in 000) ----- | |
| 9. ACCRUED EXPENSES AND OTHER LIABILITIES | | |

| | | | |
|--|-----|----------------------|---------------|
| Auditors' remuneration payable | | 1,407 | 828 |
| Printing charges payable | | 10 | 10 |
| Withholding tax payable | | - | 2,370 |
| Capital gain tax payable | | 91 | 58 |
| Listing fee payable | | 14 | - |
| Legal and professional charges payable | | 482 | 385 |
| Sales load payable | | 287 | 302 |
| Brokerage payable | | 659 | 230 |
| Zakat deducted at source | | 162 | 162 |
| Provision for Federal Excise Duty | 9.1 | 6,977 | 6,977 |
| Other payables | | 3 | 4 |
| | | <u>10,092</u> | <u>11,326</u> |

9.1 This includes provision for Federal Excise Duty (FED) as at December 31, 2022 amounting to Rs.6.977 million (June 30, 2022: 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, 2022. Had the provision not been maintained, the net assets value per unit would have been higher by Re.1.37 (June 30, 2022: Re.1.63).

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

11. TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund based on the current period results is 1.58% (December 31, 2021: 1.53%) which includes 0.09% (December 31, 2021: 0.09%) 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.

12. TAXATION

The income of the Fund is exempt from income 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% 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 Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% 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 Company intends to distribute at least 90% of the Fund's accounting income for the year ending June 30, 2023 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore 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. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

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

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, the NBFC regulations and the Trust Deed respectively.

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

Details of transactions with related parties / connected persons during the period and balances held with them at the quarter ended 31 December 2022 are as follows:

14.1

| | Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
|--|--------------------|----------------------|---------|------------------------------|---|
| ----- (Rupees in '000) ----- | | | | | |
| ----- (For the half year ended December 31, 2022) (Un-audited) ----- | | | | | |
| <u>Transactions during the period</u> | | | | | |
| Mark-up on bank accounts | - | 146 | - | - | - |
| Dividend income | - | 1,044 | - | - | - |
| Selling and marketing expense | 2,632 | - | - | - | - |
| Remuneration | 2,678 | - | 572 | - | - |
| Allocated expenses | 886 | - | - | - | - |
| ----- (For the half year ended December 31, 2021) (Un-audited) ----- | | | | | |
| <u>Transactions during the period</u> | | | | | |
| Mark-up on bank accounts | - | 390 | - | - | - |
| Dividend Income | - | 11,822 | - | - | - |
| Units issued | - | - | - | - | 1,259 |
| Units redeemed | - | - | - | 235 | - |
| Selling and marketing expense | 4,630 | - | - | - | - |
| Remuneration | 5,031 | - | 1,006 | - | - |
| Allocated expenses | 1,299 | - | - | - | - |
| ----- (As at December 31, 2022) (Un-audited) ----- | | | | | |
| <u>Balances held</u> | | | | | |
| Units held (Number of units in '000) | - | - | - | 43 | 654 |
| Units held (Rupees in '000) | - | - | - | 6,369 | 96,875 |
| Bank balances | - | 396 | - | - | - |
| Remuneration payable | 443 | - | 94 | - | - |
| Sales load and conversion charges payable | 113 | 12 | - | - | - |
| Selling and marketing expense payable | 2,634 | - | - | - | - |
| Allocated expenses | 413 | - | - | - | - |
| Profit receivable | - | 137 | - | - | - |
| ----- (As at June 30, 2022) (Audited) ----- | | | | | |
| <u>Balances held</u> | | | | | |
| Units held (Number of units in '000) | - | - | - | - | 654 |
| Units held (Rupees in '000) | - | - | - | - | 95,100 |
| Bank balances | - | 1,246 | - | - | - |
| Deposits | - | - | 100 | - | - |
| Remuneration payable | 528 | - | 112 | - | - |
| Sales load and other payable | 137 | - | - | - | - |
| Selling and marketing expense payable | 3,438 | - | - | - | - |
| Allocated expenses | 321 | - | - | - | - |
| Profit receivable | - | 127 | - | - | - |
| Remuneration payable to Trustee | - | - | - | - | - |

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.

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 | | | Total |
|--|----------------------|----------------|----------|----------------|
| | Level 1 | Level 2 | Level 3 | |
| | ----- (Rupees) ----- | | | |
| <u>December 31, 2022</u> | | | | |
| Financial assets measured at fair value | | | | |
| Investments in debt securities | 41,632 | 72,680 | - | 114,312 |
| Government securities | - | 49,390 | - | 49,390 |
| Quoted equity securities | 162,800 | - | - | 162,800 |
| | 204,432 | 122,070 | - | 326,502 |

| | Fair Value | | | Total |
|--|----------------------|----------------|----------|----------------|
| | Level 1 | Level 2 | Level 3 | |
| | ----- (Rupees) ----- | | | |
| <u>June 30, 2022</u> | | | | |
| Financial assets measured at fair value | | | | |
| Investments in debt securities | - | 130,827 | - | 130,827 |
| Government securities | - | 100,000 | - | 100,000 |
| Quoted equity securities | 206,021 | - | - | 206,021 |
| | 206,021 | 230,827 | - | 436,848 |

During the period ended December 31, 2022, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

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

15.1 Valuation techniques used in determination of fair values within level 2

15.1.1 Fair values of Pakistan Investment Bonds and Market Treasury Bills are derived using PKRV and PKFRV rates as announced by Mutual Funds Association of Pakistan (MUFAP).

15.1.2 Investments in term finance and sukuk certificates issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital, are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.

16. GENERAL

16.1 Prior period's figures have been rearranged / reclassified wherever necessary for better presentation and comparison. However, there were no material reclassifications to report.

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

17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on **January 26, 2023** by the Board of Directors of the Management Company.

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

USF

UBL Stock Advantage Fund

INVESTMENT OBJECTIVE

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.

| | |
|------------------------------|---|
| Management Company | UBL Fund Managers Limited |
| Trustee | Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500 |
| Distribution Company | United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk) |
| Auditors | EY Ford Rhodes, Chartered Accountants |
| Bankers | United Bank Limited Bank Alfalah Limited Habib Bank Limited Samba Bank Limited Silk Bank Limited Sindh Bank Limited The Bank of Punjab Allied Bank Limited MCB Bank Limited National Bank of Pakistan Soneri Bank Limited Habib Metro Bank Limited |
| Management Co. Rating | AMI (VIS) |

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com




TRUSTEE REPORT TO THE UNIT HOLDERS

UBL STOCK ADVANTAGE FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of UBL Stock Advantage Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 17, 2023

INDEPENDENT AUDITORS' REVIEW REPORT

To the Unit holders of UBL Stock Advantage Fund

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim Statement of Assets and Liabilities of **UBL Stock Advantage Fund** (the Fund) as at **31 December 2022**, and the related condensed interim Income Statement, condensed interim Statement of Comprehensive Income, condensed interim Statement of Movement in Unit Holders' Fund, condensed interim Statement of Cash Flows and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management Company is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-months period ended 31 December 2022.

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 interim financial statements 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 interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.



Other matter

The condensed interim financial statements for the half year ended 31 December 2021 and the annual financial statements for the year ended 30 June 2022 of the Fund were reviewed and audited respectively by another firm of Chartered Accountants, whose review report dated 22 February 2022 and audit report dated 29 September 2022 expressed an unmodified conclusion and an unmodified opinion respectively, on the aforementioned financial statements.

The engagement partner on the review resulting in this independent auditors' review report is Arslan Khalid.



Chartered Accountants

Date: 27 February 2023

Place: Karachi

UDIN Number: RR2022101918WwycfBZu

UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT 31 DECEMBER 2022

| | (Un-audited) 31 December 2022 | (Audited) 30 June 2022 |
|---|-------------------------------------|------------------------------|
| Note | ------(Rupees in '000)----- | |
| ASSETS | | |
| Bank balances | 264,382 | 367,255 |
| Investments | 4,518,689 | 5,266,749 |
| Dividend and profit receivable | 15,913 | 17,408 |
| Security deposits, advances and other receivables | 52,679 | 37,015 |
| Advance tax | 3,084 | 3,084 |
| Total assets | 4,854,747 | 5,691,512 |
| LIABILITIES | | |
| Payable to UBL Fund Managers Limited - Management Company | 53,871 | 53,586 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 557 | 607 |
| Payable to Securities and Exchange Commission of Pakistan | 539 | 1,455 |
| Accrued expenses and other liabilities | 57,296 | 60,616 |
| Payable against purchase of investments | 45,226 | 3,606 |
| Total liabilities | 157,489 | 119,870 |
| Net assets | 4,697,258 | 5,571,642 |
| Unit Holders' Fund (as per statement attached) | 4,697,258 | 5,571,642 |
| CONTINGENCIES AND COMMITMENTS | | |
| | ------(Number of units)----- | |
| Number of units in issue | 70,654,153 | 80,167,913 |
| | ----- (Rupees) ----- | |
| Net asset value per unit | 66.48 | 69.50 |
| Face value per unit | 100 | 100 |

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

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

| | Note | Half year ended 31 December | | Quarter ended 31 December | |
|---|------|--------------------------------|------------------|------------------------------|----------------|
| | | 2022 | 2021 | 2022 | 2021 |
| ------(Rupees in '000)----- | | | | | |
| INCOME | | | | | |
| Profit on bank deposits | | 13,451 | 10,852 | 6,042 | 4,004 |
| Loss on sale of investments - net | | (122,974) | (46,156) | (107,743) | (22,624) |
| Dividend income | | 256,742 | 250,116 | 159,799 | 148,242 |
| Other income | | - | 108 | - | - |
| Unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss - net | 5.1 | (240,513) | (216,609) | (108,181) | 215,102 |
| | | (93,294) | (1,689) | (50,083) | 344,724 |
| EXPENSES | | | | | |
| Remuneration of the Management Company | 6.1 | 74,151 | 106,430 | 35,832 | 52,817 |
| Sindh Sales Tax on remuneration of the Management Company | 6.1 | 9,640 | 13,836 | 4,659 | 6,866 |
| Allocated expenses | 6.2 | 4,045 | 5,462 | 1,955 | 2,881 |
| Selling and marketing expenses | 6.3 | 37,750 | 39,575 | 18,242 | 19,206 |
| Remuneration of the Trustee | 7.2 | 3,617 | 5,042 | 1,758 | 2,455 |
| Annual fee - Securities and Exchange Commission of Pakistan | 8.1 | 539 | 791 | 260 | 384 |
| Auditor's remuneration | | 370 | 344 | 188 | 177 |
| Brokerage and settlement charges | | 9,728 | 10,431 | 5,520 | 6,420 |
| Legal and professional charges | | 108 | 98 | 55 | 49 |
| Bank charges | | 14 | 36 | - | 11 |
| Other expenses | | 13 | 14 | (1,094) | 7 |
| | | 139,975 | 182,059 | 67,375 | 91,273 |
| Net operating (loss) / income for the period | | (233,269) | (183,748) | (117,458) | 253,451 |
| Reversal for Sindh Workers' Welfare Fund | | - | 89,641 | - | - |
| Net (loss) / income for the period before taxation | | (233,269) | (94,107) | (117,458) | 253,451 |
| Taxation | | - | - | - | - |
| Net (loss) / income for the period after taxation | | (233,269) | (94,107) | (117,458) | 253,451 |
| Allocation of net income for the period: | | | | | |
| Net (loss) / income for the period | | - | (94,107) | - | 253,451 |
| Income already paid on units redeemed | | - | - | - | - |
| | | - | (94,107) | - | 253,451 |
| Accounting income available for distribution: | | | | | |
| - Relating to capital gains | | - | - | - | - |
| - Excluding capital gains | | - | - | - | - |
| | | - | - | - | - |

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

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

| | Half year ended | | Quarter ended | |
|---|-----------------------------|-----------------|------------------|----------------|
| | 31 December | | 31 December | |
| | 2022 | 2021 | 2022 | 2021 |
| | ------(Rupees in '000)----- | | | |
| Net (loss) / income for the period after taxation | (233,269) | (94,107) | (117,458) | 253,451 |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive (loss) / income for the period | (233,269) | (94,107) | (117,458) | 253,451 |

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

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

| | 31 December 2022 | | | 31 December 2021 | | |
|--|-----------------------------|----------------------|------------------|------------------|----------------------|------------------|
| | Capital value | Undistributed income | Total | Capital value | Undistributed income | Total |
| | ------(Rupees in '000)----- | | | | | |
| Net assets at the beginning of the period | 4,814,172 | 757,470 | 5,571,642 | 6,618,998 | 1,488,466 | 8,107,464 |
| Amount received on Issue of 13,376,380 units (2021: 13,738,449 units) | | | | | | |
| - capital value | 929,658 | - | 929,658 | 1,078,882 | - | 1,078,882 |
| - element of loss | (11,668) | - | (11,668) | (5,787) | - | (5,787) |
| Total amount received on issuance of units | 917,990 | - | 917,990 | 1,073,095 | - | 1,073,095 |
| Amount paid on redemption of 22,890,140 units (2021: 20,221,537 units) | | | | | | |
| - capital value | (1,590,865) | - | (1,590,865) | (1,587,997) | - | (1,587,997) |
| - element of income | 31,760 | - | 31,760 | 7,627 | - | 7,627 |
| Total amount paid on redemption of units | (1,559,105) | - | (1,559,105) | (1,580,370) | - | (1,580,370) |
| Total comprehensive loss for the period | - | (233,269) | (233,269) | - | (94,107) | (94,107) |
| Distribution during the year Re. 0.75 per unit 'declared on June 28, 2021 | - | - | - | - | - | - |
| Total comprehensive loss for the period | - | (233,269) | (233,269) | - | (94,107) | (94,107) |
| Net assets at the end of the period | 4,173,057 | 524,201 | 4,697,258 | 6,111,723 | 1,394,359 | 7,506,082 |
| Undistributed income/(loss) brought forward comprising of: | | | | | | |
| - Realised income | | 1,614,254 | | | 707,132 | |
| - Unrealised (loss) / income | | (856,784) | | | 781,334 | |
| | | 757,470 | | | 1,488,466 | |
| Accounting income available for distribution: | | | | | | |
| - Relating to capital gains | | - | | | - | |
| - Excluding capital gains | | - | | | - | |
| | | - | | | - | |
| Undistributed income carried forward - net | | 757,470 | | | 1,488,466 | |
| Undistributed income carried forward comprising of: | | | | | | |
| - Realised income | | 997,983 | | | 1,705,075 | |
| - Unrealised loss | | (240,513) | | | (216,609) | |
| | | 757,470 | | | 1,488,466 | |
| | | --- | | | --- | |
| | | ---(Rupees)--- | | | ---(Rupees)--- | |
| Net assets value per unit at beginning of the period | | 69.50 | | | 78.53 | |
| Net assets value per unit at end of the period | | 66.48 | | | 77.58 | |

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

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

| | 31 December 2022 | 31 December 2021 |
|--|-----------------------------|---------------------|
| | ------(Rupees in 000')----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net loss for the period before taxation | (233,269) | (94,107) |
| Adjustments for non-cash charges and other items: | | |
| Profit on bank deposits | (13,451) | (10,852) |
| Loss on sale of investments - net | 122,974 | 46,156 |
| Dividend income | (256,742) | (250,116) |
| Reversal for Sindh Workers' Welfare Fund | - | (89,641) |
| Unrealised loss on re-measurement of investments investments at fair value through profit or loss - net | 240,513 | 216,609 |
| | 93,294 | (87,844) |
| Decrease / (increase) in assets | | |
| Investments | 384,573 | 116,363 |
| Security deposits, advances and other receivables | (15,664) | 67,224 |
| | 368,909 | 183,587 |
| (Decrease) / increase in liabilities | | |
| Payable to UBL Fund Managers Limited - Management Company | 285 | (35,919) |
| Payable to Central Depository Company of Pakistan Limited - Trustee | (50) | (48) |
| Payable to Securities and Exchange Commission of Pakistan | (916) | (751) |
| Accrued expenses and other liabilities | 38,301 | (119,591) |
| | 37,620 | (156,309) |
| | 266,554 | (154,673) |
| Profit on bank deposits received | 14,737 | 11,949 |
| Dividend received | 256,951 | 287,368 |
| Tax paid | - | (28) |
| Net cash generated from operating activities | 538,242 | 144,616 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Receipts from issuance of units | 917,990 | 1,073,095 |
| Payments against redemption of units | (1,559,105) | (1,580,370) |
| Net cash used in from financing activities | (641,115) | (507,275) |
| Net decrease in cash and cash equivalents | (102,873) | (362,659) |
| Cash and cash equivalents at the beginning of the period | 367,255 | 669,343 |
| Cash and cash equivalents at the end of the period | 264,382 | 306,684 |

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

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL STOCK ADVANTAGE FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 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) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on 5 June 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 27 June 2006 in accordance with the requirements of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Trust Deed was previously registered under The "Trust Act 1882". The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, the above-mentioned Trust Deed has been registered under the Sindh Trust Act".
- 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 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 Fund commenced its operations from 4 August 2006.
- 1.4 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 treasury bills not exceeding 90 days maturity.
- 1.5 JCR - VIS Credit Rating Company has assigned management quality rating of AM1 to the Management Company on 31 December 2022.
- 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

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

- 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 disclosure 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 30 June 2022.
- 2.3** The comparative statement of assets and liabilities presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Fund for the year ended 30 June 2022, whereas the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unitholders' fund and condensed interim statement of cash flows are extracted from the un-audited condensed interim financial statements for the period ended 31 December 2021.
- 2.4** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 31 December 2022.

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, 2022.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2021 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not 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

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

| Standards, interpretations and amendments | Effective date (annual period beginning on or after) |
|--|---|
| Definition of Accounting Estimates - Amendments to IAS 8 | January 01, 2023 |
| Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 | January 01, 2023 |
| Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12 | January 01, 2023 |
| Classification of liabilities as current or non-current - Amendment to IAS 1 | January 01, 2024 |
| Lease Liability in a Sale and Leaseback - Amendments to IFRS 16 | January 01, 2024 |
| Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28 | Not yet finalized |

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

| Standards | IASB Effective date (annual periods beginning on or after) |
|---|---|
| IFRS 1 - First-time Adoption of International Financial Reporting Standards | July 01, 2009 |
| IFRS 17 – Insurance Contracts | January 01, 2023 |

| | Note | (Unaudited) 31 December 2022 | (Audited) 30 June 2022 |
|-------------------------|-------------|---|-----------------------------------|
| 4. BANK BALANCES | Note | -----Rupees in '000----- | |
| - PLS accounts | 4.1 | 264,382 | 367,040 |
| - Current accounts | | - | 215 |
| | | <u>264,382</u> | <u>367,255</u> |

- 4.1 Profit rates on PLS accounts range between 13.50 % to 16.5 % (June 30, 2022: 3.75 % to 16.6 %) per annum. These include an amount held by a related party, United Bank Limited, amounting to Rs 5.413 million (June 30, 2022: Rs 4.08 million) on which the return is earned at 14.50% (June 30, 2022: 12.25%) per annum.

| | Note | (Unaudited) 31 December 2022 | (Audited) 30 June 2022 |
|--------------------------------------|-------------|---|-----------------------------------|
| 5. INVESTMENTS | Note | -----Rupees in '000----- | |
| At fair value through profit or loss | | | |
| Equity securities | 5.1 | <u>4,518,689</u> | <u>5,266,749</u> |

5.1 Equity securities

| Name of Investee Company | | As at 1 July 2022 | Purchased / bonus received during the period | Sold during the period | As at 31 December 2022 | Total carrying value as at 31 December 2022 | Total market value as at 31 December 2022 | Appreciation / (diminution) as at 31 December 2022 | Market value as a percentage of net assets | Market value as a percentage of total value of Investment | Investment as a percentage of paid-up capital of investee company |
|---|-------|----------------------|--|---------------------------|------------------------------|---|---|--|---|--|---|
| Quoted Investments | Note | Number of shares | | | Rupees in '000 | | | Percentage (%) | | | |
| OIL AND GAS MARKETING COMPANIES | | | | | | | | | | | |
| Pakistan State Oil Company Limited | 5.1.2 | 353,671 | 732,500 | 394,000 | 692,171 | 109,824 | 99,666 | (10,158) | 2.12 | 2.21 | 1.47 |
| Attock Petroleum Limited | | - | 19,997 | 19,997 | - | - | - | - | - | - | - |
| Sui Northern Gas Pipelines Limited | | 950,000 | 738,653 | 1,686,500 | 2,153 | 73 | 81 | 8 | 0.00 | 0.00 | - |
| | | | | | | 109,897 | 99,747 | (10,150) | 2.12 | 2.21 | - |
| OIL AND GAS EXPLORATION COMPANIES | | | | | | | | | | | |
| Oil & Gas Development Company Limited | 5.1.1 | 3,837,441 | 1,444,678 | 1,285,037 | 3,997,082 | 308,162 | 318,408 | 10,246 | 6.78 | 7.05 | 0.93 |
| Pakistan Petroleum Limited | | 4,303,268 | 3,657,000 | 1,741,000 | 6,219,268 | 386,377 | 423,781 | 37,404 | 9.02 | 9.38 | 2.29 |
| Pakistan Oilfields Limited | | 212,041 | 171,733 | 383,774 | - | - | - | - | - | - | - |
| Mari Petroleum Company Limited | | 317,192 | 18,419 | 98,640 | 236,971 | 410,824 | 366,585 | (44,239) | 7.80 | 8.11 | 1.78 |
| | | | | | | 1,105,362 | 1,108,773 | 3,411 | 23.60 | 24.54 | - |
| GLASS & CERAMICS MANUFACTURING COMPANIES | | | | | | | | | | | |
| Tariq Glass Industries Limited | | - | 159,004 | 5,000 | 154,004 | 12,855 | 10,029 | (2,826) | 0.21 | 0.22 | 1.12 |
| Shabbir Tiles & Ceramics Limited* | | 292,618 | - | 289,000 | 3,618 | 53 | 31 | (22) | 0.00 | 0.00 | 0.02 |
| | | | | | | 12,908 | 10,060 | (2,848) | 0.21 | 0.22 | - |
| FERTILIZER | | | | | | | | | | | |
| Engro Corporation Limited | 5.1.1 | 713,876 | 400,871 | 261,288 | 853,459 | 214,501 | 223,615 | 9,114 | 4.76 | 4.95 | 1.48 |
| Engro Fertilizers Limited | | 1,008,797 | 1,572,913 | 1,439,627 | 1,142,083 | 95,184 | 87,815 | (7,370) | 1.87 | 1.94 | 0.86 |
| Fauji Fertilizer Company Limited | | 3,132,423 | 110,000 | 2,970,841 | 271,582 | 29,880 | 26,808 | (3,072) | 0.57 | 0.59 | 0.21 |
| Falima Fertilizer Company Limited | | 2,036,500 | - | 1,311,212 | 725,288 | 27,416 | 24,370 | (3,046) | 0.52 | 0.54 | 0.35 |
| | | | | | | 366,982 | 362,607 | (4,374) | 7.72 | 8.02 | - |
| CHEMICALS | | | | | | | | | | | |
| Dynea Pakistan Limited | | - | 63,000 | - | 63,000 | 11,601 | 9,764 | (1,837) | 0.21 | 0.22 | - |
| Ittehad Chemicals Limited | | - | 182,000 | - | 182,000 | 5,779 | 5,005 | (774) | 0.11 | 0.11 | - |
| Nimr Resins Limited | | 912,500 | 148,000 | 3,000 | 1,057,500 | 15,277 | 15,196 | (81) | 0.32 | 0.34 | - |
| Ghani Global Holdings Limited | | - | 325,000 | - | 325,000 | - | - | - | - | - | - |
| Sitara Chemicals Industries Limited | | 570 | - | 570 | - | - | - | - | - | - | - |
| ICI Pakistan Limited | | 100 | - | 100 | - | - | - | - | - | - | - |
| | | | | | | 32,658 | 29,966 | (2,692) | 0.64 | 0.66 | - |
| CEMENT | | | | | | | | | | | |
| Cherat Cement Company Limited | | 46 | 395,183 | 384,000 | 11,229 | 1,270 | 1,144 | (125) | 0.02 | 0.03 | 0.06 |
| Maple Leaf Cement Factory Limited | | 602,000 | 2,515,725 | 2,880,000 | 237,725 | 6,623 | 5,365 | (1,257) | 0.11 | 0.12 | 0.22 |
| Kohat Cement Company Limited | | 1,494,894 | 412,950 | 216,351 | 1,691,493 | 229,144 | 249,834 | 20,689 | 5.32 | 5.53 | 8.42 |
| Lucky Cement Limited | 5.1.1 | 515,389 | 84,500 | 229,310 | 370,579 | 172,384 | 165,493 | (6,891) | 3.52 | 3.66 | 1.15 |
| Pioneer Cement Limited | | - | 874,000 | 850,678 | 23,322 | 1,659 | 1,199 | (460) | 0.03 | 0.03 | 0.10 |
| | | | | | | 411,080 | 423,036 | 11,956 | 9.01 | 9.36 | - |
| PAPER AND BOARD | | | | | | | | | | | |
| Century Paper and Board Mills Limited | | 445,600 | 306,560 | 500 | 751,660 | 43,747 | 37,192 | (6,555) | 0.79 | 0.82 | 3.70 |
| | | | | | | 43,747 | 37,192 | (6,555) | 0.79 | 0.82 | - |
| INSURANCE | | | | | | | | | | | |
| Adamjee Insurance Company Limited | | 1,851,999 | - | 1,851,999 | - | - | - | - | - | - | - |
| IGI Holdings Limited | | 560 | - | 560 | - | - | - | - | - | - | - |
| | | | | | | - | - | - | - | - | - |
| COMMERCIAL BANKS | | | | | | | | | | | |
| Bank Alfalah Limited | | 3,760,452 | 1,704,943 | 685,000 | 4,780,395 | 153,554 | 144,081 | (9,473) | 3.07 | 3.19 | 2.69 |
| Habib Metropolitan Bank Limited | | 698,500 | - | 684,000 | 14,500 | 566 | 492 | (74) | 0.01 | 0.01 | - |
| Habib Bank Limited | | 3,586,562 | 2,837,221 | 1,815,667 | 4,608,116 | 353,840 | 293,675 | (60,164) | 6.25 | 6.50 | 3.14 |
| MCB Bank Limited | | - | 131,276 | 131,276 | - | - | - | - | - | - | - |
| United Bank Limited | | 3,396,106 | 1,733,828 | 1,276,890 | 3,853,044 | 431,343 | 388,194 | (43,149) | 8.26 | 8.59 | 3.15 |
| Faysal Bank Limited | 5.1.2 | 5,296,248 | 1,899,000 | 2,602,104 | 4,593,144 | 114,315 | 118,641 | 4,326 | 2.53 | 2.63 | 3.03 |
| Allied Bank Limited | | 788,976 | - | 785,500 | 3,476 | 240 | 222 | (17) | 0.00 | 0.00 | - |
| Bank Al Habib Limited | | 3,700,690 | - | 1,756,257 | 1,944,433 | 112,894 | 107,488 | (5,406) | 2.29 | 2.38 | 1.75 |
| Meezan Bank Limited | | 675,350 | 690,590 | 524,500 | 841,440 | 90,845 | 83,757 | (7,088) | 1.78 | 1.85 | 0.52 |
| | | | | | | 1,257,597 | 1,136,551 | (121,045) | 24.20 | 25.15 | - |
| TEXTILE COMPOSITE | | | | | | | | | | | |
| Nishat Mills Limited | | 371 | 195,100 | 195,471 | - | - | - | - | - | - | - |
| Gul Ahmed Textile Mills Limited | | 3,832,081 | 346,295 | 2,429,528 | 1,748,848 | 59,437 | 43,092 | (16,345) | 0.92 | 0.95 | 3.41 |
| The Crescent Textile Mills Limited | | 1,210,000 | - | 186,500 | 1,023,500 | 18,413 | 13,183 | (5,230) | 0.28 | 0.29 | 10.24 |
| Nishat Chunian Limited | | 1,500 | - | 1,500 | - | - | - | - | - | - | - |
| Kohinoor Textile Mills Limited | 5.1.2 | 3,274,896 | 854,500 | 3,000 | 4,126,396 | 206,056 | 194,972 | (11,084) | 4.15 | 4.31 | 13.79 |
| Interloop Limited | | 1,913,315 | 549,132 | 301,515 | 2,160,932 | 127,626 | 122,417 | (5,209) | 2.61 | 2.71 | 2.41 |
| | | | | | | 411,531 | 373,663 | (37,868) | 7.95 | 8.27 | - |
| POWER GENERATION AND DISTRIBUTION | | | | | | | | | | | |
| The Hub Power Company Limited | 5.1.1 | 4,105,497 | 505,000 | 1,390,535 | 3,219,962 | 217,413 | 203,115 | (14,298) | 4.32 | 4.50 | 2.48 |
| K-Electric Limited | | - | 14,550,000 | 6,750,000 | 7,800,000 | 25,705 | 21,060 | (4,645) | 0.45 | 0.47 | - |
| Nishat Chunian Power Limited | | - | 1,091,172 | 1,088,500 | 2,672 | 52 | 38 | (14) | 0.00 | 0.00 | - |
| Saif Power Limited | | 600,000 | - | 600,000 | - | - | - | - | - | - | - |
| Nishat Power Limited | | - | 725,000 | 724,710 | 290 | 6 | 5 | (1) | 0.00 | 0.00 | - |
| | | | | | | 243,175 | 224,219 | (18,958) | 4.77 | 4.96 | - |

| Name of Investee Company | As at 1 July 2022 | Purchased / bonus received during the period | Sold during the period | As at 31 December 2022 | Total carrying value as at 31 December 2022 | Total market value as at 31 December 2022 | Appreciation / (diminution) as at 31 December 2022 | Market value as a percentage of net assets | Market value as a percentage of total value of Investment | Investment as a percentage of paid-up capital of Investee company |
|--|-------------------|--|------------------------|------------------------|---|---|--|--|---|---|
| Quoted investments | Note | Number of shares | | | Rupees in '000 | | | Percentage (%) | | |
| AUTOMOBILE PARTS AND ACCESSORIES | | | | | | | | | | |
| Ghandhara Industries Limited | - | 100,000 | 8,400 | 91,600 | 12,966 | 9,954 | (3,012) | 0.21 | 0.22 | - |
| | | | | | 12,966 | 9,954 | (3,012) | 0 | 0 | |
| GLASS & CERAMICS | | | | | | | | | | |
| AUTOMOBILE ASSEMBLER | | | | | | | | | | |
| Ghandhara Nissan Limited | 500 | - | 500 | - | - | - | - | - | - | - |
| ENGINEERING | | | | | | | | | | |
| International Steels Limited | 131,044 | 346,000 | 477,044 | - | - | - | - | - | - | - |
| Amrli Steels Limited | - | 19,997 | 19,997 | - | - | - | - | - | - | - |
| Mughal Iron & Steel Industries Limited | 291,754 | 20,000 | 311,754 | - | - | - | - | - | - | - |
| | | | | | - | - | - | - | - | - |
| FOOD AND PERSONAL CARE PRODUCTS | | | | | | | | | | |
| Al Shaheer Corporation Limited | 1,662 | - | - | 1,662 | 15 | 17 | 2 | 0.00 | 0.00 | 0.01 |
| National Foods Limited | 70,000 | 38,000 | 1,700 | 106,300 | 14,538 | 10,565 | (3,973) | 0.22 | 0.23 | - |
| Al Shaheer Corporation Limited(R) | - | 415 | - | 415 | - | 0 | - | 0.00 | 0.00 | - |
| The Organic Meat Company Limited | - | 450,600 | 351,000 | 99,600 | 2,261 | 2,058 | (203) | 0.04 | 0.05 | - |
| Bunnys Limited | - | 701,500 | - | 701,500 | 16,432 | 10,347 | (6,085) | 0.22 | 0.23 | - |
| At-Tahur Ltd. | 1,372,780 | 1,118,078 | - | 2,490,858 | 45,052 | 42,569 | (2,483) | 0.91 | 0.94 | 12.53 |
| Unity Foods Limited | 15,213 | 1,450,000 | 1,465,213 | - | - | - | - | - | - | - |
| Shezan International Limited | 215,420 | 11,600 | 300 | 226,720 | 38,340 | 33,595 | (4,745) | 0.72 | 0.74 | 23.46 |
| Treet Corporation Limited | - | 210,000 | 210,000 | - | - | - | - | - | - | - |
| | | | | | 116,638 | 99,151 | (17,487) | 2.11 | 2.19 | |
| PHARMACEUTICALS | | | | | | | | | | |
| The Searle Company Limited | 5.1.2 | 60,359 | 15,089 | - | 75,448 | 6,580 | 4,442 | (2,139) | 0.09 | 0.10 |
| GlaxoSmithkline Consumer Healthcare | - | 159 | - | 159 | - | - | - | - | - | 0.24 |
| Ferozsons Laboratories Limited | - | 343,280 | 500 | 342,780 | 71,432 | 47,149 | (24,283) | 1.00 | 1.04 | - |
| Citi Pharma Limited | 1,055,500 | 978,965 | 150,500 | 1,883,965 | 60,432 | 45,498 | (14,934) | 0.97 | 1.01 | - |
| Highnoon Laboratories Limited | 134,169 | 1,400 | - | 135,569 | 71,850 | 73,228 | 1,378 | 1.56 | 1.62 | 3.56 |
| AGP Limited | 261,172 | - | 261,172 | - | - | - | - | - | - | - |
| IBL HealthCare Limited | 268,360 | 118,686 | 3,500 | 383,546 | 17,947 | 14,421 | (3,526) | 0.31 | 0.32 | 5.91 |
| | | | | | 228,241 | 184,738 | (43,504) | 3.93 | 4.09 | |
| TECHNOLOGY & COMMUNICATION | | | | | | | | | | |
| Systems Limited | 271,976 | 14,695 | 71,500 | 215,171 | 71,222 | 104,128 | 32,906 | 2.22 | 2.30 | 1.56 |
| Air Link Communication Limited | - | 325,000 | 325,000 | - | - | - | - | - | - | - |
| Avanceon Limited | - | 1,111,000 | 448,482 | 662,518 | 53,214 | 43,746 | (9,468) | 0.93 | 0.97 | - |
| Hum Network Limited* | 11,356,500 | 3,910,100 | 3,330,000 | 11,936,600 | 70,664 | 69,710 | (954) | 1.48 | 1.54 | 12.63 |
| | | | | | 195,099 | 217,584 | 22,484 | 4.63 | 4.82 | |
| LEATHER & TANNERIES | | | | | | | | | | |
| Service Industries Limited | 350,900 | 58,100 | 46,000 | 363,000 | 127,181 | 123,337 | (3,845) | 2.63 | 2.73 | 7.73 |
| | | | | | 127,181 | 123,337 | (3,845) | 3 | 3 | |
| SUGAR & ALLIED INDUSTRIES | | | | | | | | | | |
| Shahmurad Sugar Mills Limited | 84,500 | 12,000 | - | 96,500 | 8,496 | 12,568 | 4,072 | 0.27 | 0.28 | 4.57 |
| | | | | | 8,496 | 12,568 | 4,072 | 0.27 | 0.28 | |
| CABLE & ELECTRICAL GOODS | | | | | | | | | | |
| Pakistan Cables | 132,300 | 41,045 | 100 | 173,245 | 20,951 | 18,657 | (2,295) | 0.40 | 0.41 | 4.87 |
| | | | | | 20,951 | 18,657 | (2,295) | 0.40 | 0.41 | |
| MISCELLANEOUS | | | | | | | | | | |
| Shifa International Hospitals Limited | 364,300 | 3,000 | 189,100 | 178,200 | 31,927 | 19,085 | (12,842) | 0.41 | 0.42 | 2.82 |
| Pakistan Aluminium Beverage Cans Limited | 416,000 | 448,500 | 148,500 | 716,000 | 22,762 | 27,802 | 5,040 | 0.59 | 0.62 | - |
| | | | | | 54,690 | 46,888 | (7,802) | 1 | 1 | |
| Total December 31, 2022 | | | | | 4,759,202 | 4,518,689 | (240,512) | | | |
| Total June 30, 2022 | | | | | 6,123,533 | 5,266,749 | (856,783) | | | |

* Ordinary Shares below Rs. 10

5.1.1 Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin:

| | December 31, 2022 | June 30, 2022 |
|----------------------------|--------------------|---------------|
| | (Number of shares) | |
| Engro Corporation Limited | 5,000 | 5,000 |
| Lucky Cement Limited | 5,000 | 10,000 |
| Pakistan Petroleum Limited | 25,000 | 25,000 |
| United Bank Limited | 50,000 | 50,000 |
| | 85,000 | 90,000 |

5.1.2 The fair market value of shares equivalent to 5% of bonus entitlement of the fund amounted to Rs. 0.6247 (June 30, 2022: Rs.0.7609) million. For further details refer note 7.4.2 to the annual audited financial statements of the Fund for the year ended June 30, 2022.

| | | (Unaudited) 31 December 2022 | (Audited) 30 June 2022 |
|----------|--|------------------------------------|------------------------------|
| | | ----- (Rupees in '000) ----- | |
| 6 | PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY | | |
| | Management fee (including Sindh Sales Tax charged thereon) | 12,887 | 14,322 |
| | Sales load and conversion charges | 1,243 | 599 |
| | Allocated expenses | 1,955 | 1,452 |
| | Selling and marketing expenses | 37,769 | 37,097 |
| | Other payable | 17 | 116 |
| | | <u>53,871</u> | <u>53,586</u> |

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

| | |
|---|-------|
| - From 1 July 2022 to 12 August 2022 | 2.50% |
| - From 13 August 2022 to 31 December 2022 | 2.75% |

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

The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (30 June 2022: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

6.2 ALLOCATED EXPENSES

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 1 July 2022 through to 22 August 2022 | 0.11% per annum of average daily net |
| - From 23 August 2021 to 31 December 2022 | 0.15% per annum of average daily net |

6.3 SELLING AND MARKETING EXPENSES

In accordance with Circular 11 dated 5 July 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rate 1% per annum of average daily net assets.

| | (Unaudited) 31 December 2022 | (Audited) 30 June 2022 |
|-----------|--|------------------------------|
| | | ----- (Rupees in '000) ----- |
| 7. | PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE | |
| | Remuneration payable to the Trustee | 493 |
| | Sindh sales tax on Trustee remuneration | 64 |
| | | <u>557</u> |
| | | <u>537</u> |

- 7.1 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.
- 7.2 As per the Trust Deed and Offering Document, the tariff structure applicable to the Fund in respect of trustee fee for the half ended December 31, 2022 is as follows:

| Net assets: | Tariff per annum |
|--------------------------|---|
| - up to Rs.1 billion | Higher of Rs.0.7 million or 0.2% per annum of net asset value |
| - exceeding Rs.1 billion | Rs.2 million plus 0.10% per annum of net asset value |

- 7.3 Sales tax at the rate of 13% (June 30, 2022: 13%) on Trustee Remuneration is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

8 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

| | | | |
|------------|-----|------------|--------------|
| Annual fee | 8.1 | <u>539</u> | <u>1,455</u> |
|------------|-----|------------|--------------|

- 8.1 In accordance with SRO No.685 (1) / 2019 dated 28 June 2019 issued by the SECP, a CIS classified as equity scheme is required to pay annual fee to the SECP equivalent to 0.02% of the average annual net assets of the Fund.

| | | (Unaudited) 31 December 2022 | (Audited) 30 June 2022 |
|---|-------------|-------------------------------------|------------------------------|
| 9 ACCRUED EXPENSES AND OTHER LIABILITIES | Note | ----- (Rupees in '000) ----- | |
| Auditor's remuneration | | 772 | 402 |
| Zakat deducted at source | | 311 | 289 |
| Brokerage and settlement charges | | 5,239 | 6,210 |
| Capital gain tax | | 56 | 2,923 |
| Provision for Federal Excise Duty (FED) | 9.1 | 45,195 | 45,195 |
| Provision for Sindh Workers' Welfare Fund | 9.2 | - | - |
| Others | | 5,723 | 5,596 |
| | | <u>57,296</u> | <u>60,616</u> |

9.1 Provision for Federal Excise Duty (FED)

This includes provision for Federal Excise Duty (FED) as at 31 December 2022 amounting to Rs.45.195 million (30 June 2022: Rs.45.195 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 for the year ended 30 June 2022. As a matter of abundant caution, the Management company has maintained full provision for FED aggregating to Rs. 45.195 million. Had the provision not been provided for, the net assets value per unit would have been higher by Rs.0.64 (30 June 2022: Rs.0.56).

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

11. TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund based on the current period results is 4.83% as on 31 December 2022 (31 December 2021: 2.32%) and this includes 0.21% (31 December 2021: 0.21%) 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.

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 Fund has incurred net loss during the current period, no provision for taxation has been made in the condensed interim income statement.

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. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

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

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, the NBFC regulations and the Trust Deed respectively.

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

Details of transactions with related parties / connected persons during the period and balances held with them at the quarter ended 31 December 2022 are as follows:

| Management Company | Associated companies and others 14.1 & 14.2 | Trustee | Directors and Key Executives 14.3 | Other connected persons / related parties |
|--------------------|---|---------|-----------------------------------|---|
|--------------------|---|---------|-----------------------------------|---|

----- Six months period ended 31 December 2022 -----

Transactions during the period

| | (Units in '000) | | | |
|------------------------------------|------------------|--------|-------|----|
| Units issued | - | - | - | 1 |
| Units redeemed | - | - | - | 12 |
| | (Rupees in '000) | | | |
| Profit on bank deposits | - | 483 | - | - |
| Bank charges | - | 5 | - | - |
| Value of units issued | - | - | 47 | - |
| Value of units redeemed | - | - | 1,306 | - |
| Dividend received | - | 13,808 | - | - |
| Remuneration (including sales tax) | 83,791 | - | - | - |
| Allocation of expenses | 4,045 | - | - | - |
| Selling and marketing expense | 37,750 | - | - | - |

| Management Company | Associated companies and others 14.1 & 14.2 | Trustee | Directors and Key Executives 14.3 | Other connected persons / related parties |
|--------------------|---|---------|-----------------------------------|---|
|--------------------|---|---------|-----------------------------------|---|

----- For the half year ended 31 December 2021 -----

Transactions during the period

| | (Units in '000) | | | |
|------------------------------------|------------------|---------|--------|--------|
| Units issued | 332 | - | - | 180 |
| Units redeemed | 1,741 | - | - | 186 |
| | (Rupees in '000) | | | |
| Profit on bank deposits | - | 511 | - | - |
| Bank charges | - | 12 | - | - |
| Value of units issued | 25,000 | - | 13,748 | 59,720 |
| Value of units redeemed | 135,042 | - | 14,733 | - |
| Sale of securities | - | 200,161 | - | - |
| Dividend received | - | 31,605 | - | - |
| Remuneration (including sales tax) | 120,266 | - | - | - |
| Allocation of expenses | 5,462 | - | - | - |
| Selling and marketing expense | 39,575 | - | - | - |

| Management Company | Associated companies and others | Trustee | Directors and Key Executives | Other connected persons / related parties |
|--------------------|---------------------------------|---------|------------------------------|---|
|--------------------|---------------------------------|---------|------------------------------|---|

----- As at 31 December 2022 -----

Balances held

| | (Units in '000) | | | |
|---|------------------|-------|---------|-------|
| Units held | - | - | 1,634 | 31 |
| | (Rupees in '000) | | | |
| Units held | - | - | 108,632 | 2,061 |
| Bank balances | - | 5,413 | - | - |
| Deposits | - | - | - | - |
| Profit receivable | - | 556 | - | - |
| Remuneration payable | 12,887 | - | 557 | - |
| Sales load and conversion charges payable | 1,243 | 4 | - | - |
| Allocated expenses payable | 1,955 | - | - | - |
| Selling and marketing expense payable | 37,769 | - | - | - |
| Other payable | 17 | - | - | - |

| | Management Company | Associated companies and others | Trustee | Directors and Key Executives | Other connected persons / related parties |
|---|--------------------|---------------------------------|---------|------------------------------|---|
| ----- As at 30 June 2022 ----- | | | | | |
| ----- (Units in '000) ----- | | | | | |
| Balances held | | | | | |
| Units held | - | - | 1,634 | 22 | 35,002 |
| ----- (Rupees in '000) ----- | | | | | |
| Units held | - | - | 113,582 | 1,518 | 2,432,608 |
| Bank balances | - | 4,079 | - | - | - |
| Deposits | - | - | - | - | - |
| Profit receivable | - | 581 | - | - | - |
| Remuneration payable | 14,322 | - | 607 | - | - |
| Sales load and conversion charges payable | 599 | 44 | - | - | - |
| Allocated expenses payable | 1,452 | - | - | - | - |
| Selling and marketing expense payable | 37,097 | - | - | - | - |
| Other payable | 116 | - | - | - | - |

- 14.1** 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.
- 14.2** These include transactions and balances in relation to the entities where common directorship exists as at six 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.
- 14.3** These include transactions and balances in relation to those directors and key executives that exist as at six 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.

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

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.

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 | | | Total |
|--|----------------------|----------|----------|------------------|
| | Level 1 | Level 2 | Level 3 | |
| | ----- (Rupees) ----- | | | |
| December 31, 2022 | | | | |
| Financial assets measured at fair value | | | | |
| Equity Securities | 4,518,689 | - | - | 4,518,689 |
| | <u>4,518,689</u> | <u>-</u> | <u>-</u> | <u>4,518,689</u> |

| | Fair Value | | | Total |
|--|----------------------|----------|----------|------------------|
| | Level 1 | Level 2 | Level 3 | |
| | ----- (Rupees) ----- | | | |
| June 30, 2022 | | | | |
| Financial assets measured at fair value | | | | |
| | 5,266,749 | - | - | 5,266,749 |
| | <u>5,266,749</u> | <u>-</u> | <u>-</u> | <u>5,266,749</u> |

During the period ended December 31, 2022, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

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

16. GENERAL

- 16.1 Prior period's figures have been rearranged / reclassified wherever necessary for better presentation and comparison. However, there were no material reclassifications to report.
- 16.2 Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on January 26, 2023 by the Board of Directors of the Management Company.

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
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 dividend yield potential preferably in the Financial sector.

| | |
|------------------------------|---|
| Management Company | UBL Fund Managers Limited |
| Trustee | Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500 |
| Distribution Company | United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk) |
| Auditors | EY Ford Rhodes, Chartered Accountants |
| Bankers | Allied Bank Limited Soneri Bank Limited United Bank Limited |
| Management Co. Rating | AM1 (VIS credit Rating Company) |

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

UBL FINANCIAL SECTOR FUND

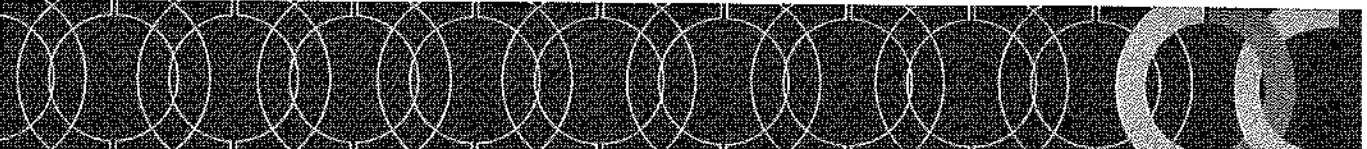
Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of UBL Financial Sector Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023



INDEPENDENT AUDITORS' REVIEW REPORT

To the Unit holders of UBL Financial Sector Fund

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim Statement of Assets and Liabilities of **UBL Financial Sector Fund** (the Fund) as at **31 December 2022**, and the related condensed interim Income Statement, condensed interim Statement of Comprehensive Income, condensed interim Statement of Movement in Unit Holders' Fund and condensed interim Statement of Cash Flows and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management Company is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-months period ended 31 December 2022.

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 interim financial statements 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 interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.



-: 2 :-

Other matter

The condensed interim financial statements for the half year ended 31 December 2021 and the annual financial statements for the year ended 30 June 2022 of the Fund were reviewed and audited respectively by another firm of Chartered Accountants, whose review report dated 23 February 2022 and audit report dated 26 September 2022 expressed an unmodified conclusion and an unmodified opinion respectively, on the aforementioned financial statements.

The engagement partner on the review resulting in this independent auditors' review report is Arslan Khalid.



Chartered Accountants

Date: 27 February 2023

Place: Karachi

UDIN Number: RR202210191F1NWd0iOe

UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022

| | | December 31, 2022 (Un-Audited) | June 30, 2022 (Audited) |
|---|------|--------------------------------------|-------------------------------|
| | Note | ----- (Rupees in '000) ----- | |
| ASSETS | | | |
| Bank balances | 4 | 12,718 | 16,744 |
| Investments | 5 | 797,992 | 1,003,520 |
| Mark-up receivable | | 3,032 | 2,073 |
| Deposits, prepayments and other receivables | | 40,472 | 24,613 |
| Preliminary expenses and floatation costs | | 63 | 184 |
| Advance tax | | 40 | 40 |
| TOTAL ASSETS | | 854,317 | 1,047,173 |
| LIABILITIES | | | |
| Payable to UBL Fund Managers Limited - Management Company | 6 | 13,603 | 18,238 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 7 | 169 | 199 |
| Payable to Securities and Exchange Commission of Pakistan | 8 | 94 | 247 |
| Accrued expenses and other liabilities | 9 | 1,497 | 1,238 |
| Payable against purchase of investments | | 1,230 | - |
| TOTAL LIABILITIES | | 16,593 | 19,922 |
| NET ASSETS | | 837,724 | 1,027,251 |
| | | | |
| UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED) | | 837,724 | 1,027,251 |
| | | | |
| CONTINGENCIES AND COMMITMENTS | 10 | ----- (Number of units) ----- | |
| | | | |
| NUMBER OF UNITS IN ISSUE | | 11,894,553 | 14,277,866 |
| | | | |
| | | ----- (Rupees) ----- | |
| | | | |
| NET ASSETS VALUE PER UNIT | | 70.43 | 71.95 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

| | Half year ended December 31, 2022 | Half year ended December 31, 2021 | Quarter ended December 31, 2022 | Quarter ended December 31, 2021 |
|---|--|--|--|--|
| Note----- (Rupees in '000) ----- | | | | |
| INCOME | | | | |
| Financial income | 4,615 | 2,000 | 2,348 | 1,233 |
| Dividend income | 68,339 | 31,266 | 41,731 | 11,772 |
| Capital (loss) / gain on sale of investments - net | (5,685) | 8,792 | (7,024) | 3,292 |
| Unrealised (loss) / gain on revaluation of investments classified as financial asset 'at fair value through profit or loss' - net | (64,848) | 43,694 | (46,873) | 35,269 |
| Total income | 2,421 | 85,752 | (9,818) | 51,566 |
| EXPENSES | | | | |
| Remuneration of UBL Fund Managers Limited - Management Company | 6.1 9,387 | 10,830 | 4,518 | 6,278 |
| Sindh Sales Tax on Management Company's remuneration | 6.2 1,220 | 1,408 | 587 | 816 |
| Allocated expenses | 6.4 470 | 542 | 227 | 314 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 7 1,058 | 1,170 | 511 | 656 |
| Annual fee of Securities and Exchange Commission of Pakistan | 8 94 | 108 | 45 | 62 |
| Bank charges | 5 | 3 | (115) | - |
| Auditors' remuneration | 244 | 249 | (120) | 125 |
| Brokerage and settlement expenses | 881 | 1,548 | 874 | 1,018 |
| Listing fee | 14 | 14 | (33) | 7 |
| Legal and professional charges | 96 | 97 | 36 | 48 |
| Amortization or preliminary expenses and flotation costs | 121 | 121 | 123 | 61 |
| Selling and marketing expenses | 6.3 9,455 | 10,451 | 4,522 | 6,058 |
| Total operating expenses | 23,045 | 26,541 | 11,173 | 15,443 |
| Operating (loss) / profit for the period | (20,624) | 59,211 | (20,989) | 36,123 |
| Reversal for Sindh Workers' Welfare Fund | - | 2,161 | - | - |
| Net (loss) / profit for the period before taxation | (20,624) | 61,372 | (20,989) | 36,123 |
| Taxation | 12 - | - | - | - |
| Net (loss) / profit for the period after taxation | (20,624) | 61,372 | (20,989) | 36,123 |
| Allocation of net income for the period | | | | |
| Income already paid on units redeemed | - | (4,036) | 365 | (3,157) |
| Net (loss) / profit for the period | (20,624) | 57,336 | (20,624) | 32,966 |
| Income available for distribution: | | | | |
| Relating to capital gains | - | 48,560 | - | 35,459 |
| Excluding capital gains | - | 8,776 | - | (2,493) |
| | - | 57,336 | - | 32,966 |
| Earnings per unit | 13 | | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

| | Half year ended December 31, 2022 | Half year ended December 31, 2021 | Quarter ended December 31, 2022 | Quarter ended December 31, 2021 |
|---|---|---|---------------------------------------|---------------------------------------|
| | ----- (Rupees in '000) ----- | | | |
| Net (loss) / profit for the period | (20,624) | 61,372 | (20,989) | 36,123 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive (loss) / income for the period | (20,624) | 61,372 | (20,989) | 36,123 |

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

(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended December 31, 2022 | Half year ended December 31, 2021 |
|--|---|---|
| | ------(Rupees in '000)----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net (loss) / profit for the period before taxation | (20,624) | 61,372 |
| Adjustments for: | | |
| Financial income | (4,615) | (2,000) |
| Dividend income | (68,339) | (31,266) |
| Capital loss / (gain) on sale of investments - net | 5,685 | (8,792) |
| Unrealised loss / (gain) on revaluation of investments classified as 'at fair value through profit or loss' - net | 64,848 | (43,694) |
| Reversal for Sindh Workers' Welfare Fund | - | (2,161) |
| Amortization of preliminary expenses and floatation costs | 121 | 121 |
| | (2,300) | (87,792) |
| Cash used in operations before working capital changes | (22,924) | (26,420) |
| Working capital changes | | |
| Increase in assets | | |
| Investments - net | 134,994 | (555,506) |
| Deposits, prepayments and other receivables | (15,858) | 550 |
| | 119,136 | (554,956) |
| Increase / (decrease) in liabilities | | |
| Payable to UBL Fund Managers Limited - Management Company | (4,635) | 725 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | (30) | 98 |
| Annual fee payable to Securities and Exchange Commission of Pakistan | (153) | (106) |
| Payable against purchase of investments | 1,230 | - |
| Accrued expenses and other liabilities | 259 | (10,160) |
| | (3,329) | (9,443) |
| Profit received on bank balances | 3,655 | 926 |
| Dividend received | 68,339 | 31,266 |
| Net cash generated from / (used in) operating activities | 164,877 | (558,627) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Receipts from issuance of units | 140,709 | 944,692 |
| Payment against redemption of units | (309,612) | (411,717) |
| Net cash (used in) / generated from financing activities | (168,903) | 532,975 |
| Net decrease in cash and cash equivalents | (4,026) | (25,652) |
| Cash and cash equivalents at the beginning of the period | 16,744 | 93,113 |
| Cash and cash equivalents at the end of the period | 12,718 | 67,461 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | -----Half year ended December 31, 2022----- | | | -----Half year ended December 31, 2021----- | | |
|--|---|--------------------|------------------|---|--------------------|------------------|
| | Capital value | Undistributed loss | Total | Capital value | Undistributed loss | Total |
| | (Rupees in '000) | | | (Rupees in '000) | | |
| Net assets at the beginning of the period | 1,307,915 | (280,666) | 1,027,251 | 1,098,032 | (222,535) | 875,497 |
| Issuance of 1,886,320 units (2021: 11,528,827 units) | | | | | | |
| Capital value of units | 135,715 | - | 135,715 | 864,755 | - | 864,755 |
| Element of income | | | | | | |
| Due to net income earned incurred | 4,993 | - | 4,993 | 79,937 | - | 79,937 |
| Total proceeds on issuance of units | 140,708 | - | 140,708 | 944,692 | - | 944,692 |
| Redemption of 4,269,633 units (2021: 5,089,137 units) | | | | | | |
| Capital value of units | (307,188) | - | (307,188) | (381,726) | - | (381,726) |
| Element of loss | - | - | - | - | - | - |
| Due to net income earned | (2,424) | - | (2,424) | (25,955) | (4,036) | (29,991) |
| Total payments on redemption of units | (309,612) | - | (309,612) | (407,681) | (4,036) | (411,717) |
| Total comprehensive income for the period | - | - | - | - | 61,372 | 61,372 |
| Net assets at the end of the period | 1,139,011 | (280,666) | 858,348 | 1,635,043 | (165,199) | 1,469,844 |
| Accumulated loss brought forward comprises of: | | | | | | |
| Realised loss | | (136,620) | | | (234,055) | |
| Unrealised loss | | (144,046) | | | 11,520 | |
| Total undistributed loss brought forward | | (280,666) | | | (222,535) | |
| Total comprehensive loss for the period | | (20,624) | | | - | |
| Income available for distribution: | | | | | | |
| Relating to capital gains | | - | | | 48,560 | |
| Excluding capital gains | | - | | | 8,776 | |
| | | - | | | 57,336 | |
| | | - | | | 57,336 | |
| Accumulated loss carried forward | | (301,290) | | | (165,199) | |
| Accumulated loss carried forward comprises of: | | | | | | |
| Realised loss | | (236,442) | | | (208,893) | |
| Unrealised (loss) / gain | | (64,848) | | | 43,694 | |
| Total Accumulated loss carried forward | | (301,290) | | | (165,199) | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Net assets value per unit at the beginning of the period | | | | | | |
| | | | | | | |
| Net assets value per unit at the end of the period | | | | | | |
| | | | | | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL FINANCIAL SECTOR FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

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 Trust Deed was previously registered under The "Trust Act 1882". The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, the above-mentioned Trust Deed has been registered under the Sindh Trust Act".
- 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 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
- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.6** VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as on December 31, 2022.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1** This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan 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, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations'), provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP.

Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP differ with the requirements of the IAS 34, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP have been followed.

- 2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS 34. 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 audited financial statements of the Fund for the year ended June 30, 2022.
- 2.1.3** The comparative statement of assets and liabilities presented in this condensed interim financial information has been extracted from the audited financial statements of the Fund for the year ended June 30, 2022. The comparative information for condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cashflows and condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the half year ended December 31, 2021.

2.1.4 This condensed interim financial information is unaudited, but 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, 2022 have not been reviewed.

2.1.5 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2022.

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

3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2022.

3.2 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the audited financial statements as at and for the year ended June 30, 2022.

3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2022. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in audited financial statements of the Fund for the year ended June 30, 2022.

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

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

| Standards, interpretations and amendments | Effective date (annual periods beginning on or after) |
|--|--|
| Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 | January 01, 2023 |
| Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12 | January 01, 2023 |
| Classification of liabilities as current or non-current - Amendment to IAS 1 | January 01, 2024 |
| Lease Liability in a Sale and Leaseback - Amendments to IFRS 16 | January 01, 2024 |
| Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28 | Not yet finalized |

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

| Standards | IASB Effective date (annual periods beginning on or after) |
|---|---|
| IFRS 1 - First-time Adoption of International Financial Reporting Standards | July 01, 2009 |
| IFRS 17 – Insurance Contracts | January 01, 2023 |

| 4 | BANK BALANCES | Note | December 31, | June 30, |
|---|---------------------|------|------------------------------|-------------------|
| | | | 2022 (Un-Audited) | 2022 (Audited) |
| | | | ----- (Rupees in '000) ----- | |
| | Cash at bank | | | |
| | In savings accounts | 4.1 | <u>12,718</u> | <u>16,744</u> |

- 4.1 Profit rates on these savings accounts range between 13.5% to 16.25% per annum (June 30, 2022: 5.5% to 10.75%). This includes an amount held by a related party (United Bank Limited) amounting to Rs.12.2 million (June 30, 2022: Rs.16.22 million) on which profit is earned at 6% to 14.25% (June 30, 2022: 5.5% to 10.75%) per annum.

5 INVESTMENTS

Financial assets classified as at fair value through profit or loss

Quoted equity securities

5.1

797,992

1,003,520

- 5.1 Financial asset classified as Fair value through profit or loss
(Shares of listed company - fully paid up ordinary shares of Rs. 10 each unless otherwise stated)

| Name of investee company | Note | Number of shares | | | | Balance as at December 31, 2022 | | | Market value as at June 30, 2022 | As at December 31, 2022 | | |
|--------------------------|------|-----------------------------|-----------------------------|------------------------|-------------------------|--|--------------------------------------|--|----------------------------------|--|---|---|
| | | As at July 1, 2022 | Purchased during the period | Sold during the period | As at December 31, 2022 | Carrying value as at December 31, 2022 | Market value as at December 31, 2022 | 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 | Investment as percentage of paid up capital of investee company |
| | | -----Number of shares ----- | | | | ----- (Rupees in '000) ----- | | | | | | |

COMMERCIAL BANKS

| | | | | | | | | | | | | |
|-------------------------|-------|-------------------|------------------|------------------|-------------------|----------------|----------------|-----------------|----------------|---------------|---------------|-------|
| Allied Bank Limited | | 527,450 | - | 526,500 | 950 | 66 | 61 | (5) | 36,394 | 0.00% | 0.01% | 0.32% |
| Bank Al Falah Limited | 5.1.1 | 4,636,489 | 290,000 | 735,000 | 4,191,489 | 134,269 | 126,331 | (7,938) | 148,368 | 9% | 15.83% | 0.83% |
| United Bank Limited | | 1,775,515 | 269,000 | 371,236 | 1,673,279 | 187,684 | 168,583 | (19,101) | 200,864 | 11.53% | 21.13% | 1.64% |
| Habib Bank Limited | 5.1.1 | 1,358,448 | 872,500 | 363,000 | 1,867,948 | 148,727 | 119,044 | (29,683) | 124,081 | 8.14% | 14.92% | 0.85% |
| MCB Bank Limited | | 65 | - | - | 65 | 8 | 8 | - | 8 | 0.00% | 0.00% | 0.00% |
| Bank Al Habib Limited | | 2,075,240 | - | 689,000 | 1,386,240 | 80,485 | 76,631 | (3,854) | 120,488 | 5.24% | 9.60% | 1.08% |
| Faysal Bank Limited | | 5,385,000 | 1,230,000 | 1,207,000 | 5,408,000 | 132,960 | 139,689 | 6,728 | 124,178 | 9.09% | 17.51% | 0.82% |
| Habib Metropolitan Bank | | 1,493,000 | - | 289,500 | 1,203,500 | 46,997 | 40,859 | (6,138) | 58,302 | 2.79% | 5.12% | 0.56% |
| Meezan Bank Limited | | 1,348,971 | 109,997 | 259,000 | 1,199,968 | 123,248 | 119,445 | (3,803) | 152,407 | 8.17% | 14.97% | 0.58% |
| | | <u>18,600,178</u> | <u>2,771,497</u> | <u>4,440,236</u> | <u>16,931,439</u> | <u>854,444</u> | <u>790,651</u> | <u>(63,794)</u> | <u>965,090</u> | <u>53.96%</u> | <u>99.09%</u> | |

INSURANCE

| | | | | | | | | | | | | |
|-----------------------------------|--|------------------|----------|----------------|----------------|--------------|--------------|----------------|---------------|--------------|--------------|-------|
| Adamjee Insurance Company Limited | | 1,022,760 | - | 899,000 | 123,760 | 3,906 | 3,486 | (420) | 32,278 | 0.24% | 0.44% | 0.92% |
| IGI Holdings Limited | | 54,000 | - | 15,000 | 39,000 | 4,319 | 3,705 | (614) | 5,981 | 0.25% | 0.46% | 0.17% |
| | | <u>1,076,760</u> | <u>-</u> | <u>914,000</u> | <u>162,760</u> | <u>8,225</u> | <u>7,191</u> | <u>(1,034)</u> | <u>38,259</u> | <u>0.49%</u> | <u>0.90%</u> | |

INVESTMENT BANK

| | | | | | | | | | | | | |
|----------------------------------|--|--------------------------|-------------------------|-------------------------|--------------------------|-----------------------|-----------------------|------------------------|-------------------------|----------------------|-----------------------|-------|
| Arif Habib Limited | | 3,850 | - | - | 3,850 | 172 | 150 | (21) | 171 | 0.01% | 0.02% | 0.03% |
| | | <u>3,850</u> | <u>-</u> | <u>-</u> | <u>3,850</u> | <u>172</u> | <u>150</u> | <u>(21)</u> | <u>171</u> | <u>0.01%</u> | <u>0.02%</u> | |
| Total - December 31, 2022 | | <u>19,680,788</u> | <u>2,771,497</u> | <u>5,354,236</u> | <u>17,098,049</u> | <u>862,839</u> | <u>797,992</u> | <u>(64,848)</u> | <u>1,003,520</u> | <u>54.57%</u> | <u>100.00%</u> | |

- 5.1.1 The above securities include 990,000 shares pledged with National Clearing Company of Pakistan Limited having market value (in aggregate) amounting to Rs. 32.861 million for guaranteeing settlement of the Fund's trade in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

| | Note | December 31, | June 30, |
|--|-----------|--------------------------|-------------------|
| | | 2022 (Un-Audited) | 2022 (Audited) |
| | | -----Rupees in '000----- | |
| 6 PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY | | | |
| Remuneration payable to the Management Company (Including Sindh sales tax payable on remuneration of the Management Company) | 6.1 & 6.2 | 1,688 | 2,128 |
| Sales load and others payable | | 37 | 292 |
| Conversion charges payable | | 13 | 12 |
| Allocated expenses | 6.4 | 226 | 211 |
| Selling and marketing expenses payable | 6.3 | 11,639 | 15,595 |
| | | <u>13,603</u> | <u>18,238</u> |

- 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 for the period at the rate of 2% of AUM.

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, 2022: 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 01, 2022 to July 31, 2022 | 1.93% of daily average net assets |
| From August 01, 2022 to November 29, 2022 | 2.08% of daily average net assets |
| From November 30, 2022 to December 31, 2022 | 1.85% of daily average 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 rate of 0.10% of AUM effective from July 01, 2022 to December 31, 2022.

| | Note | December 31, | June 30, |
|--|-----------|--------------------------|-------------------|
| | | 2022 (Un-Audited) | 2022 (Audited) |
| | | -----Rupees in '000----- | |
| 7 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE | | | |
| Remuneration payable to the Trustee | 7.1 & 7.2 | 149 | 176 |
| Sindh sales tax on Trustee remuneration | 7.3 | 20 | 23 |
| | | <u>169</u> | <u>199</u> |

- 7.1** 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.

- 7.2 As per the Trust Deed and Offering Document, the tariff structure applicable to the Fund in respect of trustee fee for the half ended December 31, 2022 is as follows:

| Net assets: | Tariff per annum |
|--------------------------|---|
| - up to Rs.1 billion | Higher of Rs.0.7 million or 0.2% per annum of net asset value |
| - exceeding Rs.1 billion | Rs.2 million plus 0.10% per annum of net asset value |

- 7.3 Sales tax at the rate of 13% (June 30, 2022: 13%) on Trustee Remuneration is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

| | December 31, 2022 (Un-Audited) | June 30, 2022 (Audited) |
|--|--------------------------------------|-------------------------------|
| | -----Rupees in '000----- | |
| 8 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN | Note | |
| Annual fee payable | 8.1 | <u>94</u> <u>247</u> |

- 8.1 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, 2022: 0.02%) of average annual net assets during the current period.

| | December 31, 2022 (Un-Audited) | June 30, 2022 (Audited) |
|---|--------------------------------------|-------------------------------|
| | -----Rupees in '000----- | |
| 9 ACCRUED EXPENSES AND OTHER LIABILITIES | | |
| Auditors' remuneration payable | 498 | 253 |
| Brokerage expense payable | 192 | 274 |
| Capital gains tax payable | 262 | 326 |
| Payable against legal fees and professional charges | 216 | 83 |
| Other payable | 329 | 301 |
| | <u>1,497</u> | <u>1,238</u> |

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

11 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the Total Expense Ratio of the Fund is 2.48% as on December 31, 2022 (December 31, 2021: 2.47%) and this includes 0.16% (December 31, 2021: 0.17%) representing Government levy, Sales Tax and 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.

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 Fund has incurred net loss during the current period, no provision for taxation has been made in the condensed interim income statement.

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 based on cumulative weighted average units for the period has not been disclosed as in the opinion of the Management Company the determination of the same is not practicable.

14 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, Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of the Management Company.

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

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, the NBFC regulations and the Trust Deed respectively.

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

Details of transactions with related parties / connected persons during the period and balances held with them at the quarter ended December 31, 2022 are as follows:

| | Management Company | Associated Companies | Trustee | Directors and Key Executives | Other Connected persons / related parties |
|--|-----------------------|-------------------------|---------|---------------------------------|--|
| ----- (Un-Audited) ----- | | | | | |
| ----- (Rupees in '000) ----- | | | | | |
| Transactions during the half year ended December 31, 2022 | | | | | |
| Profit on savings accounts | - | 4,601 | - | - | - |
| Bank charges | - | 5 | - | - | - |
| Units issued | - | 1,400 | - | 14 | - |
| Units redeemed | 19,093 | - | - | 1,227 | - |
| Purchase of equity securities | - | 269 | - | - | - |
| Sale of equity securities | - | 371 | - | - | - |
| Sales load paid | 765 | - | - | - | - |
| Dividend received | - | 12,186 | - | - | - |
| Remuneration (including sales tax) | 10,607 | - | 1,058 | - | - |
| Allocated expenses | 470 | - | - | - | - |
| Selling and marketing expenses | 9,455 | - | - | - | - |
| CDS expense | - | - | - | - | - |
| Transactions during the half year ended December 31, 2021 | | | | | |
| Profit on savings accounts | - | 1,997 | - | - | - |
| Bank charges | - | 3 | - | - | - |
| Units issued | 224,000 | 2,876 | - | 11,553 | - |
| Units redeemed | 119,171 | 1,548 | - | 5,401 | - |
| Purchase of equity securities | - | 67,516 | - | - | - |
| Sale of equity securities | - | 31,312 | - | - | - |
| Sales load paid | 1,840 | - | - | - | - |
| Dividend received | - | 8,791 | - | - | - |
| Remuneration (including sales tax) | 12,238 | - | 1,170 | - | - |
| Allocated expenses | 542 | - | - | - | - |
| Selling and marketing expenses | 10,451 | - | - | - | - |
| CDS expense | - | - | 2 | - | - |
| Balances held as at December 31, 2022 | | | | | |
| Units held (in Units '000) | - | 8,054 | - | 6 | - |
| Units held (in Rupees '000) | - | 567,206 | - | 401 | - |
| Bank balances | - | 12,189 | - | - | - |
| Profit receivable | - | 2,989 | - | - | - |
| Investments | - | 168,583 | - | - | - |
| Remuneration payable | 1,688 | - | 169 | - | - |
| Allocated expenses payable | 226 | - | - | - | - |
| Selling and marketing expense payable | 11,639 | - | - | - | - |
| Sales load payable | 37 | 82 | - | - | - |
| Conversion charges payable | 12 | - | - | - | - |
| Balances held as at June 30, 2022 | | | | | |
| ----- (Audited) ----- | | | | | |
| Units held (in Units '000) | 253,957 | 8,036,219 | - | 16,518 | - |
| Units held (in Rupees '000) | 18,271 | 578,183 | - | 1,188 | - |
| Bank balances | - | 16,215 | - | - | - |
| Profit receivable | - | 2,043 | - | - | - |
| Investments | - | 137,355 | - | - | - |
| Remuneration payable (including Sindh Sales Tax) | 2,128 | - | 199 | - | - |
| Allocated expenses payable | 211 | - | - | - | - |
| Selling and marketing expense payable | 15,595 | - | - | - | - |
| Sales load payable | 292 | - | - | - | - |
| Conversion charges payable | 12 | - | - | - | - |

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid or transfer a liability in an orderly transaction between market participants and 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.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

International Financial Reporting Standard (IFRS) 13, "Fair Value Measurement" requires the Fund to classify 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:

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

| Carrying Amount | | Fair value | | |
|-----------------------------------|----------------|-------------------------------------|---------|---------|
| --- As at December 31, 2022 --- | | ----- As at December 31, 2022 ----- | | |
| Fair value through profit or loss | Amortised cost | Level 1 | Level 2 | Level 3 |
| (Un-Audited) | | | | |
| ----- Rupees in '000----- | | | | |

Financial assets measured at fair value

| | | | | | |
|-------------|---------|---|---------|---|---|
| Investments | 797,992 | - | 797,992 | - | - |
|-------------|---------|---|---------|---|---|

Financial assets not measured at fair value

| | | | | | |
|--------------------------------|---------|--------|---------|---|---|
| Bank balances | - | 12,718 | - | - | - |
| Mark-up / interest receivable | - | 3,032 | - | - | - |
| Deposits and other receivables | - | 40,472 | - | - | - |
| | - | 56,222 | | | |
| | 797,992 | 56,222 | 797,992 | - | - |

| Carrying Amount | | Fair value | | |
|-----------------------------------|----------------|-------------------------------------|---------|---------|
| --- As at December 31, 2022 --- | | ----- As at December 31, 2022 ----- | | |
| Fair value through profit or loss | Amortised cost | Level 1 | Level 2 | Level 3 |
| (Un-Audited) | | | | |
| ----- Rupees in '000----- | | | | |

Financial liabilities not measured at fair value

| | | | | | |
|---|---|--------|---|---|---|
| Payable to UBL Fund Managers Limited Management Company | - | 13,409 | - | - | - |
| Payable to Central Depository Company of Pakistan Limited - Trustee | - | 150 | - | - | - |
| Accrued expenses and other liabilities | - | 1,235 | - | - | - |
| | - | 14,794 | - | - | - |

| Carrying Amount | | Fair value | | |
|---|----------------|---------------------|-----------|---------|
| As at June 30, 2022 | | As at June 30, 2022 | | |
| Fair value through profit or loss | Amortised cost | Level 1 | Level 2 | Level 3 |
| (Audited) | | | | |
| Rupees in '000 | | | | |
| Financial assets measured at fair value | | | | |
| Investments | 1,003,520 | - | 1,003,520 | - |
| Financial assets not measured at fair value | | | | |
| Bank balances | - | 16,744 | - | - |
| Mark-up / interest receivable | - | 2,073 | - | - |
| Deposits and other receivables | - | 24,613 | - | - |
| | 1,003,520 | 43,430 | 1,003,520 | - |
| Financial liabilities not measured at fair value | | | | |
| Payable to UBL Fund Managers Limited Management Company | - | 17,993 | - | - |
| Payable to Central Depository Company of Pakistan Limited - Trustee | - | 176 | - | - |
| Accrued expenses and other liabilities | - | 911 | - | - |
| | - | 19,080 | - | - |

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

15.2 Transfers during the period

No transfers were made between various levels of fair value hierarchy during the period.

16 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation. However, no significant reclassification has been made during the period.

17 GENERAL

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

18 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue by the Board of Directors of the Management Company on January 26, 2023.

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

**UBL DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | Half year ended December 31, | | Quarter ended December 31, | |
|---|---------------------------------|--------------|-------------------------------|-----------|
| | 2022 | 2021 | 2022 | 2021 |
| ----- Rupees in '000 ----- | | | | |
| Net (loss) / income for the period after taxation | (5,525) | (759) | (3,729) | 90 |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive (loss) / income for the period | (5,525) | (759) | (3,729) | 90 |

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
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL DEDICATED EQUITY FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended December 31, | |
|---|---------------------------------|----------------|
| | 2022 | 2021 |
| | ----- Rupees in '000 ----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net loss for the period before taxation | (5,525) | (759) |
| Adjustments for: | | |
| Finance income | (587) | (34) |
| Dividend income | (3,133) | (874) |
| Net loss on sale of investments classified as at 'fair value through profit and loss' | 1,512 | 25 |
| Net unrealised loss on revaluation of investments classified as 'at fair value through profit or loss' | 5,831 | 771 |
| Reversal of provision for Sindh Workers' Welfare Fund | - | (242) |
| Amortization of preliminary expenses and floatation costs | 31 | 31 |
| | 3,654 | (323) |
| Cash used in operations before working capital changes | (1,871) | (1,082) |
| Decrease / (increase) in assets | | |
| Investments | (64,303) | 2,649 |
| Advance tax | (3) | - |
| Receivable against sale of investments | (896) | - |
| Security deposit, prepayment and other receivables | (655) | (66) |
| | (65,857) | 2,583 |
| (Decrease) / increase in liabilities | | |
| Payable to UBL Fund Managers Limited - Management Company | 153 | (9) |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 16 | (1) |
| Payable to the Securities and Exchange Commission of Pakistan | 3 | (4) |
| Payable against purchase of investments | 4,237 | - |
| Accrued expenses and other liabilities | 879 | (429) |
| | 5,288 | (443) |
| Mark-up and dividend received | 3,315 | 1,019 |
| Net cash (used in) / generated from operating activities | (59,125) | 2,077 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Amount received on issuance of units | 70,424 | 3,534 |
| Amount paid on redemption of units | - | (7,875) |
| Net cash generated from / (used in) financing activities | 70,424 | (4,341) |
| Net increase / (decrease) in cash and cash equivalents during the period | 11,299 | (2,264) |
| Cash and cash equivalents at the beginning of the period | 189 | 3,191 |
| Cash and cash equivalents at the end of the period | 11,488 | 927 |

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
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL DEDICATED EQUITY FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | Half year ended December 31, 2022 | | | Half year ended December 31, 2021 | | |
|---|--------------------------------------|-----------------------|-----------------|--------------------------------------|-----------------------|-----------------|
| | Capital value | Undistributed loss | Total | Capital value | Undistributed loss | Total |
| ----- Rupees in '000 ----- | | | | | | |
| Net assets at the beginning of the period | 64,590 | (34,997) | 29,593 | 64,701 | (33,778) | 30,923 |
| Issuance of 620,749 units (2021: 29,621 units) | | | | | | |
| - Capital value | 66,809 | - | 66,809 | 3,508 | - | 3,508 |
| - Element of income | 3,615 | - | 3,615 | 26 | - | 26 |
| Total amount received on issuance of units | 70,424 | - | 70,424 | 3,534 | - | 3,534 |
| Nil redemption of units (2021: 66,754 units) | | | | | | |
| - Capital value | - | - | - | (7,907) | - | (7,907) |
| - Element of income | - | - | - | 32 | - | 32 |
| Total amount paid on redemption of units | - | - | - | (7,875) | - | (7,875) |
| Total comprehensive loss for the period | - | (5,525) | (5,525) | - | (759) | (759) |
| Net assets at the end of the period | 135,014 | (40,522) | 94,492 | 60,360 | (34,537) | 25,823 |
| Undistributed loss brought forward: | | | | | | |
| - Realised | | (34,579) | | | (36,634) | |
| - Unrealised | | (418) | | | 2,856 | |
| Total undistributed income brought forward | | (34,997) | | | (33,778) | |
| Accounting income available for distribution | | | | | | |
| - Relating to capital gains | | - | | | - | |
| - Excluding capital gains | | - | | | - | |
| Net loss for the period after taxation | | (5,525) | | | (759) | |
| Undistributed loss carried forward | | (40,522) | | | (34,537) | |
| Undistributed loss carried forward | | | | | | |
| - Realised | | (34,691) | | | (33,766) | |
| - Unrealised | | (5,831) | | | (771) | |
| | | (40,522) | | | (34,537) | |
| | | | -- Rupees -- | | | -- Rupees -- |
| Net assets value per unit at beginning of the period | | | 107.6254 | | | 118.4446 |
| Net assets value per unit at end of the period | | | 105.4935 | | | 115.3068 |

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
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL DEDICATED EQUITY FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Dedicated Equity 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 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. The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Management Company after fulfilling the requirements for registration of the Trust Deed under Sindh Act, 2020, has registered the Collective Investment Scheme Trust Deed with the Registrar acting under Sindh Act, 2020 on August 30, 2021.

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 is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.

The investment objective of the fund is to provide other 'Fund of Funds' schemes, Separately Managed Accounts (only managed by UBL Fund Managers) and UBL Fund Managers Limited as Management Company an avenue for investing in Equities.

VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as on December 30, 2022.

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

This condensed interim financial information has 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 information have, however, been limited based on the requirements of IAS 34. 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 audited financial statements of the Fund for the year ended June 30, 2022.

2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of affairs of the Fund as at December 31, 2022.

2.4 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.

2.5 Functional and presentation currency

This condensed interim financial information is presented in Pakistan Rupees, which is the functional and presentation currency of the Fund. All amounts have been rounded off to the nearest of thousands Rupee, unless otherwise indicated.

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

3.1 The accounting policies applied and methods of computation used for the preparation of this condensed interim financial information are same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2022.

3.2 The preparation of this condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.

3.3 There are certain standards, interpretations on accounting and reporting standards as applicable in Pakistan and amendments to certain existing standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2022. 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, 2022.

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---------------------------|------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | ----- |
| 4. BANK BALANCES | | | |
| In local currency: | | | |
| - Savings accounts | 4.1 | <u>11,488</u> | <u>189</u> |

4.1 Mark-up rates on these savings accounts range between 13.50% to 14.50% per annum (June 30, 2022: 7.30% to 13.50% per annum). These include an amount held by a related party, United Bank Limited, amounting to Rs. 11.471 million (June 30, 2022: Rs. 0.173 million) on which return is earned at 14.50% (June 30, 2022: 12.25%) per annum.

| | | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---|------|--------------------------------------|-------------------------------|
| | Note | ----- Rupees in '000 ----- | ----- |
| 5. INVESTMENTS | | | |
| At fair value through profit or loss | | | |
| Equity securities - listed | 5.1 | <u>81,986</u> | <u>25,026</u> |

5.1 Listed equity securities - 'at fair value through profit or loss'

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

| Sector and Name of Security | As at July 01, 2022 | Purchased / bonus / right received during the year | Sold during the year | As at December 31, 2022 | Balance as at December 31, 2022 | | | Market value as a % of net assets of the Fund | Market value as % of investments of the Fund | Par value as a % of total paid-up capital of the investee company |
|--|---------------------|--|----------------------|-------------------------|---------------------------------|---------------|--------------------------|---|--|---|
| | | | | | Carrying value | Market value | Unrealised gain / (loss) | | | |
| | | | | | Rupees in '000 | | | % | | |
| Automobile Parts and Accessories | | | | | | | | | | |
| Panther Tyres Limited | 14,000 | 20,000 | 22,500 | 11,500 | 383 | 238 | (145) | 0.25% | 0.29% | 0.01% |
| | | | | | 383 | 238 | (145) | 0.25% | 0.29% | 0.01% |
| Oil and Gas Exploration Companies | | | | | | | | | | |
| Mari Petroleum Company Limited | 1,460 | 2,275 | 140 | 3,595 | 6,156 | 5,561 | (595) | 5.89% | 6.78% | - |
| Oil and Gas Development Company Limited | 23,500 | - | 23,500 | - | - | - | - | - | - | - |
| Pakistan Petroleum Limited | 21,000 | 144,000 | 21,000 | 144,000 | 8,431 | 9,812 | 1,381 | 10.38% | 11.97% | 0.01% |
| | | | | | 14,587 | 15,373 | 786 | 16.27% | 18.75% | 0.01% |
| Oil and Gas Marketing Companies | | | | | | | | | | |
| Attock Petroleum Limited | - | 4,000 | 4,000 | - | - | - | - | - | - | - |
| Pakistan State Oil Company Limited | - | 27,500 | 27,500 | - | - | - | - | - | - | - |
| Sui Northern Gas Pipelines Limited | - | 60,000 | 60,000 | - | - | - | - | - | - | - |
| | | | | | - | - | - | - | - | - |
| Cement | | | | | | | | | | |
| Attock Cement (Pakistan) Limited | - | 7,000 | 7,000 | - | - | - | - | - | - | - |
| Cherat Cement Company Limited | - | 28,500 | 28,500 | - | - | - | - | - | - | - |
| Kohat Cement Pakistan Limited | - | 22,000 | - | 22,000 | 3,508 | 3,249 | (259) | 3.44% | 3.96% | 0.01% |
| Lucky Cement Limited | 5.1.1 | 1,300 | 1,600 | 3,200 | 1,502 | 1,429 | (73) | 1.51% | 1.74% | - |
| Maple Leaf Cement Factory Limited | 21,000 | 80,000 | 101,000 | - | - | - | - | - | - | - |
| Pioneer Cement Limited | 7,000 | 25,000 | 31,900 | 100 | 7 | 5 | (2) | 0.01% | 0.01% | - |
| | | | | | 5,017 | 4,683 | (334) | 4.96% | 5.71% | 0.01% |
| Chemical | | | | | | | | | | |
| Berger Paints Pakistan Limited | - | 3,500 | 3,500 | - | - | - | - | - | - | - |
| Descon Oxychem Limited | - | 43,000 | 43,000 | - | - | - | - | - | - | - |
| Dynea Pakistan Limited* | 3,500 | 3,000 | 500 | 6,000 | 1,092 | 930 | (162) | 0.98% | 1.13% | 0.03% |
| Ittehad Chemicals Limited | - | 67,000 | 35,000 | 32,000 | 966 | 880 | (86) | 0.93% | 1.07% | 0.03% |
| Nimir Resin Limited | 40,500 | 111,000 | 92,000 | 59,500 | 951 | 855 | (96) | 0.90% | 1.04% | 0.04% |
| Sitara Chemical Industries Limited | - | 8,000 | - | 8,000 | 2,008 | 1,661 | (347) | 1.76% | 2.03% | 0.04% |
| | | | | | 5,017 | 4,326 | (691) | 4.58% | 4.28% | 0.14% |

| Sector and Name of Security | As at July 01, 2022 | Purchased / bonus / right received during the year | Sold during the year | As at December 31, 2022 | Balance as at December 31, 2022 | | | Market value as a % of net assets of the Fund | Market value as % of investments of the Fund | Par value as a % of total paid-up capital of the investee company |
|--|---------------------|--|----------------------|-------------------------|---------------------------------|--------------|--------------------------|---|--|---|
| | | | | | Carrying value | Market value | Unrealised gain / (loss) | | | |
| ----- Number of shares ----- | | | | | ----- Rupees in '000 ----- | | | ----- % ----- | | |
| Fertilizer | | | | | | | | | | |
| Engro Corporation Limited | 5,500 | 19,400 | 6,000 | 18,900 | 4,621 | 4,952 | 331 | 5.24% | 6.04% | - |
| Engro Fertilizers Limited | 8,200 | 89,000 | 83,300 | 13,900 | 1,136 | 1,069 | (67) | 1.13% | 1.30% | - |
| Fatima Fertilizer Company Limited | - | 20,000 | 20,000 | - | - | - | - | - | - | - |
| Fauji Fertilizer Company Limited | 16,000 | - | 16,000 | - | - | - | - | - | - | - |
| | | | | | 5,757 | 6,021 | 264 | 6.37% | 7.34% | 0.00% |
| Engineering | | | | | | | | | | |
| International Steels Limited | - | 44,200 | 44,200 | - | - | - | - | - | - | - |
| | | | | | - | - | - | - | - | - |
| Pharmaceuticals | | | | | | | | | | |
| Citi Pharma Limited | 18,000 | 57,000 | - | 75,000 | 2,518 | 1,811 | (707) | 1.92% | 2.21% | 0.03% |
| GlaxoSmithKline Consumer Healthcare Pakistan Limited | - | 7,200 | - | 7,200 | 1,561 | 1,180 | (381) | 1.25% | 1.44% | 0.01% |
| | | | | | 4,079 | 2,991 | (1,088) | 3.17% | 3.65% | 0.04% |
| Glass and Ceramics | | | | | | | | | | |
| Tariq Glass Industries Limited | 4,500 | 43,747 | 30,000 | 18,247 | 1,644 | 1,188 | (456) | 1.26% | 1.45% | 0.01% |
| Shabbir Tiles and Ceramics Limited* | - | 41,500 | 24,500 | 17,000 | 248 | 146 | (102) | 0.15% | 0.18% | 0.01% |
| | | | | | 1,892 | 1,334 | (558) | 1.41% | 1.63% | 0.02% |
| Paper and Board | | | | | | | | | | |
| Century Paper and Board Limited | 7,000 | 39,250 | - | 46,250 | 2,813 | 2,288 | (525) | 2.42% | 2.79% | 0.02% |
| | | | | | 2,813 | 2,288 | (525) | 2.42% | 2.79% | 0.02% |
| Textile Composite | | | | | | | | | | |
| Gul Ahmed Textile Mills Limited | - | 16,500 | 8,000 | 8,500 | 299 | 209 | (90) | 0.22% | 0.25% | 0.00% |
| Interloop Limited | - | 50,300 | - | 50,300 | 3,071 | 2,849 | (222) | 3.02% | 3.47% | 0.01% |
| Nishat Mills Limited | - | 8,100 | 8,100 | - | - | - | - | - | - | - |
| Nishat Chunian Limited | - | 27,100 | 27,100 | - | - | - | - | - | - | - |
| Towellers Limited | - | 6,000 | - | 6,000 | 574 | 698 | 124 | 0.74% | 0.85% | 0.04% |
| | | | | | 3,944 | 3,756 | (188) | 3.97% | 4.58% | 0.04% |

| Sector and Name of Security | As at July 01, 2022 | Purchased / bonus / right received during the year | Sold during the year | As at December 31, 2022 | Balance as at December 31, 2022 | | | Market value as a % of net assets of the Fund | Market value as % of investments of the Fund | Par value as a % of total paid-up capital of the investee company |
|--|---------------------|--|----------------------|-------------------------|---------------------------------|---------------|--------------------------|---|--|---|
| | | | | | Carrying value | Market value | Unrealised gain / (loss) | | | |
| ----- Number of shares ----- | | | | | ----- Rupees in '000 ----- | | | ----- % ----- | | |
| Food and Personal Care Products | | | | | | | | | | |
| Bunnys Limited | - | 60,500 | - | 60,500 | 1,465 | 892 | (573) | 0.94% | 1.09% | - |
| At-Tahur Limited (PREMA) | - | 95,150 | - | 95,150 | 1,843 | 1,626 | (217) | 1.72% | 1.98% | 0.04% |
| Matco Foods Limited | 13,500 | - | 13,500 | - | - | - | - | - | - | - |
| The Organic Meat Company Limited | - | 29,632 | 25,000 | 4,632 | 102 | 96 | (6) | 0.10% | 0.12% | 0.04% |
| | | | | | 3,410 | 2,614 | (796) | 2.77% | 3.19% | 0.08% |
| Power Generation and Distribution | | | | | | | | | | |
| Hub Power Company Limited | 20,000 | 60,000 | 20,000 | 60,000 | 3,957 | 3,785 | (172) | 4.01% | 4.62% | - |
| K-Electric Limited** | - | 672,000 | 672,000 | - | - | - | - | - | - | - |
| Nishat Chunian Power Limited | - | 93,000 | 93,000 | - | - | - | - | - | - | - |
| Nishat Power Limited | 10,000 | 63,000 | 73,000 | - | - | - | - | - | - | - |
| Saif Power Limited | 68,500 | - | 68,500 | - | - | - | - | - | - | - |
| | | | | | 3,957 | 3,785 | (172) | 4.01% | 4.62% | - |
| Commercial Banks | | | | | | | | | | |
| Bank Al-falah Limited | 22,000 | 104,000 | - | 126,000 | 4,107 | 3,798 | (309) | 4.02% | 4.63% | 0.01% |
| Faysal Bank Limited | - | 190,000 | 23,000 | 167,000 | 4,427 | 4,314 | (113) | 4.57% | 5.26% | 0.01% |
| Habib Bank Limited | - | 103,500 | - | 103,500 | 6,802 | 6,598 | (204) | 6.98% | 8.05% | 0.01% |
| MCB Bank Limited | 6,000 | - | 6,000 | - | - | - | - | - | - | - |
| Meezan Bank Limited | 8,800 | 31,580 | 11,000 | 29,380 | 3,384 | 2,924 | (460) | 3.09% | 3.57% | 0.00% |
| United Bank Limited | 5.1.1 | 19,700 | 4,400 | 81,700 | 9,505 | 8,231 | (1,274) | 8.71% | 10.04% | 0.01% |
| | | | | | 28,225 | 25,865 | (2,360) | 27.37% | 31.55% | 0.03% |
| Technology and Communication | | | | | | | | | | |
| Avanceon Limited | - | 25,000 | - | 25,000 | 2,050 | 1,651 | (399) | 1.75% | 2.01% | - |
| Air Link Communication Limited | - | 84,000 | 52,000 | 32,000 | 1,008 | 947 | (61) | 1.00% | 1.16% | 0.01% |
| Hum Network Limited*** | 78,500 | 261,700 | 30,000 | 310,200 | 1,835 | 1,812 | (23) | 1.92% | 2.21% | 0.03% |
| Systems Limited | - | 17,600 | 17,600 | - | - | - | - | - | - | - |
| | | | | | 4,893 | 4,410 | (483) | 4.67% | 5.38% | 0.04% |

| Sector and Name of Security | As at July 01, 2022 | Purchased / bonus / right received during the year | Sold during the year | As at December 31, 2022 | Balance as at December 31, 2022 | | | Market value as a % of net assets of the Fund | Market value as % of investments of the Fund | Par value as a % of total paid-up capital of the investee company |
|---|---------------------|--|----------------------|-------------------------|---------------------------------|---------------|--------------------------|---|--|---|
| | | | | | Carrying value | Market value | Unrealised gain / (loss) | | | |
| ----- Number of shares ----- | | | | | ----- Rupees in '000 ----- | | | ----- % ----- | | |
| Leather and Tanneries | | | | | | | | | | |
| Service Industries Limited | 1,700 | 1,300 | - | 3,000 | 1,025 | 1,019 | (6) | 1.08% | 1.24% | 0.01% |
| | | | | | 1,025 | 1,019 | (6) | 1.08% | 1.24% | 0.01% |
| Synthetic and Rayon | | | | | | | | | | |
| Image Pakistan Limited | - | 50,000 | - | 50,000 | 480 | 470 | (10) | 0.50% | 0.57% | 0.35% |
| | | | | | 480 | 470 | (10) | 0.50% | 0.57% | 0.35% |
| Sugar & Allied Industries | | | | | | | | | | |
| Shahmurad Sugar Mills Limited | - | 14,000 | - | 14,000 | 1,444 | 1,823 | 379 | 1.93% | 2.22% | 0.06% |
| | | | | | 1,444 | 1,823 | 379 | 1.93% | 2.22% | 0.06% |
| Miscellaneous | | | | | | | | | | |
| Pakistan Aluminium Beverage Can Limited | 13,500 | 12,000 | - | 25,500 | 894 | 990 | 96 | 1.05% | 1.21% | 0.01% |
| | | | | | 894 | 990 | 96 | 1.05% | 1.21% | 0.01% |
| Total as at December 31, 2022 | | | | | 87,817 | 81,986 | (5,831) | | | |
| Total as at June 30, 2022 | | | | | 25,443 | 25,026 | (417) | | | |

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

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

*** These have a face value of Rs.1 per share

5.1.1 The above equity securities include 25 thousand shares pledged with National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs. 3.210 million for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.

6. ADVANCE TAX

"The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 (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 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/2008-Vol.II- 66417-R" 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 certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 in current and prior periods. The Management Company is confident that the amount will be refunded to the Fund.

| | Note | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---|------|--------------------------------------|-------------------------------|
| ----- Rupees in '000 ----- | | | |
| 7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY | | | |
| Remuneration payable to the Management Company | 7.1 | 164 | 28 |
| Sindh sales tax payable on remuneration of the Management Company | 7.2 | 21 | 4 |
| | | 185 | 32 |

7.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. The remuneration is payable to the Management Company monthly in arrears. During the period, the Management Company has charged remuneration at the rate of 2% per annum of daily net assets (June 30, 2022: 2%)

7.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2022: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

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

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fee has been charged at the rate of:

| 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 |

8.1 The Provincial Government of Sindh has also levied Sindh Sales Tax at the rate of 13% (June 30, 2022: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

9. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with NBFC Regulations a collective investment scheme classified as open end scheme is required to pay to the SECP an amount equal to 0.02% (June 30, 2022: 0.02%) of the average annual net assets of the Fund as annual fee.

| | Note | (Un-audited) December 31, 2022 | (Audited) June 30, 2022 |
|---|------|--------------------------------------|-------------------------------|
| ----- Rupees in '000 ----- | | | |
| 10. ACCRUED EXPENSES AND OTHER LIABILITIES | | | |
| Auditor's remuneration | | 761 | 435 |
| Brokerage payable | | 462 | 87 |
| Legal and professional fees | | 304 | 154 |
| Listing fees | | 28 | - |
| Capital gain tax payable | | 1 | 1 |
| | | 1,556 | 677 |

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

| | (Un-audited) For the half year ended December 31, 2022 | (Audited) For the year ended June 30, 2022 |
|--|--|--|
| | ----- Number of units ----- | |
| 12. NUMBER OF UNITS IN ISSUE | | |
| Total units in issue at the beginning of the period / year | 274,963 | 261,077 |
| Units issued during the period / year | 620,749 | 344,528 |
| Units redeemed during the period / year | - | (330,642) |
| Total units in issue at the end of the period / year | <u>895,712</u> | <u>274,963</u> |

13. TAXATION

The Fund's income is exempt from income 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. Further, 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. 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. Since the Management Company intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2023 to the unit holders in the manner as explained above, no provision for taxation has been made in this condensed interim financial information.

14. EARNINGS / (LOSS) PER UNIT

Earnings per unit (EPU) has not been disclosed in this condensed interim financial information 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 of the Fund for the period ended December 31, 2022 is 2.49% (December 31, 2021: 3.8%) which includes 0.21% (December 31, 2021: 0.18%) 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 an equity scheme.

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.

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.

The fair value of financial assets traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

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 liabilities that are not based on observable market data (i.e. unobservable inputs) (level 3).

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

| | Note | Fair value | | | |
|--|------|----------------------------|---------|---------|---------------|
| | | Level 1 | Level 2 | Level 3 | Total |
| | | ----- Rupees in '000 ----- | | | |
| December 31, 2022 (Un-audited) | | | | | |
| Financial assets measured at fair value | | | | | |
| Equity securities - listed | 16.1 | <u>81,986</u> | - | - | <u>81,986</u> |
| | | Level 1 | Level 2 | Level 3 | Total |
| June 30, 2022 (Audited) | | | | | |
| Financial assets measured at fair value | | | | | |
| Equity securities - listed | 16.1 | <u>25,026</u> | - | - | <u>25,026</u> |

16.1 Except for the investments as disclosed above, all other financial assets and liabilities are carried at amortised cost. The estimated fair value of all financial assets and liabilities at amortised cost is considered not significantly different from the carrying value as the items are short-term in nature.

17. TRANSACTIONS 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 ----- | | | | | | |
| ----- Half year ended December 31, 2022 (Un-audited) ----- | | | | | | |
| ----- Units in '000 ----- | | | | | | |
| Transactions during the period | | | | | | |
| Units issued | 621 | - | - | - | - | - |
| Units redeemed | - | - | - | - | - | - |
| ----- Rupees in '000 ----- | | | | | | |
| Value of units issued | 70,400 | - | - | - | - | - |
| Value of units redeemed | - | - | - | - | - | - |
| Mark-up on bank accounts | - | 587 | - | - | - | - |
| Dividend Income | - | 405 | - | - | - | - |
| Purchase of securities | - | 7,776 | - | - | - | - |
| Sale of securities | - | 523 | - | - | - | - |
| Remuneration (including Sindh Sales Tax) | 871 | - | 87 | - | - | - |
| ----- Rupees in '000 ----- | | | | | | |
| ----- Half year ended December 31, 2021 (Un-audited) ----- | | | | | | |
| ----- Units in '000 ----- | | | | | | |
| Transactions during the period | | | | | | |
| Units issued | - | - | - | - | - | - |
| Units redeemed | - | - | - | - | - | - |
| ----- Rupees in '000 ----- | | | | | | |
| Value of units issued | 1,550 | - | - | - | - | - |
| Value of units redeemed | 1,001 | - | - | - | - | - |
| Mark-up on bank accounts | - | 13 | - | - | - | - |
| Dividend income | - | - | - | - | - | - |
| Purchase of securities | - | 971 | - | - | - | - |
| Sale of securities | - | 3,152 | - | - | - | - |
| Remuneration (including Sindh Sales Tax) | 333 | - | 33 | - | - | - |

Balances held

----- Half year ended December 31, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|-----|---|---|---|---|---|
| Units held | 894 | - | - | - | - | - |
|------------|-----|---|---|---|---|---|

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

| | | | | | | |
|---|--------|--------|----|---|---|---|
| Value of units held | 94,311 | - | - | - | - | - |
| Bank balances | - | 11,472 | - | - | - | - |
| Investment | - | 8,231 | - | - | - | - |
| Remuneration payable (including Sindh Sales Tax) | 185 | - | 19 | - | - | - |
| Mark-up receivable | - | 585 | - | - | - | - |

Balances held

----- As at June 30, 2022 (Audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|-----|---|---|---|---|---|
| Units held | 273 | - | - | - | - | - |
|------------|-----|---|---|---|---|---|

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

| | | | | | | |
|---|--------|-----|---|---|---|---|
| Value of units held | 29,381 | - | - | - | - | - |
| Bank balances | - | 173 | - | - | - | - |
| Investment | - | - | - | - | - | - |
| Remuneration payable (including Sindh Sales Tax) | 32 | - | 3 | - | - | - |
| Mark-up receivable | - | 209 | - | - | - | - |
| Receivable from the Management Company | 1,247 | - | - | - | - | - |

18. GENERAL

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, 2022 and December 31, 2021 have not been reviewed by auditors.

19. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on January 26, 2023 by the Board of Directors of the Management Company.

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBLP-ETF

UBL Pakistan Enterprise Exchange Traded Fund

INVESTMENT OBJECTIVE

UBL Pakistan Enterprise Exchange Traded Fund (UBLP-ETF) aims to track the performance of the benchmark index to order to provide long-term capital appreciation and dividend yield to its investors.

| | |
|-----------------------------|--|
| Management Company | UBL Fund Managers Limited |
| Trustee | Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500 |
| Distribution Company | United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk) |
| Auditor | EY Ford Rhodes, Chartered Accountants |
| Bankers | Soneri Bank Limited |
| Management Co.Rating | AMI (VIS) |

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of UBL Pakistan Enterprise Exchange Traded Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: February 17, 2023

INDEPENDENT AUDITORS' REVIEW REPORT

To the Unit holders of UBL Pakistan Enterprise Exchange Traded Fund

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim Statement of Assets and Liabilities of **UBL Pakistan Enterprise Exchange Traded Fund** (the Fund) as at **31 December 2022**, and the related condensed interim Income Statement, condensed interim Statement of Comprehensive Income, condensed interim Cash Flow Statement and condensed interim Statement of Movement in Unit Holders' Fund, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management Company is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2022 and 31 December 2021 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-months period ended 31 December 2022.

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 interim financial statements 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 interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditors' review report is Arslan Khalid.



Chartered Accountants

Date: 27 February 2023

Place: Karachi

UDIN Number: RR202210191s05gRZWG4

UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
CONDENSED INTERIM STATEMENT OF ASSETS & LIABILITIES
AS AT DECEMBER 31, 2022

| | December 31, 2022 (Un-Audited) | June 30, 2022 (Audited) |
|---|--------------------------------------|-------------------------------|
| Note | ----- (Rupees in '000) ----- | |
| Assets | | |
| Bank balances | 4 1,604 | 1,391 |
| Investments | 5 25,126 | 25,639 |
| Dividend and mark-up receivable | 12 | 25 |
| Prepayments and other receivables | 75 | - |
| Preliminary expenses and floatation costs | 68 | 83 |
| Receivable from Management Company | 241 | 136 |
| Advance tax | 92 | 92 |
| Receivable against sale of shares | - | 2,162 |
| Total assets | 27,218 | 29,528 |
| Liabilities | | |
| Payable to the Management Company | 6 18 | 177 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 7 7 | 7 |
| Payable to Securities and Exchange Commission of Pakistan | 8 3 | 7 |
| Accrued expense and other liabilities | 9 599 | 2,793 |
| Total liabilities | 627 | 2,984 |
| Net assets | 26,591 | 26,543 |
| Unit holders' fund (as per the statement attached) | 26,591 | 26,543 |
| Contingencies and Commitments | 10 | |
| | (Number of units) | |
| Number of units in issue | 2,570,000 | 2,610,000 |
| | (Rupees) | |
| Net assets value per unit | 10.35 | 10.17 |

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

For UBL Fund Managers Limited
(Management Company)

SD
 Umair Ahmed
 Chief Financial Officer

SD
 Yasir Qadri
 Chief Executive Officer

SD
 Muhammad Rizwan Malik
 Director

**UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022**

| | Note | Half year ended | | Quarter ended | |
|--|------|----------------------|----------------------|----------------------|----------------------|
| | | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| ----- (Rupees in '000) ----- | | | | | |
| INCOME | | | | | |
| Profit on bank deposits | | 91 | 29 | 91 | 24 |
| Dividend income | | 1,726 | 1,675 | 1,279 | 754 |
| Total income | | 1,817 | 1,704 | 1,370 | 778 |
| EXPENSES | | | | | |
| Remuneration of the Management Company | 6.1 | 88 | 157 | 45 | 81 |
| Sindh Sales tax on the Management Company's remuneration | 6.2 | 11 | 20 | 6 | 10 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 7.1 | 13 | 24 | 6 | 12 |
| Sindh Sales tax on the Trustee's remuneration | 7.2 | 2 | 3 | 1 | 2 |
| Annual fee of Securities and Exchange Commission of Pakistan | 8.1 | 3 | 5 | 2 | 3 |
| Auditors' remuneration | | 170 | 197 | 85 | 132 |
| Listing fee | | 14 | 14 | 8 | 7 |
| Legal and professional charges | | 108 | 104 | 56 | 68 |
| Brokerage expenses / settlement expenses | | 62 | 72 | 62 | 34 |
| Formation cost | | 16 | 15 | 8 | 7 |
| Expense reimbursement by the Management Company | | (263) | (216) | (154) | (179) |
| Total expenses | | 224 | 395 | 125 | 177 |
| Net income from operating activities | | 1,593 | 1,309 | 1,245 | 601 |
| Reversal for Sindh Workers' Welfare Fund | | - | 51 | - | - |
| Element of (loss) / income included in prices of units issued less those in units redeemed | | (24) | (95) | (24) | 181 |
| Net income for the period before taxation | | 1,569 | 1,265 | 1,221 | 782 |
| Taxation | 12 | - | - | - | - |
| Net income for the period after taxation | | 1,569 | 1,265 | 1,221 | 782 |
| Allocation of net income for the period: | | | | | |
| Net income for the period after taxation | | 1,569 | 1,265 | 1,221 | 782 |
| Income already paid on units redeemed | | - | - | - | - |
| | | 1,569 | 1,265 | 1,221 | 782 |
| Accounting income available for distribution: | | | | | |
| - Relating to capital gains | | - | - | - | - |
| - Excluding capital gains | | 1,569 | 1,265 | 1,221 | 782 |
| | | 1,569 | 1,265 | 1,221 | 782 |
| Earnings per unit | 13 | | | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Umair Ahmed
Chief Financial Officer

SD
Yasir Qadri
Chief Executive Officer

SD
Muhammad Rizwan Malik
Director

UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

| | Half year ended | | Quarter ended | |
|--|----------------------|----------------------|----------------------|----------------------|
| | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| Note | (Rupees in '000) | | | |
| Net income for the period after taxation | 1,569 | 1,265 | 1,221 | 782 |
| Other comprehensive income for the period | | | | |
| Items that may not be reclassified subsequently to income statement | | | | |
| Unrealised (loss) / gain on revaluation of investments classified as 'at fair value through other comprehensive income - net | (1,015) | (4,816) | 28 | (1,168) |
| (Loss) / gain on sale of investments classified as 'at fair value through other comprehensive income' (FVOCI) | (91) | 51 | (56) | 10 |
| Cumulative change in fair value through other comprehensive income (FVOCI) | 5.2 (1,106) | (4,765) | (28) | (1,158) |
| Total comprehensive income/(loss) for the period | 463 | (3,500) | 1,193 | (376) |

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

For UBL Fund Managers Limited
(Management Company)

SD
 Umair Ahmed
 Chief Financial Officer

SD
 Yasir Qadri
 Chief Executive Officer

SD
 Muhammad Rizwan Malik
 Director

UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended December 31, | |
|---|---------------------------------|----------------|
| | 2022 | 2021 |
| | ----- (Rupees in '000) ----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period before taxation | 1,569 | 1,265 |
| Adjustments: | | |
| Mark up on bank account | (91) | (29) |
| Dividend income | (1,726) | (1,675) |
| Reversal for Sindh Workers' Welfare Fund | - | (51) |
| Amortization of preliminary expenses and floatation costs | 16 | 15 |
| Element of loss and capital losses included in prices of units issued less those in units redeemed | 24 | 95 |
| | (1,777) | (1,645) |
| Net cash used in operating activities before working capital | (208) | (380) |
| (Increase) / Decrease in assets | | |
| Investments | (593) | (6,009) |
| Receivable from Management Company | (105) | 341 |
| Receivable against sale of shares | 2,162 | 1,747 |
| Prepayments and other receivables | (75) | (55) |
| Formation cost | 15 | 16 |
| | 1,404 | (3,960) |
| (Decrease) / Increase in liabilities | | |
| Payable to the Management Company | (159) | 2 |
| Payable to Securities and Exchange Commission of Pakistan | (4) | (4) |
| Accrued expenses and other payables | (2,210) | (2,267) |
| | (2,373) | (2,269) |
| Advance tax paid | - | - |
| Mark-up received on bank balances and investments | 1,830 | 2,293 |
| Net cash generated from / (used in) operating activities | 652 | (4,316) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from issuance of units | 297 | 9,025 |
| Payments on redemption of units | (736) | (3,653) |
| Net cash (used in) / generated from financing activities | (439) | 5,372 |
| Cash and cash equivalents at end of the period | 213 | 1,056 |
| Cash and cash equivalents at the beginning of the period | 1,391 | 1,294 |
| Cash and cash equivalents at the end of the period | 1,604 | 2,350 |

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

For UBL Fund Managers Limited
(Management Company)

SD
 Umair Ahmed
 Chief Financial Officer

SD
 Yasir Qadri
 Chief Executive Officer

SD
 Muhammad Rizwan Malik
 Director

UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | December 31, 2022 | | | | December 31, 2021 | | | |
|---|-------------------|----------------------|---|---------------|-------------------|----------------------|---|----------------|
| | Capital value | Undistributed income | Realised and unrealised appreciation on investments classified at fair value through other comprehensive income | Total | Capital value | Undistributed income | Realised and unrealised appreciation on investments classified at fair value through other comprehensive income | Total |
| | (Rupees in '000) | | | | (Rupees in '000) | | | |
| Net assets at beginning of the period | 28,267 | 1,681 | (3,405) | 26,543 | 34,937 | 16 | 9,747 | 44,700 |
| Amount received on issuance of 30,000 (December 2021: 680,000) units | | | | | | | | |
| - Capital value | 305 | - | - | 305 | 9,295 | - | - | 9,295 |
| - Element of income during the period; Relating to net loss for the period after taxation | (8) | - | - | (8) | (270) | - | - | (270) |
| | 297 | - | - | 297 | 9,025 | - | - | 9,025 |
| Amount paid on redemption of 70,000 (December 2021: 280,000) units | | | | | | | | |
| - Capital value | (712) | - | - | (712) | (3,828) | - | - | (3,828) |
| - Element of Income during the period Relating to net (loss)/income for the period after taxation | (24) | - | - | (24) | 175 | - | - | 175 |
| | (735) | - | - | (736) | (3,653) | - | - | (3,653) |
| Element of income and capital income included in prices of units issued less those in units redeemed - net | 24 | - | - | 24 | 95 | - | - | 95 |
| Total comprehensive income/(loss) for the period Distribution during the period | - | 1,569 | (1,106) | 463 | - | 1,265 | (4,765) | (3,500) |
| Net income / (loss) for the period less distribution | - | 1,569 | (1,106) | 463 | - | 1,265 | (4,765) | (3,500) |
| Transfer on sale of FVOCI investments | - | 91 | (91) | - | - | - | - | - |
| Net assets at end of the period | 27,853 | 3,341 | (4,420) | 26,591 | 40,404 | 1,281 | 4,982 | 46,667 |
| Undistributed income brought forward: | | | | | | | | |
| - Realised | | 1,681 | | | | 16 | | |
| - Unrealised | | - | | | | - | | |
| | | 1,681 | | | | 16 | | |
| Accounting income available for distribution: | | | | | | | | |
| - Relating to capital gains | | - | | | | - | | |
| - Excluding capital gains | | 1,569 | | | | 1,265 | | |
| | | 1,569 | | | | 1,265 | | |
| Distribution during the period | | - | | | | - | | |
| Transfer on sale of FVOCI investments | | 91 | | | | - | | |
| Undistributed income carried forward | | 3,341 | | | | 1,281 | | |
| Undistributed income carried forward | | | | | | | | |
| - Realised | | 3,341 | | | | 1,281 | | |
| - Unrealised | | - | | | | - | | |
| | | 3,341 | | | | 1,281 | | |
| | | | | | -- (Rupees) -- | | | -- (Rupees) -- |
| Net assets value per unit at beginning of the period | | | | 10.17 | | | | 13.67 |
| Net assets value per unit at end of the period | | | | 10.35 | | | | 12.72 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Umair Ahmed
Chief Financial Officer

SD
Yasir Qadri
Chief Executive Officer

SD
Muhammad Rizwan Malik
Director

**UBL PAKISTAN ENTERPRISE EXCHANGE TRADED FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022**

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. The Trust Deed was previously registered under The "Trust Act 1882" and now has been registered under "The Sindh Trust Act 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, the above-mentioned Trust Deed has been registered under the Sindh Trust Act".
- 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 Limited has reaffirmed management quality rating of AM1 on December 31, 2022.
- 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 this condensed interim financial information 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 these condensed interim financial information have, however, been limited based on the requirements of IAS 34. this condensed interim financial information 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,
- 2.3** The comparative figures in the condensed interim statement of asset and liabilities presented in this condensed interim financial information have been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2022, whereas the comparative figures in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' fund have been extracted from the unaudited interim condensed financial statements for the period ended December 31, 2021.
- 2.4** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of affairs of the Fund as at December 31, 2022.

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

- 3.1** The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2022.

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2021 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in this condensed interim financial information.

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

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

| Standards, interpretations and amendments | Effective date (annual periods beginning on or after) |
|--|--|
| Definition of Accounting Estimates - Amendments to IAS 8 | January 01, 2023 |
| Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 | January 01, 2023 |
| Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12 | January 01, 2023 |
| Classification of liabilities as current or non-current - Amendment to IAS 1 | January 01, 2024 |
| Lease Liability in a Sale and Leaseback - Amendments to IFRS 16 | January 01, 2024 |
| Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28 | Not yet finalized |

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

| Standards | IASB Effective date (annual periods beginning on or after) |
|---|---|
| IFRS 1 - First-time Adoption of International Financial Reporting Standards | July 01, 2009 |
| IFRS 17 – Insurance Contracts | January 01, 2023 |

| | | December 31, 2022 (Unaudited) | June 30, 2022 (Audited) |
|-------------------------|---|--|--|
| | | ----- (Rupees in '000) ----- | |
| 4. BANK BALANCES | Note | | |
| Saving accounts | 4.1 | <u>1,604</u> | <u>1,391</u> |
| 4.1 | The rates of return on these balances is 14.50% (June 30, 2022: 5.50%) per annum. | | |

| | | December 31, 2022 (Unaudited) | June 30, 2022 (Audited) |
|--|-------------|--|--|
| | | ----- (Rupees in '000) ----- | |
| 5. INVESTMENTS IN EQUITY SHARES | Note | | |
| Investments by Category | | | |
| Fair value through other comprehensive income | | | |
| Equity Securities listed | 5.1 | <u>25,126</u> | <u>25,639</u> |

5.1 Equity securities - 'at fair value through other comprehensive income'

Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise

| Name of the investee company | Note | As at July 01, 2022 | Purchased during the period | Bonus / Right issue during the period | Sold during the period | As at December 31, 2022 | Cost / carrying value as at December 31, 2022 | Market value as at December 31, 2022 | Unrealised (loss) / gain | Market value as percentage of total investments | Market value as percentage of net assets | Weightage in benchmark index (UBLP ETF) | Market value as a percentage of paid-up capital of the investee | |
|---|-------|---------------------|-----------------------------|---------------------------------------|------------------------|-------------------------|---|--------------------------------------|--------------------------|---|--|---|---|--|
| | | | | | | (Number of shares) | | | (Rupees in '000) | | | (%) | | |
| Cement | | | | | | | | | | | | | | |
| Lucky Cement Limited | | 7,848 | 3,307 | | 6,015 | 5,140 | 3,386 | 2,295 | (1,091) | 9.14% | 8.63% | 9.44% | 0.003% | |
| D.G. Khan Cement Company Limited | | - | 21,585 | | 21,585 | - | - | - | - | 0.00% | 0.00% | 0.00% | 0.004% | |
| | | | | | | | 3,386 | 2,295 | (1,091) | 9.13% | 8.63% | 9.44% | 0.007% | |
| Fertilizer | | | | | | | | | | | | | | |
| Engro Corporation Limited | | 21,582 | 8,424 | | 15,100 | 14,906 | 4,242 | 3,906 | (337) | 15.54% | 14.69% | 15.51% | 0.005% | |
| Fauji Fertilizer Company Limited | | - | 39,857 | | 6,704 | 33,153 | 4,016 | 3,273 | (743) | 13.02% | 12.31% | 12.90% | 0.005% | |
| Engro Fertilizer Limited | 5.1.1 | 41,202 | 18,605 | | 31,280 | 28,527 | 1,887 | 2,193 | 306 | 8.73% | 8.25% | 8.63% | 0.004% | |
| | | | | | | | 10,145 | 9,370 | (776) | 37.29% | 35.24% | 37.04% | 0.014% | |
| Commercial Banks | | | | | | | | | | | | | | |
| Habib Bank Limited | 5.1.1 | 50,685 | 17,498 | | 33,488 | 34,695 | 4,094 | 2,211 | (1,882) | 8.80% | 8.32% | 8.73% | 0.004% | |
| MCB Bank Limited | | 28,776 | 29,495 | | 38,739 | 19,532 | 2,819 | 2,269 | (550) | 9.03% | 8.53% | 9.00% | 0.000% | |
| United Bank Limited | | 33,681 | 15,353 | | 25,904 | 23,130 | 2,783 | 2,330 | (452) | 9.27% | 8.76% | 9.22% | 0.003% | |
| | | | | | | | 9,696 | 6,810 | (2,884) | 27.10% | 25.61% | 26.95% | 0.007% | |
| Power generation and distribution | | | | | | | | | | | | | | |
| The Hub Power Company Limited | 5.1.1 | 67,689 | 29,639 | | 51,068 | 46,260 | 3,486 | 2,918 | (568) | 11.61% | 10.97% | 11.46% | 0.007% | |
| | | | | | | | 3,486 | 2,918 | (568) | 11.61% | 10.97% | 11.46% | 0.007% | |
| Technology and communication | | | | | | | | | | | | | | |
| TRG Pakistan Limited | | 31,719 | 13,329 | | 45,048 | - | - | - | - | 0.00% | 0.00% | 0.00% | 0.007% | |
| Systems Limited | | - | 9,181 | | 1,471 | 7,710 | 2,833 | 3,731 | 899 | 14.85% | 14.03% | 15.10% | 0.007% | |
| | | | | | | | 2,833 | 3,731 | 899 | 14.85% | 14.03% | 15.10% | 0.01% | |
| Pharmaceuticals | | | | | | | | | | | | | | |
| The Searle Company Limited | | 7,194 | 3,741 | 2,468 | 13,403 | - | - | - | - | 0.00% | 0.00% | 0.00% | 0.005% | |
| | | | | | | | - | - | - | 0.00% | 0.00% | 0.00% | 0.005% | |
| Total as at December 31, 2022 (Un-Audited) | | | | | | | 29,546 | 25,126 | (4,420) | | | | | |
| Total as at June 30, 2022 (Audited) | | | | | | | 29,044 | 25,639 | (3,405) | | | | | |

5.1.1 Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin:

| | December 31, 2022 | June 30, 2022 |
|-------------------------------|--------------------|---------------|
| | (Number of shares) | |
| Engro Corporation Limited | 10,000 | 10,000 |
| Habib Bank Limited | 15,000 | 15,000 |
| The Hub Power Company Limited | 15,000 | 15,000 |
| | 40,000 | 40,000 |

| | December 31, 2022 (Unaudited) ----- (Rupees in '000) ----- | June 30, 2022 (Audited) |
|---|---|-------------------------------|
| 5.2 Net unrealised appreciation on revaluation of investments classified as 'at fair value through other comprehensive income' | | |
| Market value of investments | 25,126 | 25,639 |
| Less: Carrying cost | <u>(29,546)</u> | <u>(29,044)</u> |
| | (4,420) | (3,405) |
| Add: Net unrealised loss on revaluation of investments at beginning of period | <u>(3,314)</u> | <u>(2,932)</u> |
| | <u><u>(1,106)</u></u> | <u><u>(6,337)</u></u> |

**6. PAYABLE TO UBL FUND MANAGERS LIMITED -
MANAGEMENT COMPANY**

| | | | |
|--|-----|-----------|------------|
| Remuneration payable to the Management Company | 6.1 | 16 | 17 |
| Sindh sales tax payable on remuneration of the Management Company | 6.2 | 2 | 2 |
| Others | | - | 158 |
| | | <u>18</u> | <u>177</u> |

- 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.

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, 2022: 0.65% per annum of the average daily net assets). 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, 2022: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

| | December 31, 2022 (Unaudited) ----- (Rupees in '000) ----- | June 30, 2022 (Audited) |
|---|---|-------------------------------|
| 7. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE | Note | |
| Remuneration payable to the Trustee | 7.1 | 6 |
| Sindh sales tax on Trustee remuneration | 7.2 | 1 |
| | | <u>7</u> |

- 7.1** 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, 2022: 0.1%) per annum of average daily net assets of the Fund during the period.

- 7.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2022: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

| | December 31, 2022 (Unaudited) ----- (Rupees in '000) ----- | June 30, 2022 (Audited) |
|---|---|-------------------------------|
| 8. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN | Note | |
| Annual fee payable | 8.1 | 3 |
| | | <u>7</u> |

- 8.1** 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, 2022: 0.02%) of average annual net assets during the current period.

| | December 31, 2022 (Unaudited) ----- (Rupees in '000) ----- | June 30, 2022 (Audited) |
|--|---|-------------------------------|
| 9. ACCRUED EXPENSES AND OTHER LIABILITIES | | |
| Auditors' remuneration payable | 182 | 221 |
| Annual listing fee payable | 61 | 33 |
| Legal and professional charges payable | 285 | 129 |
| Brokerage payable | 43 | 42 |
| Dividend payable | - | 2,340 |
| Zakat payable | 5 | 5 |
| Other payable | 23 | 23 |
| | <u>599</u> | <u>2,793</u> |

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

11. TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund based on the current period results is 1.66% (December 31, 2021: 0.83%) which includes 0.06% (December 31, 2021: 0.06%) 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. Accordingly this ratio has been calculated after adjusting reimbursement of expenses from the management company of Rs.0.263 million (December 31, 2021: Rs.0.216 million).

12. TAXATION

The income of the Fund is exempt from income 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% 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 Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% 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 Company intends to distribute at least 90% of the Fund's accounting income for the year ending June 30, 2023 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore no provision for taxation has been made in this condensed interim financial information.

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 this condensed interim financial information 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. FAIR VALUE MEASUREMENT

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit

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

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

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

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

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

The table below analyse financial instruments measured at the end of the period by the level in the fair value hierarchy into which the fair value measurement is categorised:

| | Fair Value | | | |
|--|------------------------------|----------|----------|---------------|
| | Level 1 | Level 2 | Level 3 | Total |
| | ----- (Rupees in '000) ----- | | | |
| December 31, 2022 | | | | |
| Financial assets measured at fair value | | | | |
| Equity Securities - listed | 25,126 | - | - | 25,126 |
| | <u>25,126</u> | <u>-</u> | <u>-</u> | <u>25,126</u> |

| | Fair Value | | | |
|--|------------------------------|----------|----------|---------------|
| | Level 1 | Level 2 | Level 3 | Total |
| | ----- (Rupees in '000) ----- | | | |
| June 30, 2022 | | | | |
| Financial assets measured at fair value | | | | |
| Equity Securities - listed | 25,639 | - | - | 25,639 |
| | <u>25,639</u> | <u>-</u> | <u>-</u> | <u>25,639</u> |

During the period ended December 31, 2022, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

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

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, Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of the Management Company.

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

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, the NBFC regulations and the Trust Deed respectively.

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

Details of transactions with related parties / connected persons during the period and balances held with them at the quarter ended 31 December 2022 are as follows:

| 16.1 | Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
|---|-----------------------|-------------------------|---------|------------------------------------|---|
| ----- (Rupees in '000) ----- | | | | | |
| ----- (For the half year ended 31 December 2022) (Un-audited) ----- | | | | | |
| <u>Transactions during the period</u> | | | | | |
| Securities transferred to the fund | - | 29 | - | - | - |
| Securities transferred by the fund | - | 20 | - | - | - |
| Dividend income received | - | 182 | - | - | - |
| Remuneration | 99 | - | 15 | - | - |
| ----- (For the half year ended 31 December 2021) (Un-audited) ----- | | | | | |
| <u>Transactions during the period</u> | | | | | |
| Units issued | 1,550 | - | - | - | - |
| Units redeemed | 1,001 | - | - | - | - |
| Mark-up on bank account | - | 13 | - | - | - |
| Dividend income received | - | - | - | - | - |
| Dividend paid | - | - | - | - | - |
| Remuneration | 333 | - | 33 | - | - |
| ----- (As at 31 December 2022) (Un-audited) ----- | | | | | |
| <u>Balances held</u> | | | | | |
| Units held (in Units '000) | 1,963 | - | - | - | - |
| Units held (in Rupees '000) | 20,310 | - | - | - | - |
| Receivable from Management company | 241 | - | - | - | - |
| Remuneration payable | 18 | - | 7 | - | - |
| ----- (As at 30 June 2022) (Audited) ----- | | | | | |
| <u>Balances held</u> | | | | | |
| Units held (in Units '000) | 20 | - | - | - | - |
| Units held (in Rupees '000) | 202 | - | - | - | - |
| Bank balances | - | - | - | - | - |
| Deposits | - | - | - | - | - |
| Remuneration payable | 19 | - | 7 | - | - |
| Sales load and other payable | - | - | - | - | - |
| Selling and marketing expense payable | - | - | - | - | - |
| Allocated expenses | - | - | - | - | - |
| Profit receivable | - | - | - | - | - |
| Receivable from Management Company - net | 136 | - | - | - | - |

17 GENERAL

17 Prior period's figures have been rearranged / reclassified wherever necessary for better presentation and comparison. However, there were no material reclassifications to report.

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

18 DATE OF AUTHORIZATION FOR ISSUE

this condensed interim financial information were authorised for issue on January 26, 2023 by the Board of Directors of the Management Company.

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

SD
Umair Ahmed
Chief Financial Officer

SD
Yasir Qadri
Chief Executive Officer

SD
Muhammad Rizwan Malik
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.

| | |
|-----------------------------|--|
| 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: www.ublfunds.com.pk) |
| Auditor | Yousuf Adil, Chartered Accountants |
| Bankers | Allied Bank Limited JS Bank Limited Soneri Bank Limited Habib Metropolitan Bank Limited Habib Bank Limited |
| Management Co.Rating | AM1 (VIS) |

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

UBL SPECIAL SAVINGS FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of UBL Special Savings Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS' OF UBL SPECIAL SAVINGS FUND

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **UBL SPECIAL SAVINGS FUND** (the "Fund") as at December 31, 2022, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' funds, condensed interim cash flow statement and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year then ended. The Management Company (**UBL Fund Managers Limited**) is responsible for the preparation and presentation of this condensed interim financial information in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2022 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matters

The figures of the condensed interim income statement, condensed interim statement of comprehensive income and related notes for the quarter ended December 31, 2022 have not been reviewed, as we are only required to review the cumulative figures for the half year ended December 31, 2022.

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


Chartered Accountants

Place: Karachi
Date: February 24, 2023
UDIN: RR202210091PAJDITNOQ

**UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022**

| | | December 31, 2022 (Un-audited) | | | | | | |
|---|-------------|--------------------------------|-----------|----------|----------|------------|----------|-----------|
| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| ASSETS | Note | ----- Rupees in '000 ----- | | | | | | |
| Bank balances | 4 | - | 195,738 | 25,045 | 30,899 | 211,955 | 46,340 | 509,977 |
| Investments | 5 | - | - | - | - | 1,139,510 | - | 1,139,510 |
| Mark-up receivable | | - | 2,268 | 251 | 949 | 8,310 | 360 | 12,138 |
| Prepayments and other receivables | | - | 77 | 5 | - | 3 | - | 85 |
| Advance income tax | 6 | - | 324 | 175 | 77 | 304 | 86 | 966 |
| Total assets | | - | 198,407 | 25,476 | 31,925 | 1,360,082 | 46,786 | 1,662,676 |
| LIABILITIES | | | | | | | | |
| Payable to UBL Fund Managers Limited - Management Company | 7 | - | 628 | 146 | 229 | 7,346 | 80 | 8,429 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 8 | - | 19 | 2 | 3 | 142 | 6 | 172 |
| Payable to the Securities and Exchange Commission of Pakistan | 9 | - | 21 | 3 | 3 | 305 | 5 | 337 |
| Accrued expenses and other liabilities | 10 | - | 2,376 | 202 | 271 | 10,211 | 182 | 13,242 |
| Total liabilities | | - | 3,044 | 353 | 506 | 18,004 | 273 | 22,180 |
| NET ASSETS | | - | 195,363 | 25,123 | 31,419 | 1,342,078 | 46,513 | 1,640,496 |
| UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED) | | - | 195,363 | 25,123 | 31,419 | 1,342,078 | 46,513 | 1,640,496 |
| Contingencies and commitments | 11 | ----- Number of units ----- | | | | | | |
| Number of units in issue | 12 | - | 1,798,740 | 229,975 | 293,236 | 12,954,797 | 436,745 | |
| | | ----- Rupees ----- | | | | | | |
| Net assets value per unit | | - | 108.6112 | 109.2405 | 107.1461 | 103.5970 | 106.5004 | |
| Face value per unit | | - | 100.0000 | 100.0000 | 100.0000 | 100.0000 | 100.0000 | |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022

June 30, 2022 (Audited)

| | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total | |
|---|--------|---------|-----------|----------|----------|----------|----------|---------|
| Note ----- Rupees in '000 ----- | | | | | | | | |
| ASSETS | | | | | | | | |
| Bank balances | 4 | 1,436 | 246,690 | 31,173 | 40,964 | 29,234 | 47,930 | 397,427 |
| Investments | 5 | - | - | - | - | - | - | - |
| Mark-up receivable | | - | 3,042 | 403 | 242 | 285 | 413 | 4,385 |
| Prepayments and other receivables | | - | 76 | 5 | 5 | 4 | - | 90 |
| Advance income tax | 6 | - | 1,309 | 305 | 77 | 443 | 284 | 2,418 |
| Total assets | | 1,436 | 251,117 | 31,886 | 41,288 | 29,966 | 48,627 | 404,320 |
| LIABILITIES | | | | | | | | |
| Payable to UBL Fund Managers Limited - Management Company | 7 | - | 1,085 | 202 | 306 | 144 | 79 | 1,816 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 8 | - | 22 | 2 | 4 | 7 | 7 | 42 |
| Payable to the Securities and Exchange Commission of Pakistan | 9 | - | 96 | 9 | 19 | 7 | 16 | 147 |
| Accrued expenses and other liabilities | 10 | 1,436 | 3,097 | 601 | 613 | 990 | 620 | 7,357 |
| Total liabilities | | 1,436 | 4,300 | 814 | 942 | 1,148 | 722 | 9,362 |
| NET ASSETS | | - | 246,817 | 31,072 | 40,346 | 28,818 | 47,905 | 394,958 |
| UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED) | | - | 246,817 | 31,072 | 40,346 | 28,818 | 47,905 | 394,958 |
| Contingencies and commitments | | | | | | | | |
| ----- Number of units ----- | | | | | | | | |
| Number of units in issue | 12 | - | 2,437,323 | 303,692 | 402,227 | 279,313 | 482,517 | |
| ----- Rupees ----- | | | | | | | | |
| Net assets value per unit | | - | 101.2658 | 102.3150 | 100.3074 | 103.1756 | 99.2818 | |
| Face value per unit | | - | 100.0000 | 100.0000 | 100.0000 | 100.0000 | 100.0000 | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | | Half year ended December 31, 2022 | | | | | | |
|---|--|-----------------------------------|---------------|--------------|--------------|----------------|--------------|----------------|
| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| Note | | Rupees in '000 | | | | | | |
| INCOME | | | | | | | | |
| | Financial income | - | 16,233 | 2,140 | 2,652 | 243,430 | 3,627 | 268,082 |
| | (Loss) / gain on sale of investments - net | - | - | - | - | (1,608) | - | (1,608) |
| | Unrealised (loss) on remeasurement of investments | - | - | - | - | (4,852) | - | (4,852) |
| | Other income | - | - | - | - | - | - | - |
| | Total income | - | 16,233 | 2,140 | 2,652 | 236,970 | 3,627 | 261,622 |
| EXPENSES | | | | | | | | |
| | Remuneration of UBL Fund Managers Limited - Management Company | 7.1 | 1,040 | 140 | 170 | 1,526 | 235 | 3,111 |
| | Sindh Sales Tax on remuneration of the Management Company | 7.2 | 135 | 18 | 22 | 198 | 31 | 404 |
| | Allocated expenses | 7.3 | 146 | 22 | 17 | 8,446 | 27 | 8,658 |
| | Selling and marketing expenses | 7.4 | 343 | 98 | 170 | 1,295 | - | 1,906 |
| | Remuneration of Central Depository Company of Pakistan Limited - Trustee | 8 | 65 | 9 | 11 | 948 | 15 | 1,048 |
| | Annual fee of the Securities and Exchange Commission of Pakistan | 9 | 21 | 3 | 3 | 305 | 5 | 337 |
| | Auditor's remuneration | - | 39 | 24 | 24 | 124 | 26 | 237 |
| | Amortisation of preliminary expenses and floatation costs | - | - | - | - | - | - | - |
| | Bank charges | - | 2 | 1 | - | - | 3 | 6 |
| | Listing fees | - | 1 | 1 | - | 1 | 1 | 4 |
| | Legal and professional charges | - | 11 | 11 | 11 | 11 | 11 | 55 |
| | Brokerage expenses | - | 1 | - | - | 24 | - | 25 |
| | Other expenses | - | - | - | 2 | 4 | - | 6 |
| | Total expenses | - | 1,804 | 327 | 430 | 12,882 | 354 | 15,797 |
| | Net operating income for the period | - | 14,429 | 1,813 | 2,222 | 224,088 | 3,273 | 245,825 |
| | Reversal of provision for Sindh Workers' Welfare Fund | - | - | - | - | - | - | - |
| | Net income for the period before taxation | - | 14,429 | 1,813 | 2,222 | 224,088 | 3,273 | 245,825 |
| | Taxation | 13 | - | - | - | - | - | - |
| | Net income for the period after taxation | - | 14,429 | 1,813 | 2,222 | 224,088 | 3,273 | 245,825 |
| Allocation of net income for the period | | | | | | | | |
| | Net income for the period after taxation | - | 14,429 | 1,813 | 2,222 | 224,088 | 3,273 | 245,825 |
| | Income already paid on units redeemed | - | (1,216) | (220) | (216) | (2,217) | (120) | (3,989) |
| | | - | 13,213 | 1,593 | 2,006 | 221,871 | 3,153 | 241,836 |
| Accounting income available for distribution | | | | | | | | |
| | - Relating to capital gains | - | - | - | - | - | - | - |
| | - Excluding capital gains | - | 13,213 | 1,593 | 2,006 | 221,871 | 3,153 | 241,836 |
| | | - | 13,213 | 1,593 | 2,006 | 221,871 | 3,153 | 241,836 |
| | Earnings per unit | 14 | | | | | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | | Half year ended December 31, 2021 | | | | | | |
|--|-----|-----------------------------------|---------------|--------------|--------------|---------------|--------------|---------------|
| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| Note | | Rupees in '000 | | | | | | |
| INCOME | | | | | | | | |
| Financial income | | 11,244 | 23,642 | 2,296 | 5,438 | 1,564 | 3,870 | 48,054 |
| (Loss) / gain on sale of investments - net | | 2,555 | 6,128 | 1,666 | (509) | (19) | (921) | 8,900 |
| Unrealised (loss) on remeasurement of investments | | - | - | - | - | - | - | - |
| Other income | | 18 | 56 | 4 | - | - | 18 | 96 |
| Total income | | 13,817 | 29,826 | 3,966 | 4,929 | 1,545 | 2,967 | 57,050 |
| EXPENSES | | | | | | | | |
| Remuneration of UBL Fund Managers Limited - Management Company | 7.1 | 1,191 | 2,507 | 217 | 631 | 17 | 445 | 5,008 |
| Sindh Sales Tax on remuneration of the Management Company | 7.2 | 155 | 326 | 28 | 82 | 2 | 58 | 651 |
| Allocated expenses | 7.3 | 133 | 300 | 30 | 51 | 337 | 45 | 896 |
| Selling and marketing expenses | 7.4 | 665 | 935 | 171 | 713 | - | - | 2,484 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 8 | 88 | 188 | 16 | 47 | 12 | 33 | 384 |
| Annual fee of the Securities and Exchange Commission of Pakistan | 9 | 27 | 57 | 5 | 14 | 4 | 10 | 117 |
| Auditor's remuneration | | 44 | 40 | 40 | 40 | 40 | 40 | 244 |
| Amortisation of preliminary expenses and floatation costs | | 136 | - | - | - | - | - | 136 |
| Bank charges | | 5 | 2 | 2 | 2 | - | 2 | 13 |
| Listing fees | | 2 | 2 | 2 | 2 | 2 | 2 | 12 |
| Legal and professional charges | | - | 17 | 17 | 17 | 17 | 17 | 85 |
| Brokerage expenses | | 2 | 4 | - | 1 | - | 8 | 15 |
| Other expenses | | 199 | 364 | 32 | 95 | 2 | 66 | 758 |
| Total expenses | | 2,647 | 4,742 | 560 | 1,695 | 433 | 726 | 10,803 |
| Net operating income for the period | | 11,170 | 25,084 | 3,406 | 3,234 | 1,112 | 2,241 | 46,247 |
| Reversal of provision for Sindh Workers' Welfare Fund | | 2,021 | 3,768 | 856 | 930 | 15,510 | 702 | 23,787 |
| Net income for the period before taxation | | 13,191 | 28,852 | 4,262 | 4,164 | 16,622 | 2,943 | 70,034 |
| Taxation | 13 | - | - | - | - | - | - | - |
| Net income for the period after taxation | | 13,191 | 28,852 | 4,262 | 4,164 | 16,622 | 2,943 | 70,034 |
| Allocation of net income for the period | | | | | | | | |
| Net income for the period after taxation | | 13,191 | 28,852 | 4,262 | 4,164 | 16,622 | 2,943 | 70,034 |
| Income already paid on units redeemed | | (1,312) | (3,961) | (190) | (449) | (2,609) | (685) | (9,206) |
| | | 11,879 | 24,891 | 4,072 | 3,715 | 14,013 | 2,258 | 60,828 |
| Accounting income available for distribution | | | | | | | | |
| - Relating to capital gains | | 2,264 | 4,541 | 1,409 | - | - | - | 8,214 |
| - Excluding capital gains | | 9,615 | 20,350 | 2,663 | 3,715 | 14,013 | 2,258 | 52,614 |
| | | 11,879 | 24,891 | 4,072 | 3,715 | 14,013 | 2,258 | 60,828 |
| Earnings per unit | 14 | | | | | | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2022

| | | Quarter ended December 31, 2022 | | | | | | |
|--|-----|---------------------------------|---------|----------|---------|---------|---------|---------|
| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| Note | | Rupees in '000 | | | | | | |
| INCOME | | | | | | | | |
| Financial income | | - | 8,244 | 1,060 | 1,267 | 149,676 | 1,815 | 162,062 |
| (Loss) / gain on sale of investments - net | | - | (248) | - | - | (828) | - | (1,076) |
| Unrealised gain / (loss) on remeasurement of investments | | - | - | - | - | (4,852) | - | (4,852) |
| Other income | | - | - | - | - | 84 | - | 84 |
| Total income | | - | 7,996 | 1,060 | 1,267 | 144,080 | 1,815 | 156,218 |
| EXPENSES | | | | | | | | |
| Remuneration of UBL Fund Managers Limited - Management Company | 7.1 | - | 502 | 68 | 79 | 355 | 115 | 1,119 |
| Sindh Sales Tax on remuneration of the Management Company | 7.2 | - | 65 | 9 | 10 | 65 | 15 | 164 |
| Allocated expenses | 7.3 | - | 71 | 10 | 8 | 5,765 | 14 | 5,868 |
| Selling and marketing expenses | 7.4 | - | 165 | 48 | 79 | 1,132 | - | 1,424 |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 8 | - | 32 | 5 | 5 | 588 | 8 | 638 |
| Annual fee of the Securities and Exchange Commission of Pakistan | 9 | - | 9 | 2 | 1 | 189 | 3 | 204 |
| Auditor's remuneration | | - | 37 | 21 | 22 | 122 | 22 | 224 |
| Amortisation of preliminary expenses and floatation costs | | - | - | - | - | - | - | - |
| Bank charges | | - | - | - | 2 | 2 | - | 4 |
| Listing fees | | - | 1 | 1 | - | 1 | 1 | 4 |
| Legal and professional charges | | - | 10 | 10 | 11 | 10 | 10 | 51 |
| Brokerage expenses | | - | - | - | - | 12 | - | 12 |
| Other expenses | | - | - | - | - | 1 | - | 1 |
| Total expenses | | - | 892 | 174 | 217 | 8,242 | 188 | 9,713 |
| Net operating income for the period | | - | 7,104 | 886 | 1,050 | 135,838 | 1,627 | 146,505 |
| Reversal of provision for Sindh Workers' Welfare Fund | | - | - | - | - | - | - | - |
| Net income for the period before taxation | | - | 7,104 | 886 | 1,050 | 135,838 | 1,627 | 146,505 |
| Taxation | 13 | - | - | - | - | - | - | - |
| Net income for the period after taxation | | - | 7,104 | 886 | 1,050 | 135,838 | 1,627 | 146,505 |
| Allocation of net income for the period | | | | | | | | |
| Net income for the period after taxation | | - | 7,104 | 886 | 1,050 | 135,838 | 1,627 | 146,505 |
| Income already paid on units redeemed | | - | (680) | (154) | (90) | (2,135) | (22) | (3,081) |
| Accounting income available for distribution | | - | 6,424 | 732 | 960 | 133,703 | 1,605 | 143,424 |
| - Relating to capital gains | | - | - | - | - | - | - | - |
| - Excluding capital gains | | - | 6,424 | 732 | 960 | 133,703 | 1,605 | 143,424 |
| Earnings per unit | 14 | - | 6,424 | 732 | 960 | 133,703 | 1,605 | 143,424 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2022

| | | Quarter ended December 31, 2021 | | | | | | |
|---|-----|---------------------------------|---------------|--------------|--------------|------------|------------|---------------|
| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| Note | | ----- Rupees in '000 ----- | | | | | | |
| INCOME | | | | | | | | |
| | | 5,243 | 10,851 | 992 | 2,586 | 780 | 1,843 | 22,295 |
| | | 2,555 | 6,128 | 1,666 | (509) | (19) | (921) | 8,900 |
| | | - | - | - | - | - | - | - |
| | | 18 | 42 | 1 | (1) | - | - | 60 |
| | | 7,816 | 17,021 | 2,659 | 2,076 | 761 | 922 | 31,255 |
| EXPENSES | | | | | | | | |
| | 7.1 | 490 | 1,035 | 92 | 248 | 8 | 176 | 2,049 |
| | 7.2 | 64 | 135 | 12 | 32 | 1 | 23 | 267 |
| | 7.3 | 84 | 191 | 19 | 33 | 201 | 28 | 556 |
| | 7.4 | 315 | 449 | 84 | 330 | - | - | 1,178 |
| | 8 | 41 | 88 | 8 | 21 | 6 | 15 | 179 |
| | 9 | 13 | 28 | 3 | 6 | 2 | 5 | 57 |
| | | 25 | 21 | 21 | 21 | 21 | 21 | 130 |
| | | 41 | - | - | - | - | - | 41 |
| | | 1 | (1) | - | (1) | (2) | - | (3) |
| | | 1 | 1 | 1 | 1 | 2 | 1 | 7 |
| | | (8) | 9 | 9 | 9 | 9 | 9 | 37 |
| | | 2 | 4 | - | 1 | - | 8 | 15 |
| | | 199 | 364 | 32 | 95 | 2 | 66 | 758 |
| | | 1,268 | 2,324 | 281 | 796 | 250 | 352 | 5,271 |
| | | 6,548 | 14,697 | 2,378 | 1,280 | 511 | 570 | 25,984 |
| | | - | - | - | - | - | - | - |
| | | 6,548 | 14,697 | 2,378 | 1,280 | 511 | 570 | 25,984 |
| | 13 | - | - | - | - | - | - | - |
| | | 6,548 | 14,697 | 2,378 | 1,280 | 511 | 570 | 25,984 |
| Allocation of net income for the period | | | | | | | | |
| | | 6,548 | 14,697 | 2,378 | 1,280 | 511 | 570 | 25,984 |
| | | (1,270) | (3,601) | (163) | (128) | - | (383) | (5,545) |
| | | 5,278 | 11,096 | 2,215 | 1,152 | 511 | 187 | 20,439 |
| Accounting income available for distribution | | | | | | | | |
| | | 2,264 | 4,541 | 1,409 | - | - | - | 8,214 |
| | | 3,014 | 6,555 | 806 | 1,152 | 511 | 187 | 12,225 |
| | | 5,278 | 11,096 | 2,215 | 1,152 | 511 | 187 | 20,439 |
| | 14 | | | | | | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | Half year ended December 31, 2022 | | | | | | Total |
|---|-----------------------------------|---------|----------|---------|---------|---------|---------|
| | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | |
| | Rupees in '000 | | | | | | |
| Net income for the period after taxation | - | 14,429 | 1,813 | 2,222 | 224,088 | 3,273 | 245,825 |
| Other comprehensive (loss) / income for the period | | | | | | | |
| Item that may be reclassified subsequently to income statement | | | | | | | |
| Unrealised loss on re-measurement of investments classified at fair value through other comprehensive income (FVTOCI) | | | | | | | |
| - Net change in fair value recognized in other comprehensive Income | - | - | - | - | - | - | - |
| - Realised loss / (gain) transferred to income statement | - | - | - | - | - | - | - |
| Item that will not be reclassified subsequently to income statement | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | 14,429 | 1,813 | 2,222 | 224,088 | 3,273 | 245,825 |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended December 31, 2021 | | | | | | Total |
|---|-----------------------------------|---------------|--------------|--------------|---------------|--------------|---------------|
| | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | |
| | ----- Rupees in '000 ----- | | | | | | |
| Net income for the period after taxation | 13,191 | 28,852 | 4,262 | 4,164 | 16,622 | 2,943 | 70,034 |
| Other comprehensive (loss) / income for the period | | | | | | | |
| Item that may be reclassified subsequently to income statement | | | | | | | |
| Unrealised loss on re-measurement of investments classified at fair value through other comprehensive income (FVTOCI) | | | | | | | |
| - Net change in fair value recognized in other comprehensive Income | (2,335) | (5,521) | (843) | (379) | (13) | (518) | (9,609) |
| - Realised loss / (gain) transferred to income statement | (2,555) | (6,128) | (1,666) | 509 | 19 | 921 | (8,900) |
| | (4,890) | (11,649) | (2,509) | 130 | 6 | 403 | (18,509) |
| Item that will not be reclassified subsequently to income statement | - | - | - | - | - | - | - |
| Total comprehensive income for the period | 8,301 | 17,203 | 1,753 | 4,294 | 16,628 | 3,346 | 51,525 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2022

| | Quarter ended December 31, 2022 | | | | | | Total |
|---|---------------------------------|---------|----------|---------|---------|---------|---------|
| | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | |
| | ----- Rupees in '000 ----- | | | | | | |
| Net income for the period after taxation | - | 7,104 | 886 | 1,050 | 135,838 | 1,627 | 146,505 |
| Other comprehensive (loss) / income for the period | | | | | | | |
| Item that may be reclassified subsequently to income statement | | | | | | | |
| Unrealised loss on re-measurement of investments classified at fair value through other comprehensive income (FVTOCI) | | | | | | | |
| - Net change in fair value recognized in other comprehensive Income | - | - | - | - | - | - | - |
| - Realised loss transferred to income statement | - | - | - | - | - | - | - |
| Item that will not be reclassified subsequently to income statement | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | 7,104 | 886 | 1,050 | 135,838 | 1,627 | 146,505 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2022**

| | Quarter ended December 31, 2021 | | | | | | Total |
|---|---------------------------------|----------|----------|---------|--------|---------|----------|
| | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | |
| | ----- Rupees in '000 ----- | | | | | | |
| Net income for the period after taxation | 6,548 | 14,697 | 2,378 | 1,280 | 511 | 570 | 25,984 |
| Other comprehensive (loss) / income for the period | | | | | | | |
| Item that may be reclassified subsequently to income statement | | | | | | | |
| Unrealised loss on re-measurement of investments classified at fair value through other comprehensive income (FVTOCI) | | | | | | | |
| - Net change in fair value recognized in other comprehensive Income | (3,522) | (6,977) | (1,513) | (254) | (1) | (220) | (12,487) |
| - Realised loss / (gain) transferred to income statement | (2,555) | (6,128) | (1,666) | 509 | 19 | 921 | (8,900) |
| | (6,077) | (13,105) | (3,179) | 255 | 18 | 701 | (21,387) |
| Item that will not be reclassified subsequently to income statement | - | - | - | - | - | - | - |
| Total comprehensive income for the period | 471 | 1,592 | (801) | 1,535 | 529 | 1,271 | 4,597 |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| Half year ended December 31, 2022 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|----------------------|---|-------|----------------|----------------------|---|----------|----------------|----------------------|---|----------|----------------|----------------------|---|----------|----------------|----------------------|---|--------------|----------------|----------------------|---|----------|---------------|----------------------|---|--------------|----------|--------|---|----------|
| USSP-I | | | | USSP-II | | | | USSP-III | | | | USSP-IV | | | | USSP-V | | | | USSP-VI | | | | Total | | | | | | | |
| Capital value | Undistributed income | Unrealised appreciation / diminution on revaluation of fair value through OCI | Total | Capital value | Undistributed income | Unrealised appreciation / diminution on revaluation of fair value through OCI | Total | Capital value | Undistributed income | Unrealised appreciation / diminution on revaluation of fair value through OCI | Total | Capital value | Undistributed income | Unrealised appreciation / diminution on revaluation of fair value through OCI | Total | Capital value | Undistributed income | Unrealised appreciation / diminution on revaluation of fair value through OCI | Total | Capital value | Undistributed income | Unrealised appreciation / diminution on revaluation of fair value through OCI | Total | Capital value | Undistributed income | Unrealised appreciation / diminution on revaluation of fair value through OCI | Total | | | | |
| Rupees in '000 | | | | Rupees in '000 | | | | Rupees in '000 | | | | Rupees in '000 | | | | Rupees in '000 | | | | Rupees in '000 | | | | | | | | | | | |
| Net assets at the beginning of the period | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | - | - | - | 238,069 | 8,748 | - | 246,817 | 22,666 | 8,406 | - | 31,072 | 38,936 | 1,410 | - | 40,346 | 28,280 | 538 | - | 28,818 | 47,568 | 337 | - | 47,905 | 375,519 | 19,439 | - | 394,958 | | | | |
| Issuance of units (Note 12) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | - | - | - | 1,484 | - | - | 1,484 | - | - | - | - | - | - | - | - | 15,492,771 | - | - | 15,492,771 | - | - | - | - | 15,494,255 | - | - | 15,494,255 | | | | |
| - | - | - | - | 66 | - | - | 66 | - | - | - | - | - | - | - | - | 56,108 | - | - | 56,108 | - | - | - | - | 56,174 | - | - | 56,174 | | | | |
| Total proceeds on issuance of units | | | | 1,550 | - | - | 1,550 | - | - | - | - | - | - | - | - | 15,548,879 | - | - | 15,548,879 | - | - | - | - | 15,550,429 | - | - | 15,550,429 | | | | |
| Redemption of units (Note 12) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | - | - | - | (66,151) | - | - | (66,151) | (7,542) | - | - | (7,542) | (10,933) | - | - | (10,933) | (14,184,970) | - | - | (14,184,970) | (4,545) | - | - | (4,545) | (14,274,141) | - | - | (14,274,141) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | | |
| - | - | - | - | (66) | (1,215) | - | (1,281) | (229) | (289) | - | (216) | (216) | (216) | - | (216) | 2,213 | (2,217) | - | (4) | (129) | (129) | - | (129) | 2,147 | (3,399) | - | (1,252) | | | | |
| Total payments on redemption of units | | | | (66,217) | (1,216) | - | (67,433) | (7,542) | (229) | - | (7,771) | (10,933) | (216) | - | (11,149) | (14,182,757) | (2,217) | - | (14,184,974) | (4,545) | (129) | - | (4,674) | (14,271,994) | (3,399) | - | (14,275,393) | | | | |
| Total comprehensive income for the period | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | - | - | - | 14,429 | - | - | 14,429 | 1,813 | - | - | 1,813 | 2,222 | - | - | 2,222 | - | 224,088 | - | 224,088 | - | 3,273 | - | 3,273 | - | 245,825 | - | 245,825 | | | | |
| Distribution during the period | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (10,136) | (5,472) | - | (15,608) | - | - | - | - | (10,136) | (5,472) | - | (15,608) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (37,138) | (31,219) | - | (68,357) | - | - | - | - | (37,138) | (31,219) | - | (68,357) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (4) | (3,655) | - | (3,659) | - | - | - | - | (4) | (3,655) | - | (3,659) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (896) | (12,462) | - | (13,358) | - | - | - | - | (896) | (12,462) | - | (13,358) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (6,164) | (19,409) | - | (25,573) | - | - | - | - | (6,164) | (19,409) | - | (25,573) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (456) | (14,297) | - | (14,753) | - | - | - | - | (456) | (14,297) | - | (14,753) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (18,726) | - | (18,726) | - | - | - | - | - | (18,726) | - | (18,726) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (18,267) | - | (18,267) | - | - | - | - | - | (18,267) | - | (18,267) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (10,152) | - | (10,152) | - | - | - | - | - | (10,152) | - | (10,152) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (8,235) | - | (8,235) | - | - | - | - | - | (8,235) | - | (8,235) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (20,342) | - | (20,342) | - | - | - | - | - | (20,342) | - | (20,342) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (707) | (10,060) | - | (10,767) | - | - | - | - | (707) | (10,060) | - | (10,767) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (36,909) | - | (36,909) | - | - | - | - | - | (36,909) | - | (36,909) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (1,765) | - | (1,765) | - | - | - | - | - | (1,765) | - | (1,765) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (2) | (3,610) | - | (3,612) | - | - | - | - | (2) | (3,610) | - | (3,612) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (5) | (3,767) | - | (3,772) | - | - | - | - | (5) | (3,767) | - | (3,772) | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (878) | - | (878) | - | - | - | - | - | (878) | - | (878) | | | | |
| Net income for the period less distribution | | | | - | - | - | - | 14,429 | - | - | 14,429 | 1,813 | - | - | 1,813 | 2,222 | - | - | 2,222 | (55,508) | 4,863 | - | (50,645) | - | 3,273 | - | 3,273 | (55,508) | 26,600 | - | (28,908) |
| Net assets at the end of the period | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | - | - | - | 173,402 | 21,961 | - | 195,363 | 15,124 | 9,999 | - | 25,123 | 28,003 | 3,416 | - | 31,419 | 1,338,804 | 3,184 | - | 1,342,078 | 43,023 | 3,490 | - | 46,513 | 1,598,446 | 42,050 | - | 1,640,496 | | | | |
| Undistributed income brought forward: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | - | - | - | - | 8,748 | - | 8,748 | - | 8,406 | - | 8,406 | - | 1,410 | - | 1,410 | - | 538 | - | 538 | - | 337 | - | 337 | - | 19,439 | - | 19,439 | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | | |
| Accounting income available for distribution: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | | |
| - | - | - | - | - | 13,213 | - | 13,213 | - | 1,593 | - | 1,593 | - | 2,006 | - | 2,006 | - | 221,871 | - | 221,871 | - | 3,153 | - | 3,153 | - | 241,836 | - | 241,836 | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | | |
| Interim distribution during the period | | | | - | - | - | - | - | - | - | - | - | - | - | - | - | (219,225) | - | (219,225) | - | - | - | - | - | (219,225) | - | (219,225) | | | | |
| Undistributed income carried forward | | | | - | 21,961 | - | 21,961 | - | 9,999 | - | 9,999 | - | 3,416 | - | 3,416 | - | 3,184 | - | 3,184 | - | 3,490 | - | 3,490 | - | 42,050 | - | 42,050 | | | | |
| Undistributed income carried forward comprise of: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | - | - | - | - | 21,961 | - | 21,961 | - | 9,999 | - | 9,999 | - | 3,416 | - | 3,416 | - | 3,184 | - | 3,184 | - | 3,490 | - | 3,490 | - | 42,050 | - | 42,050 | | | | |
| - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | | | |
| - Rupees - | | | | - | 21,961 | - | 21,961 | - | 9,999 | - | 9,999 | - | 3,416 | - | 3,416 | - | 3,184 | - | 3,184 | - | 3,490 | - | 3,490 | - | 42,050 | - | 42,050 | | | | |
| Net assets value per unit at the beginning of the period | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 101,2658 | - | - | 101,2658 | 102,3150 | - | - | 102,3150 | 100,3074 | - | - | 100,3074 | 103,1756 | - | - | 103,1756 | 99,2818 | - | - | 99,2818 | | | | |
| Net assets value per unit at the end of the period | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | - | - | - | - | - | - | - | 108,6112 | - | - | 108,6112 | 109,2405 | - | - | 109,2405 | 107,1461 | - | - | 107,1461 | 103,5970 | - | - | 103,5970 | 106,5004 | - | - | 106,5004 | | | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| Half year ended December 31, 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|----------------------|---|----------|--|----------------|----------------------|---|-----------|--|----------------|----------------------|---|---------|--|----------------|----------------------|---|----------|--|----------------|----------------------|---|---------|--|----------------|----------------------|---|----------|--|-----------|---------|----------|-----------|--|
| USSP-I | | | | | USSP-II | | | | | USSP-III | | | | | USSP-IV | | | | | USSP-V | | | | | USSP-VI | | | | | Total | | | | |
| Capital value | Undistributed income | Unrealised appreciation / diminution on revaluation of fair value through OCI | Total | | Capital value | Undistributed income | Unrealised appreciation / diminution on revaluation of fair value through OCI | Total | | Capital value | Undistributed income | Unrealised appreciation / diminution on revaluation of fair value through OCI | Total | | Capital value | Undistributed income | Unrealised appreciation / diminution on revaluation of fair value through OCI | Total | | Capital value | Undistributed income | Unrealised appreciation / diminution on revaluation of fair value through OCI | Total | | Capital value | Undistributed income | Unrealised appreciation / diminution on revaluation of fair value through OCI | Total | | | | | | |
| Rupees in '000 | | | | | Rupees in '000 | | | | | Rupees in '000 | | | | | Rupees in '000 | | | | | Rupees in '000 | | | | | Rupees in '000 | | | | | | | | | |
| Net assets at the beginning of the period | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 268,822 | 3,259 | 4,890 | 276,971 | | 575,105 | 3,720 | 12,155 | 590,980 | | 44,012 | 7,175 | 2,585 | 53,772 | | 168,395 | 1,300 | - | 169,695 | | 28,582 | 481 | - | 29,063 | | 109,096 | 1,750 | (341) | 110,505 | | 1,194,012 | 17,685 | 19,289 | 1,230,986 | |
| Issuance of units (Note 12) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - Capital value | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 101 | - | - | 101 | | 305 | - | - | 305 | | - | - | - | - | | - | - | - | - | | - | - | - | - | | - | - | - | - | | 406 | - | - | 406 | |
| - Element of income / (loss) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | - | - | 2 | | (4) | - | - | (4) | | - | - | - | - | | - | - | - | - | | - | - | - | - | | - | - | - | - | | (2) | - | - | (2) | |
| Total proceeds on issuance of units | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 103 | - | - | 103 | | 301 | - | - | 301 | | - | - | - | - | | - | - | - | - | | - | - | - | - | | - | - | - | - | | 404 | - | - | 404 | |
| Redemption of units (Note 12) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - Capital value | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (33,986) | - | - | (33,986) | | (109,268) | - | - | (109,268) | | (8,730) | - | - | (8,730) | | (44,653) | - | - | (44,653) | | (4,734) | - | - | (4,734) | | (30,054) | - | - | (30,054) | | (231,425) | - | - | (231,425) | |
| - Element of (income) / loss | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 529 | - | - | 529 | | 1,695 | - | - | 1,695 | | 85 | - | - | 85 | | (3) | - | - | (3) | | (1) | - | - | (1) | | 35 | - | - | 35 | | 2,340 | - | - | 2,340 | |
| - Relating to other comprehensive income | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | (1,312) | - | (1,312) | | - | (3,961) | - | (3,961) | | - | (190) | - | (190) | | - | (449) | - | (449) | | - | (2,609) | - | (2,609) | | - | (685) | - | (685) | | - | (9,206) | - | (9,206) | |
| - Relating to net income for the period after taxation | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (33,457) | (1,312) | - | (34,769) | | (107,573) | (3,961) | - | (111,534) | | (8,645) | (190) | - | (8,835) | | (44,656) | (449) | - | (45,105) | | (4,735) | (2,609) | - | (7,344) | | (30,019) | (685) | - | (30,704) | | (229,085) | (9,206) | - | (238,291) | |
| Total payments on redemption of units | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | 13,191 | - | 13,191 | | - | 28,852 | - | 28,852 | | - | 4,262 | - | 4,262 | | - | 4,164 | - | 4,164 | | - | 16,622 | - | 16,622 | | - | 2,943 | - | 2,943 | | - | 70,034 | - | 70,034 | |
| Net income for the period after taxation | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | - | (4,890) | (4,890) | | - | - | (11,649) | (11,649) | | - | - | (2,509) | (2,509) | | - | - | 130 | 130 | | - | - | 6 | 6 | | - | - | 403 | 403 | | - | - | (18,509) | (18,509) | |
| Other comprehensive loss for the period | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | 13,191 | (4,890) | 8,301 | | - | 28,852 | (11,649) | 17,203 | | - | 4,262 | (2,509) | 1,753 | | - | 4,164 | 130 | 4,294 | | - | 16,622 | 6 | 16,628 | | - | 2,943 | 403 | 3,346 | | - | 70,034 | (18,509) | 51,525 | |
| Net income for the period less distribution | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net assets at the end of the period | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 235,468 | 15,138 | - | 250,606 | | 467,833 | 28,611 | 506 | 496,950 | | 35,367 | 11,247 | 76 | 46,690 | | 123,739 | 5,015 | 130 | 128,884 | | 23,847 | 14,494 | 6 | 38,347 | | 79,077 | 4,008 | 62 | 83,147 | | 965,331 | 78,513 | 780 | 1,044,624 | |
| Undistributed income brought forward: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - Realised | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3,259 | | | | | 3,720 | | | | | 7,175 | | | | | 1,300 | | | | | 481 | | | | | 1,750 | | | | | 17,685 | | | | |
| - Unrealised | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3,259 | | | | | 3,720 | | | | | 7,175 | | | | | 1,300 | | | | | 481 | | | | | 1,750 | | | | | 17,685 | | | | |
| Accounting income available for distribution: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - Relating to capital gains | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2,264 | | | | | 4,541 | | | | | 1,409 | | | | | - | | | | | - | | | | | - | | | | | 8,214 | | | | |
| - Excluding capital gains | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9,615 | | | | | 20,350 | | | | | 2,663 | | | | | 3,715 | | | | | 14,013 | | | | | 2,258 | | | | | 52,614 | | | | |
| 11,879 | | | | | 24,891 | | | | | 4,072 | | | | | 3,715 | | | | | 14,013 | | | | | 2,258 | | | | | 60,828 | | | | |
| Interim distribution during the period | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | | | | | - | | | | | - | | | | | - | | | | | - | | | | | - | | | | | - | | | | |
| Undistributed income carried forward | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 15,138 | | | | | 28,611 | | | | | 11,247 | | | | | 5,015 | | | | | 14,494 | | | | | 4,008 | | | | | 78,513 | | | | |
| Undistributed income carried forward comprise of: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - Realised | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 15,138 | | | | | 28,611 | | | | | 11,247 | | | | | 5,015 | | | | | 14,494 | | | | | 4,008 | | | | | 78,513 | | | | |
| - Unrealised | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | | | | | - | | | | | - | | | | | - | | | | | - | | | | | - | | | | | - | | | | |
| 15,138 | | | | | 28,611 | | | | | 11,247 | | | | | 5,015 | | | | | 14,494 | | | | | 4,008 | | | | | 78,513 | | | | |
| - Rupees - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - | | | | | - | | | | | - | | | | | - | | | | | - | | | | | - | | | | | - | | | | |
| Net assets value per unit at the beginning of the period | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 101.9118 | | | | | 101.7433 | | | | | 104.4127 | | | | | 100.0818 | | | | | 102.9920 | | | | | 99.0587 | | | | | | | | | |
| Net assets value per unit at the end of the period | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 105.0647 | | | | | 104.8944 | | | | | 108.2316 | | | | | 103.1561 | | | | | 162.3318 | | | | | 102.3773 | | | | | | | | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | Half year ended December 31, 2022 | | | | | | |
|---|-----------------------------------|----------|----------|----------|--------------|---------|--------------|
| | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| | Rupees in '000 | | | | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | | |
| Net income for the period before taxation | - | 14,429 | 1,813 | 2,222 | 224,088 | 3,273 | 245,825 |
| Adjustments for: | | | | | | | |
| Financial income | - | (16,233) | (2,140) | (2,652) | (243,430) | (3,627) | (268,082) |
| (Reversal of provision) / provision for Sindh Workers' Welfare Fund | - | - | - | - | - | - | - |
| Amortisation of preliminary expenses and floatation costs | - | - | - | - | - | - | - |
| Unrealised (gain) / loss on remeasurement of investments | - | - | - | - | 4,852 | - | 4,852 |
| (Gain) / loss on sale of investments - net | - | - | - | - | 1,608 | - | 1,608 |
| | - | (16,233) | (2,140) | (2,652) | (236,970) | (3,627) | (261,622) |
| Cash used in operations before working capital changes | - | (1,804) | (327) | (430) | (12,882) | (354) | (15,797) |
| (Increase) / decrease in assets | | | | | | | |
| Investments - net | - | - | - | - | (1,145,970) | - | (1,145,970) |
| Prepayment and other receivables | - | (1) | - | 5 | 1 | - | 5 |
| Advance income tax | - | 985 | 130 | - | 139 | 198 | 1,452 |
| | - | 984 | 130 | 5 | (1,145,830) | 198 | (1,144,513) |
| Increase / (decrease) in liabilities | | | | | | | |
| Payable to UBL Fund Managers Limited - Management Company | - | (457) | (56) | (77) | 7,202 | 1 | 6,613 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | - | (3) | - | (1) | 135 | (1) | 130 |
| Payable to the Securities and Exchange Commission of Pakistan | - | (75) | (6) | (16) | 298 | (11) | 190 |
| Accrued expenses and other liabilities | (1,436) | (721) | (399) | (342) | 9,221 | (438) | 5,885 |
| | (1,436) | (1,256) | (461) | (436) | 16,856 | (449) | 12,818 |
| Mark-up received | - | 17,007 | 2,292 | 1,945 | 235,405 | 3,680 | 260,329 |
| Net cash generated from / (used in) operating activities | (1,436) | 14,931 | 1,634 | 1,084 | (906,451) | 3,075 | (887,163) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | |
| Amount received on issuance of units | - | 1,550 | - | - | 15,493,371 | - | 15,494,921 |
| Amount paid on redemption of units | - | (67,433) | (7,762) | (11,149) | (14,184,974) | (4,665) | (14,275,983) |
| Dividend paid | - | - | - | - | (219,225) | - | (219,225) |
| Net cash used in financing activities | - | (65,883) | (7,762) | (11,149) | 1,089,172 | (4,665) | 999,713 |
| Net increase / (decrease) in cash and cash equivalents during the period | (1,436) | (50,952) | (6,128) | (10,065) | 182,721 | (1,590) | 112,550 |
| Cash and cash equivalents at the beginning of the period | 1,436 | 246,690 | 31,173 | 40,964 | 29,234 | 47,930 | 397,427 |
| Cash and cash equivalents at the end of the period | - | 195,738 | 25,045 | 30,899 | 211,955 | 46,340 | 509,977 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL SPECIAL SAVINGS FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | Half year ended December 31, 2021 | | | | | | |
|---|-----------------------------------|-----------|----------|-----------|----------|----------|-----------|
| | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| | Rupees in '000 | | | | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | | |
| Net income for the period before taxation | 13,191 | 28,852 | 4,262 | 4,164 | 16,622 | 2,943 | 70,034 |
| Adjustments for: | | | | | | | |
| Financial income | (11,244) | (23,642) | (2,296) | (5,438) | (1,564) | (3,870) | (48,054) |
| (Reversal of provision) / provision for Sindh Workers' Welfare Fund | (2,021) | (3,768) | (856) | (930) | (15,510) | (702) | (23,787) |
| Amortisation of preliminary expenses and floatation costs | 136 | - | - | - | - | - | 136 |
| Unrealised (gain) / loss on remeasurement of investments | - | - | - | - | - | - | - |
| (Gain) / loss on sale of investments - net | (2,555) | (6,128) | (1,666) | 509 | 19 | 921 | (8,900) |
| | (15,684) | (33,538) | (4,818) | (5,859) | (17,055) | (3,651) | (80,605) |
| Cash used in operations before working capital changes | (2,493) | (4,686) | (556) | (1,695) | (433) | (708) | (10,571) |
| (Increase) / decrease in assets | | | | | | | |
| Investments - net | 273,850 | (93,488) | 9,292 | (61,735) | 13,292 | (16,907) | 124,304 |
| Prepayment and other receivables | (7) | (8) | (8) | (9) | (9) | (8) | (49) |
| Advance income tax | - | - | - | - | (233) | - | (233) |
| | 273,843 | (93,496) | 9,284 | (61,744) | 13,050 | (16,915) | 124,022 |
| Increase / (decrease) in liabilities | | | | | | | |
| Payable to UBL Fund Managers Limited - Management Company | 53 | 209 | (114) | (215) | (46) | 266 | 153 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | (5) | (1) | (1) | (2) | - | 2 | (7) |
| Payable to the Securities and Exchange Commission of Pakistan | (34) | (76) | (11) | (23) | (334) | (17) | (495) |
| Accrued expenses and other liabilities | (2,791) | (5,924) | (555) | (1,780) | (142) | (945) | (12,137) |
| | (2,777) | (5,792) | (681) | (2,020) | (522) | (694) | (12,486) |
| Mark-up received | 12,091 | 15,979 | 2,394 | 2,586 | 1,832 | 2,908 | 37,790 |
| Net cash generated from / (used in) operating activities | 280,664 | (87,995) | 10,441 | (62,873) | 13,927 | (15,409) | 138,755 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | |
| Amount received on issuance of units | 103 | 301 | - | - | - | - | 404 |
| Amount paid on redemption of units | (34,769) | (111,534) | (8,835) | (45,105) | (7,344) | (30,704) | (238,291) |
| Dividend paid | - | - | - | - | - | - | - |
| Net cash used in financing activities | (34,666) | (111,233) | (8,835) | (45,105) | (7,344) | (30,704) | (237,887) |
| Net increase / (decrease) in cash and cash equivalents during the period | 245,998 | (199,228) | 1,606 | (107,978) | 6,583 | (46,113) | (99,132) |
| Cash and cash equivalents at the beginning of the period | 6,733 | 426,193 | 2,664 | 173,518 | 10,640 | 75,193 | 694,941 |
| Cash and cash equivalents at the end of the period | 252,731 | 226,965 | 4,270 | 65,540 | 17,223 | 29,080 | 595,809 |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL SPECIAL SAVINGS FUND

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

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 October 19, 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 November 09, 2018.

The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Management Company after fulfilling the requirements for registration of the Trust Deed under Sindh Act, 2020, has registered the Collective Investment Scheme Trust Deed with the Registrar acting under Sindh Act, 2020 on August 16, 2021.

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 are as follows:

- The "UBL Special Savings Plan-I (USSP-I)" was 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 had life of 36 months and it matured on December 27, 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 plan commenced its operations from April 05, 2019. 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 plan commenced its operations from June 19, 2019. 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 plan commenced its operations from August 06, 2019. 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 plan commenced its operations from November 20, 2019. During the period the Management re-opened the subscription from July 21, 2022 till October 18, 2022 for 90 days through supplemental offering document dated October 19, 2022. 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 plan commenced its operations form October 24, 2019. The duration of the plan is perpetual.

The Fund is an open end mutual fund and is listed on the Pakistan Stock Exchange Limited.

VIS Credit Rating Company Limited has re-affirmed management quality rating of 'AM1' (stable outlook) to the Management Company as on December 30, 2022.

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

2.1.1 This condensed interim financial information has been 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; 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), directives issued by the SECP and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, directives issued by the SECP and requirements of the Trust Deed differ with the requirements of (IAS - 34), the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, directives issued by the SECP and requirements of the Trust Deed have been followed.

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

2.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS - 34. 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 audited financial statements of the Fund for the year ended June 30, 2022.

2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that this condensed interim financial information gives a true and fair view of the state of affairs of the Fund as at December 31, 2022.

2.4 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except for the investments which are stated at fair value.

2.5 Functional and presentation currency

This condensed interim financial information is presented in Pakistan Rupees, which is the functional and presentation currency of the Fund. All amounts have been rounded off to the nearest thousand rupees, unless otherwise indicated.

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 this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2022.
- 3.2** The preparation of this condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.

3.3 There are certain standards, interpretations on accounting and reporting standards as applicable in Pakistan and amendments to certain existing standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2022. 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, 2022.

4. BANK BALANCES

| | | December 31, 2022 (Un-audited) | | | | | | |
|----------------------------------|-----|--------------------------------|---------|----------|---------|---------|---------|---------|
| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| Note | | Rupees in '000 | | | | | | |
| In local currency: | | | | | | | | |
| Profit and loss sharing accounts | 4.1 | - | 195,738 | 25,045 | 30,899 | 211,948 | 46,340 | 509,970 |
| Current accounts | | - | - | - | - | 7 | - | 7 |
| | | - | 195,738 | 25,045 | 30,899 | 211,955 | 46,340 | 509,977 |
| | | June 30, 2022 (Audited) | | | | | | |
| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| | | Rupees in '000 | | | | | | |
| In local currency: | | | | | | | | |
| Profit and loss sharing accounts | 4.1 | 1,436 | 246,690 | 31,173 | 40,964 | 29,227 | 47,930 | 397,420 |
| Current accounts | | - | - | - | - | 7 | - | 7 |
| | | 1,436 | 246,690 | 31,173 | 40,964 | 29,234 | 47,930 | 397,427 |

4.1 Mark-up rates on these profit and loss sharing accounts range between 8% to 16% (June 30, 2022: 8.75% to 14.5%). This include balance held by a related party, United Bank Limited, amounting to Rs. 0.175 million (June 30, 2022: Nil) on which return is earned at 12.25% (June 30, 2022: Nil) per annum.

5. INVESTMENTS

| | | December 31, 2022 (Un-audited) | | | | | | |
|---|-----|--------------------------------|---------|----------|---------|-----------|---------|-----------|
| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| Note | | Rupees in '000 | | | | | | |
| At fair value through profit or loss | | | | | | | | |
| Government securities | | | | | | | | |
| - Pakistan Investment Bonds | 5.1 | - | - | - | - | - | - | - |
| - Market Treasury Bills | 5.1 | - | - | - | - | 1,139,510 | - | 1,139,510 |
| | | - | - | - | - | 1,139,510 | - | 1,139,510 |
| | | June 30, 2022 (Audited) | | | | | | |
| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| | | Rupees in '000 | | | | | | |
| At fair value through other comprehensive income | | | | | | | | |
| Government securities | | | | | | | | |
| - Pakistan Investment Bonds | 5.1 | - | - | - | - | - | - | - |
| - Market Treasury Bills | 5.1 | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |

5.1 Government securities
(At FVTOCI unless otherwise stated)

| Issue date | Tenor | Face value | | | | Carrying value as at December 31, 2022 / June 30, 2022 | Market value as at December 31, 2022 / June 30, 2022 | Unrealized gain / (loss) on remeasurement | Market value as a percentage of | |
|---|----------|----------------------------|------------------------------------|---|---|--|--|---|---------------------------------|--------------------|
| | | As at July 01, 2022 / 2021 | Purchased during the period / year | Sold / matured during the period / year | As at December 31, 2022 / June 30, 2022 | | | | Total investments of plan | Net assets of plan |
| Rupees in '000 | | | | | | | | | | |
| Held by USSP-I | | | | | | | | | | |
| Pakistan Investment Bonds | | | | | | | | | | |
| As at December 31, 2022 (Un-audited) | | | | | | | | | | |
| As at June 30, 2022 (Audited) | | | | | | | | | | |
| Market Treasury Bills | | | | | | | | | | |
| As at December 31, 2022 (Un-audited) | | | | | | | | | | |
| As at June 30, 2022 (Audited) | | | | | | | | | | |
| Held by USSP-II | | | | | | | | | | |
| Pakistan Investment Bonds | | | | | | | | | | |
| April 29, 2022 | 5 years | - | 250,000 | 250,000 | - | - | - | - | - | |
| As at December 31, 2022 (Un-audited) | | | | | | | | | | |
| As at June 30, 2022 (Audited) | | | | | | | | | | |
| Market Treasury Bills | | | | | | | | | | |
| March 10, 2022 | 6 months | - | 100,000 | 100,000 | - | - | - | - | - | |
| As at December 31, 2022 (Un-audited) | | | | | | | | | | |
| As at June 30, 2022 (Audited) | | | | | | | | | | |
| Held by USSP-III | | | | | | | | | | |
| Pakistan Investment Bonds | | | | | | | | | | |
| As at December 31, 2022 (Un-audited) | | | | | | | | | | |
| As at June 30, 2022 (Audited) | | | | | | | | | | |
| Market Treasury Bills | | | | | | | | | | |
| As at December 31, 2022 (Un-audited) | | | | | | | | | | |
| As at June 30, 2022 (Audited) | | | | | | | | | | |

| Issue date | Tenor | Face value | | | | Carrying value as at December 31, 2022 / June 30, 2022 | Market value as at December 31, 2022 / June 30, 2022 | Unrealized gain / (loss) on remeasurement | Market value as a percentage of | |
|--|----------|----------------------------|------------------------------------|---|---|--|--|---|---------------------------------|--------------------|
| | | As at July 01, 2022 / 2021 | Purchased during the period / year | Sold / matured during the period / year | As at December 31, 2022 / June 30, 2022 | | | | Total investments of plan | Net assets of plan |
| | | | | | Rupees in '000 | | | % | % | |
| Held by USSP-IV | | | | | | | | | | |
| Pakistan Investment Bonds | | | | | | | | | | |
| As at December 31, 2022 (Un-audited) | | | | | | | | | | |
| As at June 30, 2022 (Audited) | | | | | | | | | | |
| Market Treasury Bills | | | | | | | | | | |
| As at December 31, 2022 (Un-audited) | | | | | | | | | | |
| As at June 30, 2022 (Audited) | | | | | | | | | | |
| Held by USSP-V | | | | | | | | | | |
| Pakistan Investment Bonds | | | | | | | | | | |
| As at December 31, 2022 (Un-audited) | | | | | | | | | | |
| As at June 30, 2022 (Audited) | | | | | | | | | | |
| Market Treasury Bills - At fair value through profit or loss' | | | | | | | | | | |
| January 27, 2022 | 6 months | - | 1,450,000 | 1,450,000 | - | - | - | - | - | |
| March 10, 2022 | 6 months | - | 300,000 | 300,000 | - | - | - | - | - | |
| July 28, 2022 | 3 months | - | 3,420,000 | 3,420,000 | - | - | - | - | - | |
| August 11, 2022 | 3 months | - | 3,500,000 | 3,500,000 | - | - | - | - | - | |
| August 11, 2022 | 6 months | - | 500,000 | 200,000 | 300,000 | 295,307 | 295,126 | (181) | 26 | |
| August 11, 2022 | 1 year | - | 500,000 | - | 500,000 | 458,482 | 453,351 | (5,131) | 40 | |
| September 8, 2022 | 3 months | - | 900,000 | 900,000 | - | - | - | - | - | |
| September 22, 2022 | 3 months | - | 4,400,000 | 4,400,000 | - | - | - | - | - | |
| December 1, 2022 | 3 months | - | 900,000 | 500,000 | 400,000 | 390,573 | 391,033 | 460 | 34 | |
| As at December 31, 2022 (Un-audited) | 5.1.1 | - | 15,870,000 | 14,670,000 | 1,200,000 | 1,144,362 | 1,139,510 | (4,852) | 100 | 85 |
| As at June 30, 2022 (Audited) | | | | | | | | | | |
| Market Treasury Bills - At fair value through other comprehensive income' | | | | | | | | | | |
| As at June 30, 2022 (Audited) | | | | | | | | | | |

| Issue date | Tenor | Face value | | | | Carrying value as at December 31, 2022 / June 30, 2022 | Market value as at December 31, 2022 / June 30, 2022 | Unrealized gain / (loss) on remeasurement | Market value as a percentage of | |
|--------------------------------------|-------|----------------------------|------------------------------------|---|---|--|--|---|---------------------------------|--------------------|
| | | As at July 01, 2022 / 2021 | Purchased during the period / year | Sold / matured during the period / year | As at December 31, 2022 / June 30, 2022 | | | | Total investments of plan | Net assets of plan |
| ----- Rupees in '000 ----- | | | | | | | | | | |
| Held by USSP-VI | | | | | | | | | | |
| Pakistan Investment Bonds | | | | | | | | | | |
| As at December 31, 2022 (Un-audited) | | | | | | | | | | |
| As at June 30, 2022 (Audited) | | | | | | | | | | |
| Market Treasury Bills | | | | | | | | | | |
| As at December 31, 2022 (Un-audited) | | | | | | | | | | |
| As at June 30, 2022 (Audited) | | | | | | | | | | |

5.1.1 These carry effective yield rate ranging from 14% to 16.86% of USSF-V.

6. ADVANCE INCOME TAX

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 (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 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT) / 2008-Vol.II- 66417-R" 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 certificate(s) from CIR, withholding agent had deducted advance tax under section 151 of ITO 2001 In prior and current periods. The Management Company is confident that the amount will be refunded to the Fund.

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

| | | December 31, 2022 (Un-audited) | | | | | | |
|---|-----|--------------------------------|---------|----------|---------|--------|---------|-------|
| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| Note | | ----- Rupees in '000 ----- | | | | | | |
| Remuneration payable to the Management Company | 7.1 | - | 169 | 23 | 27 | 221 | 40 | 480 |
| Sindh Sales Tax on remuneration payable to the Management Company | 7.2 | - | 22 | 3 | 4 | 29 | 5 | 63 |
| Sales load payable | | - | - | - | - | - | - | - |
| Allocated expenses payable | 7.3 | - | 70 | 11 | 8 | 5,780 | 14 | 5,883 |
| Selling and marketing expense payable | 7.4 | - | 343 | 98 | 170 | 1,295 | - | 1,906 |
| Conversion charges | | - | 4 | 1 | - | 1 | 1 | 7 |
| Others | | - | 20 | 10 | 20 | 20 | 20 | 90 |
| | | - | 628 | 146 | 229 | 7,346 | 80 | 8,429 |

June 30, 2022 (Audited)

| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
|---|-----|--------|---------|----------|---------|--------|---------|-------|
| ----- Rupees in '000 ----- | | | | | | | | |
| Remuneration payable to the Management Company | 7.1 | - | 221 | 30 | 34 | 2 | 41 | 328 |
| Sindh Sales Tax on remuneration payable to the Management Company | 7.2 | - | 29 | 4 | 5 | - | 6 | 44 |
| Sales load payable | | - | 101 | 18 | - | - | - | 119 |
| Allocated expenses payable | 7.3 | - | 69 | 1 | 7 | 121 | 10 | 208 |
| Selling and marketing expense payable | 7.4 | - | 641 | 138 | 240 | - | - | 1,019 |
| Conversion charges | | - | 4 | 1 | - | 1 | 2 | 8 |
| Others | | - | 20 | 10 | 20 | 20 | 20 | 90 |
| | | - | 1,085 | 202 | 306 | 144 | 79 | 1,816 |

7.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of Management Fee as disclosed in the offering document subject to the total expense ratio limit. The remuneration is payable to the Management Company monthly in arrears. During the period, the Management Company has charged remuneration at the rate of 1% and 0.1% per annum of daily net assets (June 30, 2022: 1% and 0.1%) of USSF-1, USSF-II, USSF-III, USSF-IV, USSF-V and USSF-VI.

7.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2022: 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 can charge allocated expenses to the CIS based on its discretion, provided the Total Expense Ratio (refer note 15) prescribed by the SECP vide SRO 639 (I) / 2019 dated June 20, 2019 is complied with. During the year, the Management Company has charged the Fund at the rates of 0% (June 30, 2022 : 0.13%) of daily net assets of USSP-I, 0.14% (June 30, 2022: 0.14) of daily net assets of USSP-II, 0.16% (June 30, 2022: 0.16%) of daily net assets of USSP-III, 1% (June 30, 2022: 0.1%) of daily net assets of USSP-IV and from 0.29% to 2.09% (June 30, 2022: 0.5% to 2.09%) of daily net assets of USSP-V and 0.12% (June 30, 2022: 0.12%) of daily net assets of USSP-VI.

7.4 In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses 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% (June 30, 2022: 0.50%) of daily net assets of USSP-I, 0.33% (June 30, 2022: 0.33%) of daily net assets of USSP-II, 0.70% (June 30, 2022: 0.70%) of daily net assets of USSP-III, 1% (June 30, 2022: 01%) of daily net assets of USSP-IV, ranging from 0.04% to 1.01% (June 30, 2022: 0%) of daily net assets of USSP-V.

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

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has been charged at the rate of 0.055% (June 30, 2022: 0.055% - 0.06%) per annum of average daily net assets of the Fund. The remuneration is payable on monthly basis in arrears. The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2022:13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

9. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with NBFC Regulations a collective investment scheme classified as open end scheme is required to pay to the SECP an amount equal to 0.02% (June 30, 2022: 0.02%) of the average annual net assets of the Fund as annual fee.

10. ACCRUED EXPENSES AND OTHER LIABILITIES

| | | December 31, 2022 (Un-audited) | | | | | | |
|------|--------------------------------|--------------------------------|---------|----------|---------|--------|---------|--------|
| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| Note | | ----- Rupees in '000 ----- | | | | | | |
| | Auditor's remuneration payable | - | 29 | 14 | 16 | 116 | 17 | 192 |
| | Withholding tax payable | - | 175 | 49 | 7 | 8,448 | 23 | 8,702 |
| | Zakat deducted at source | - | 1,139 | 14 | 194 | - | 49 | 1,396 |
| | Capital gain tax payable | - | 413 | 26 | 2 | - | - | 441 |
| | Sales load payable | - | 564 | 43 | 11 | 155 | 58 | 831 |
| | Other payables | - | 56 | 56 | 41 | 1,492 | 35 | 1,680 |
| | | - | 2,376 | 202 | 271 | 10,211 | 182 | 13,242 |

| | | June 30, 2022 (Audited) | | | | | | |
|--|--------------------------------|----------------------------|---------|----------|---------|--------|---------|-------|
| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI | Total |
| | | ----- Rupees in '000 ----- | | | | | | |
| | Auditor's remuneration payable | - | 51 | 50 | 52 | 51 | 51 | 255 |
| | Withholding tax payable | - | 77 | 394 | 319 | 341 | 416 | 1,547 |
| | Zakat deducted at source | - | 1,139 | 14 | 194 | - | 49 | 1,396 |
| | Capital gain tax payable | - | 1,224 | 56 | 4 | 49 | 23 | 1,356 |
| | Sales load payable | - | 564 | 43 | 11 | 15 | 58 | 691 |
| | Other payables | 1,436 | 42 | 44 | 33 | 534 | 23 | 2,112 |
| | | 1,436 | 3,097 | 601 | 613 | 990 | 620 | 7,357 |

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

12. NUMBER OF UNITS IN ISSUE

| | | December 31, 2022 (Un-audited) | | | | | |
|--|---|--------------------------------|-----------|----------|-----------|---------------|----------|
| | | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI |
| | | ----- Number of units ----- | | | | | |
| | Total units in issue at the beginning of the period | - | 2,437,323 | 303,692 | 402,227 | 279,313 | 482,517 |
| | Units issued during the period | - | 14,657 | - | - | 150,159,250 | - |
| | Units redeemed during the period | - | (653,240) | (73,717) | (108,991) | (137,483,766) | (45,772) |
| | Total units in issue at the end of the period | - | 1,798,740 | 229,975 | 293,236 | 12,954,797 | 436,745 |

| | June 30, 2022 (Audited) | | | | | |
|---|-----------------------------|-------------|-----------|-------------|-----------|-----------|
| | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI |
| | ----- Number of units ----- | | | | | |
| Total units in issue at the beginning of the year | 2,717,755 | 5,808,529 | 514,994 | 1,695,565 | 282,188 | 1,115,553 |
| Units issued during the year | 991 | 27,726 | - | - | 125,880 | - |
| Units redeemed during the year | (2,718,746) | (3,398,932) | (211,302) | (1,293,338) | (128,755) | (633,036) |
| Total units in issue at the end of the year | - | 2,437,323 | 303,692 | 402,227 | 279,313 | 482,517 |

13. TAXATION

The Fund's income is exempt from income 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. Further, 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. 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. Since the Management Company intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2023 to the unit holders in the manner as explained above, no provision for taxation has been made in this condensed interim financial information.

14. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in this condensed interim financial information 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 (TER)

The ratio limit is within the maximum limit of 2.5% as prescribed under the NBFC Regulation for a collective investment scheme categorised as money market scheme. Ratios for the period ended December 31, 2022 are as follows:

| | December 31, 2022 (Un-audited) | | | | | |
|------------------------------------|--------------------------------|---------|----------|---------|--------|---------|
| | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI |
| | ----- % ----- | | | | | |
| Total Expense Ratio | 0.00 | 1.57 | 2.18 | 2.37 | 0.85 | 1.51 |
| Government levy, SWWF and SECP fee | 0.00 | 0.16 | 0.16 | 0.16 | 0.04 | 0.16 |
| | December 31, 2021 (Un-audited) | | | | | |
| | USSP-I | USSP-II | USSP-III | USSP-IV | USSP-V | USSP-VI |
| | ----- % ----- | | | | | |
| Total Expense Ratio | 1.97 | 1.68 | 2.30 | 2.39 | 2.32 | 1.45 |
| Government levy, SWWF and SECP fee | 0.14 | 0.14 | 0.15 | 0.14 | 0.04 | 0.14 |

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.

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.

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 liabilities that are not based on observable market data (i.e. unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

| December 31, 2022 (Un-audited) | Note | Fair value | | | |
|--|------|------------|-----------|---------|-----------|
| | | Level 1 | Level 2 | Level 3 | Total |
| ----- Rupees in '000 ----- | | | | | |
| USSP-V | | | | | |
| Financial assets measured at fair value | | | | | |
| Investments | 16.1 | - | 1,139,510 | - | 1,139,510 |
| ----- Rupees in '000 ----- | | | | | |
| Financial assets measured at fair value | | | | | |
| Investments | 16.1 | - | - | - | - |

16.1 Except for the investments as disclosed above, all other financial assets and liabilities are carried at amortised cost. The estimated fair value of all financial assets and liabilities at amortised cost is considered not significantly different from the carrying value as the items are short-term in nature.

17. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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.

Remuneration of 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 during the period and balances with them at the period end, other than those which have been specifically disclosed elsewhere in this condensed interim financial information:

| Management Company | Associated companies * | Trustee | Funds under common management | Directors and key executives ** | Other connected persons / related parties *** |
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|

USSP-I

Transactions for the period

----- Half year ended December 31, 2022 (Un-audited) -----

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

| | | | | | | |
|--|---|---|---|---|---|---|
| Sale of securities | - | - | - | - | - | - |
| Remuneration (including Sindh Sales Tax) | - | - | - | - | - | - |
| Allocated expense | - | - | - | - | - | - |
| Selling and marketing expense | - | - | - | - | - | - |

----- Half year December 31, 2021 (Un-audited) -----

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

| | | | | | | |
|--|-------|---|----|---|---|---|
| Remuneration (including Sindh Sales Tax) | 1,346 | - | 88 | - | - | - |
| Allocated expense | 133 | - | - | - | - | - |
| Selling and marketing expense | 665 | - | - | - | - | - |

Balance held

----- Half year December 31, 2022 (Un-audited) -----

----- Units in '000 -----

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

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

| | | | | | | |
|--|---|---|---|---|---|---|
| Value of units held | - | - | - | - | - | - |
| Remuneration payable (including Sindh Sales Tax) | - | - | - | - | - | - |
| Sales load and other payables | - | - | - | - | - | - |
| Allocated expenses payable | - | - | - | - | - | - |
| Selling and marketing expense payable | - | - | - | - | - | - |
| Other payable | - | - | - | - | - | - |

----- As at June 30, 2022 (Audited) -----

----- Units in '000 -----

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

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

| | | | | | | |
|--|---|---|---|---|---|---|
| Value of units held | - | - | - | - | - | - |
| Remuneration payable (including Sindh Sales Tax) | - | - | - | - | - | - |
| Sales load payable | - | - | - | - | - | - |
| Back end load payable | - | - | - | - | - | - |
| Allocated expense payable | - | - | - | - | - | - |
| Selling and marketing expense payable | - | - | - | - | - | - |
| Other payables | - | - | - | - | - | - |

| Management Company | Associated companies * | Trustee | Funds under common management | Directors and key executives ** | Other connected persons / related parties *** |
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|

USSP-II

Transactions for the period

----- Half year ended December 31, 2022 (Un-audited) -----

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

| | | | | | | |
|--|-------|---|----|---|---|---|
| Sale of securities | - | - | - | - | - | - |
| Remuneration (including Sindh Sales Tax) | 1,175 | - | 65 | - | - | - |
| Allocated expense | 146 | - | - | - | - | - |
| Selling and marketing expense | 343 | - | - | - | - | - |

----- Half year December 31, 2021 (Un-audited) -----

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

| | | | | | | |
|--|-------|---|-----|---|---|---------|
| Sale of securities | - | - | - | - | - | 469,726 |
| Remuneration (including Sindh Sales Tax) | 2,833 | - | 188 | - | - | - |
| Allocated expense | 300 | - | - | - | - | - |
| Selling and marketing expense | 935 | - | - | - | - | - |

Balance held

----- As at December 31, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|---|---|---|---|---|-----|
| Units held | - | - | - | - | - | 259 |
|------------|---|---|---|---|---|-----|

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

| | | | | | | |
|--|-----|---|----|---|---|--------|
| Value of units held | - | - | - | - | - | 28,130 |
| Remuneration payable (including Sindh Sales Tax) | 191 | - | 19 | - | - | - |
| Sales load and other payables | - | - | - | - | - | - |
| Allocated expenses payable | 70 | - | - | - | - | - |
| Selling and marketing expense payable | 343 | - | - | - | - | - |
| Other payable | 24 | - | - | - | - | - |

----- As at June 30, 2022 (Audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|---|---|---|---|---|-----|
| Units held | - | - | - | - | - | 259 |
|------------|---|---|---|---|---|-----|

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

| | | | | | | |
|--|-----|-----|----|---|---|--------|
| Value of units held | - | - | - | - | - | 26,228 |
| Remuneration payable (including Sindh Sales Tax) | 250 | - | 22 | - | - | - |
| Sales load payable | - | 564 | - | - | - | - |
| Back end load payable | 101 | - | - | - | - | - |
| Allocated expense payable | 69 | - | - | - | - | - |
| Selling and marketing expense payable | 641 | - | - | - | - | - |
| Other payables | 24 | - | - | - | - | - |

| Management Company | Associated companies * | Trustee | Funds under common management | Directors and key executives ** | Other connected persons / related parties *** |
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|

USSP-III

Transactions for the period

----- Half year ended December 31, 2022 (Un-audited) -----

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

| | | | | | |
|--|-----|---|---|---|---|
| Sale of securities | - | - | - | - | - |
| Remuneration (including Sindh Sales Tax) | 158 | - | 9 | - | - |
| Allocated expense | 22 | - | - | - | - |
| Selling and marketing expense | 98 | - | - | - | - |

----- Half year ended December 31, 2021 (Un-audited) -----

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

| | | | | | |
|--|-----|---|----|---|--------|
| Sale of securities | - | - | - | - | 28,278 |
| Remuneration (including Sindh Sales Tax) | 245 | - | 16 | - | - |
| Allocated expense | 30 | - | - | - | - |
| Selling and marketing expense | 171 | - | - | - | - |

Balance held

----- As at December 31, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | |
|------------|---|---|---|---|----|
| Units held | - | - | - | - | 65 |
|------------|---|---|---|---|----|

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

| | | | | | |
|--|----|-----|---|---|-----|
| Value of units held | | | | | 109 |
| Bank balances | - | 175 | - | - | - |
| Remuneration payable (including Sindh Sales Tax) | 26 | - | 2 | - | - |
| Sales load and other payables | - | - | - | - | - |
| Allocated expenses payable | 11 | - | - | - | - |
| Selling and marketing expense payable | 98 | - | - | - | - |
| Other payable | 11 | - | - | - | - |

----- As at June 30, 2022 (Audited) -----

----- Units in '000 -----

| | | | | | |
|------------|---|---|---|---|----|
| Units held | - | - | - | - | 41 |
|------------|---|---|---|---|----|

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

| | | | | | |
|--|-----|-----|---|---|-------|
| Value of units held | - | - | - | - | 4,195 |
| Bank balance | - | 175 | - | - | - |
| Remuneration payable (including Sindh Sales Tax) | 34 | - | 2 | - | - |
| Sales load payable | - | 43 | - | - | - |
| Back end load payable | 18 | - | - | - | - |
| Allocated expense payable | 1 | - | - | - | - |
| Selling and marketing expense payable | 138 | - | - | - | - |
| Other payables | 11 | - | - | - | - |

| Management Company | Associated companies * | Trustee | Funds under common management | Directors and key executives ** | Other connected persons / related parties *** |
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|

USSP-IV

Transactions for the period

----- Half year ended December 31, 2022 (Un-audited) -----

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

| | | | | | | |
|--|-----|---|----|---|---|---|
| Purchase of securities | - | - | - | - | - | - |
| Sale of securities | - | - | - | - | - | - |
| Remuneration (including Sindh Sales Tax) | 192 | - | 11 | - | - | - |
| Allocated expense | 17 | - | - | - | - | - |
| Selling and marketing expense | 170 | - | - | - | - | - |

----- Half year ended December 31, 2021 (Un-audited) -----

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

| | | | | | | |
|--|-----|---|----|---|---|--------|
| Purchase of securities | - | - | - | - | - | 96,406 |
| Sale of securities | - | - | - | - | - | 64,122 |
| Remuneration (including Sindh Sales Tax) | 713 | - | 47 | - | - | - |
| Allocated expense | 51 | - | - | - | - | - |
| Selling and marketing expense | 713 | - | - | - | - | - |

Balance held

----- As at December 31, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|---|---|---|---|---|----|
| Units held | - | - | - | - | - | 70 |
|------------|---|---|---|---|---|----|

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

| | | | | | | |
|--|-----|---|---|---|---|-------|
| Value of units held | - | - | - | - | - | 7,500 |
| Remuneration payable (including Sindh Sales Tax) | 31 | - | 3 | - | - | - |
| Sales load and other payables | - | - | - | - | - | - |
| Allocated expenses payable | 8 | - | - | - | - | - |
| Selling and marketing expense payable | 170 | - | - | - | - | - |
| Other payable | 20 | - | - | - | - | - |

----- As at June 30, 2022 (Audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|---|---|---|---|---|----|
| Units held | - | - | - | - | - | 70 |
|------------|---|---|---|---|---|----|

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

| | | | | | | |
|--|-----|----|---|---|---|-------|
| Value of units held | - | - | - | - | - | 7,022 |
| Remuneration payable (including Sindh Sales Tax) | 39 | - | 4 | - | - | - |
| Sales load payable | - | 11 | - | - | - | - |
| Allocated expense payable | 7 | - | - | - | - | - |
| Selling and marketing expense payable | 240 | - | - | - | - | - |
| Other payables | 20 | - | - | - | - | - |

| Management Company | Associated companies * | Trustee | Funds under common management | Directors and key executives ** | Other connected persons / related parties *** |
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|

USSP-V

Transactions for the period

----- Half year ended December 31, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | | |
|----------------|---|---|---|---|---|---------|
| Units issued | - | - | - | - | - | 162,112 |
| Units redeemed | - | - | - | - | - | 150,845 |

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

| | | | | | | |
|--|-------|---|-----|-----------|---|------------|
| Value of units issued | - | - | - | - | - | 16,771,934 |
| Value of units redeemed | - | - | - | - | - | 15,553,492 |
| Purchase of securities | - | - | - | 1,775,019 | - | - |
| Sale of securities | - | - | - | 3,216,404 | - | - |
| Dividend paid | - | - | - | - | - | 177,837 |
| Remuneration (including Sindh Sales Tax) | 1,724 | - | 948 | - | - | - |
| Allocated expense | 8,446 | - | - | - | - | - |
| Selling and marketing expense | 1,295 | - | - | - | - | - |

----- Half year ended December 31, 2021 (Un-audited) -----

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

| | | | | | | |
|--|-----|---|----|---|---|---|
| Remuneration (including Sindh Sales Tax) | 19 | - | 12 | - | - | - |
| Allocated expense | 337 | - | - | - | - | - |
| Selling and marketing expense | - | - | - | - | - | - |

Balance held

----- As at December 31, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|---|---|---|---|---|--------|
| Units held | - | - | - | - | - | 11,267 |
|------------|---|---|---|---|---|--------|

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

| | | | | | | |
|--|-------|---|-----|---|---|-----------|
| Value of units held | - | - | - | - | - | 1,167,227 |
| Remuneration payable (including Sindh Sales Tax) | 250 | - | 142 | - | - | - |
| Sales load and other payables | - | - | - | - | - | - |
| Allocated expenses payable | 5,780 | - | - | - | - | - |
| Selling and marketing expense payable | 1,295 | - | - | - | - | - |
| Other payable | 21 | - | - | - | - | - |

----- As at June 30, 2022 (Audited) -----

----- Units in '000 -----

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

| | | | | | | |
|--|-----|----|---|---|---|--------|
| Value of units held | - | - | - | - | - | 24,453 |
| Remuneration payable (including Sindh Sales Tax) | 2 | - | 7 | - | - | - |
| Sales load payable | - | 15 | - | - | - | - |
| Allocated expense payable | 121 | - | - | - | - | - |
| Other payables | 21 | - | - | - | - | - |

| Management Company | Associated companies * | Trustee | Funds under common management | Directors and key executives ** | Other connected persons / related parties *** |
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|

USSP-VI

Transactions for the period

----- Half year ended December 31, 2022 (Un-audited) -----

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

| | | | | | |
|--|-----|---|----|---|---|
| Sale of securities | - | - | - | - | - |
| Remuneration (including Sindh Sales Tax) | 266 | - | 15 | - | - |
| Allocated expense | 27 | - | - | - | - |
| Selling and marketing expense | - | - | - | - | - |

----- Half year ended December 31, 2021 (Un-audited) -----

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

| | | | | | |
|--|-----|---|----|---|--------|
| Sale of securities | - | - | - | - | 75,472 |
| Remuneration (including Sindh Sales Tax) | 503 | - | 33 | - | - |
| Allocated expense | 45 | - | - | - | - |
| Selling and marketing expense | - | - | - | - | - |

Balance held

----- As at December 31, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | |
|------------|---|---|---|---|-----|
| Units held | - | - | - | - | 192 |
|------------|---|---|---|---|-----|

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

| | | | | | |
|--|----|---|---|---|--------|
| Value of units held | - | - | - | - | 20,448 |
| Remuneration payable (including Sindh Sales Tax) | 45 | - | 6 | - | - |
| Sales load and other payables | - | - | - | - | - |
| Allocated expenses payable | 14 | - | - | - | - |
| Selling and marketing expense payable | - | - | - | - | - |
| Other payable | 21 | - | - | - | - |

----- As at June 30, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | |
|------------|---|---|---|---|-----|
| Units held | - | - | - | - | 192 |
|------------|---|---|---|---|-----|

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

| | | | | | |
|--|----|----|---|---|--------|
| Value of units held | - | - | - | - | 19,062 |
| Remuneration payable (including Sindh Sales Tax) | 47 | - | 7 | - | - |
| Sales load payable | - | 58 | - | - | - |
| Allocated expense payable | 10 | - | - | - | - |
| Selling and marketing expense payable | - | - | - | - | - |
| Other payables | 22 | - | - | - | - |

* 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 (including their close family members) that existed as at period end. However, it does not include the transactions and balances whereby director and key executives have resigned from the Management Company during the period.

*** These include transactions and balances in relation to the entities where common directorship exists as at period end.

18. GENERAL

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, 2022 and December 31, 2021 have not been reviewed by auditors.

19. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on January 26, 2023 by the Board of Directors of the Management Company.

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

SD

**Yasir Qadri
Chief Executive Officer**

SD

**Umair Ahmed
Chief Financial Officer**

SD

**Imran Sarwar
Director**

USSF - II

UBL Special Saving Fund - II

INVESTMENT OBJECTIVE

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

| | |
|-----------------------------|---|
| Pension Fund Manager | 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: www.ublfunds.com.pk) |
| Auditors | Yousuf Adil, Chartered Accountants |
| Bankers | Soneri Bank Limited |
| Management Co.Rating | AMI (VIS) |

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.

Tel: (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

UBL SPECIAL SAVINGS FUND-II

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of UBL Special Savings Fund-II (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS' OF UBL SPECIAL SAVINGS FUND II

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **UBL SPECIAL SAVINGS FUND II** (the "Fund") as at December 31, 2022, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' funds, condensed interim cash flow statement and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year then ended. The Management Company (**UBL Fund Managers Limited**) is responsible for the preparation and presentation of this condensed interim financial information in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2022 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures of the condensed interim income statement, condensed interim statement of comprehensive income and related notes for the quarter ended December 31, 2022 have not been reviewed, as we are only required to review the cumulative figures for the half year ended December 31, 2022.

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


Chartered Accountants

Place: Karachi
Date: February 24, 2023
UDIN: RR2022100910IVCtcePr

**UBL SPECIAL SAVINGS FUND II
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022**

| | Note | December 31, 2022 (Un-audited) | | | | June 30, 2022 (Audited) | | |
|---|------|--------------------------------|------------------|-------------------|-----------------------------|-------------------------|-------------------|------------------|
| | | USSP-VII | USSP-VIII | USSP-IX | Total | USSP-VIII | USSP-IX | Total |
| | | ----- Rupees in '000 ----- | | | | | | |
| ASSETS | | | | | | | | |
| Bank balances | 4 | 2,069,607 | 118,697 | 81,073 | 2,269,377 | 61,280 | 36,010 | 97,290 |
| Term Deposit Receipts | 5 | - | - | - | - | - | 600,000 | 600,000 |
| Investments | 6 | 1,991,047 | - | 1,704,499 | 3,695,546 | 63,207 | 1,170,661 | 1,233,868 |
| Mark-up receivable | | 8,193 | 1,419 | 430 | 10,042 | 2,380 | 7,961 | 10,341 |
| Prepayment | | - | 34 | 29 | 63 | - | - | - |
| Advance income tax | 7 | - | 2,583 | - | 2,583 | 2,913 | 649 | 3,562 |
| Preliminary expenses and floatation costs | | - | 43 | - | 43 | 45 | - | 45 |
| Total assets | | 4,068,847 | 122,776 | 1,786,031 | 5,977,654 | 129,825 | 1,815,281 | 1,945,106 |
| LIABILITIES | | | | | | | | |
| Payable to UBL Fund Managers Limited - Management Company | 8 | 2,430 | 1,167 | 5,571 | 9,168 | 1,249 | 5,493 | 6,742 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 9 | 160 | 7 | 139 | 306 | 8 | 133 | 141 |
| Payable to the Securities and Exchange Commission of Pakistan | 10 | 51 | 12 | 181 | 244 | 27 | 43 | 70 |
| Accrued expenses and other liabilities | 11 | 6,562 | 1,038 | 3,476 | 11,076 | 985 | 8,999 | 9,984 |
| Dividend payable | | - | - | - | - | - | 4,512 | 4,512 |
| Total liabilities | | 9,203 | 2,224 | 9,367 | 20,794 | 2,269 | 19,180 | 21,449 |
| NET ASSETS | | 4,059,644 | 120,552 | 1,776,664 | 5,956,860 | 127,556 | 1,796,101 | 1,923,657 |
| UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED) | | 4,059,644 | 120,552 | 1,776,664 | 5,956,860 | 127,556 | 1,796,101 | 1,923,657 |
| Contingencies and commitments | 12 | ----- Number of units ----- | | | ----- Number of units ----- | | | |
| Number of units in issue | 13 | 40,551,248 | 1,167,999 | 16,780,365 | | 1,279,846 | 17,961,011 | |
| | | ----- Rupees ----- | | | ----- Rupees ----- | | | |
| Net assets value per unit | | 100.1114 | 103.2120 | 105.8775 | | 99.6648 | 100.0000 | |
| Face value per unit | | 100.0000 | 100.0000 | 100.0000 | | 100.0000 | 100.0000 | |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL SPECIAL SAVINGS FUND II
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | Note | For the Period from December 05, 2022 to December 31, 2022 | | | Half year ended December 31, 2022 | Half year ended December 31, 2021 |
|---|------|--|--------------|----------------|--------------------------------------|--------------------------------------|
| | | USSP - VII | USSP - VIII | USSP - IX | Total | USSP - VIII |
| Rupees in '000 | | | | | | |
| INCOME | | | | | | |
| Financial income | | 44,071 | 8,375 | 133,463 | 185,909 | 5,473 |
| (Loss) / gain on sale of investments - net | | 239 | - | (237) | 2 | (192) |
| Unrealized (loss) / gain on re-measurement of investment classified as financial asset at fair value through profit or loss' - net | | 2,372 | - | (13,681) | (11,309) | - |
| Other income | | - | - | 340 | 340 | - |
| Total income | | 46,682 | 8,375 | 119,885 | 174,942 | 5,281 |
| EXPENSES | | | | | | |
| Remuneration of UBL Fund Managers Limited - Management Company | 8.1 | 257 | 457 | 9,069 | 9,783 | 521 |
| Sindh Sales Tax on remuneration of the Management Company | 8.2 | 33 | 59 | 1,179 | 1,271 | 68 |
| Allocated expenses | 8.3 | 1,094 | 128 | 5,865 | 7,087 | 128 |
| Selling and marketing expenses | 8.4 | 1,046 | - | - | 1,046 | - |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 9 | 160 | 38 | 564 | 762 | 46 |
| Annual fee to the Securities and Exchange Commission of Pakistan | 10 | 51 | 12 | 181 | 244 | 14 |
| Brokerage expenses | | 94 | - | 16 | 110 | 1 |
| Amortisation of preliminary expenses and floatation costs | | - | 2 | - | 2 | 101 |
| Auditor's remuneration | | 8 | 127 | 132 | 267 | 254 |
| Listing and supervisory fee | | - | 7 | 8 | 15 | 14 |
| Legal and professional charges | | 6 | 51 | 52 | - | 98 |
| Bank charges | | - | - | - | - | 5 |
| Total expenses | | 2,749 | 881 | 17,066 | 20,696 | 1,250 |
| Net operating income for the period | | 43,933 | 7,494 | 102,819 | 154,246 | 4,031 |
| Reversal of provision for Sindh Workers' Welfare Fund | | - | - | - | - | 273 |
| Net income for the period before taxation | | 43,933 | 7,494 | 102,819 | 154,246 | 4,304 |
| Taxation | 14 | - | - | - | - | - |
| Net income for the period after taxation | | 43,933 | 7,494 | 102,819 | 154,246 | 4,304 |
| Allocation of net income for the period | | | | | | |
| Net income for the period after taxation | | 43,933 | 7,494 | 102,819 | 154,246 | 4,304 |
| Income already paid on units redeemed | | (139) | (119) | (4,191) | (4,449) | (1) |
| | | 43,794 | 7,375 | 98,628 | 149,797 | 4,303 |
| Accounting income available for distribution | | | | | | |
| - Relating to capital gains | | 490 | - | - | 490 | - |
| - Excluding capital gains | | 43,304 | 7,375 | 98,628 | 149,307 | 4,303 |
| | | 43,794 | 7,375 | 98,628 | 149,797 | 4,303 |
| Earnings per unit | 15 | | | | | |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL SPECIAL SAVINGS FUND II
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | For the Period from December 05, 2022 to December 31, 2022 | | Quarter ended December 31, 2022 | | Quarter ended December 31, 2021 |
|---|---|--------------|------------------------------------|----------------|------------------------------------|
| | USSP - VII | USSP - VIII | USSP - IX | Total | USSP - VIII |
| Note | -----Rupees in '000----- | | | | |
| Financial income | 44,071 | 4,755 | 65,405 | 114,231 | 2,825 |
| (Loss) / gain on sale of investments - net | 239 | - | - | 239 | (193) |
| Unrealized (loss) / gain on re-measurement of investment classified as financial asset at fair value through profit or loss' - net | 2,372 | - | (7,976) | (5,604) | - |
| Other income | - | - | 340 | 340 | - |
| Total income | 46,682 | 4,755 | 57,769 | 109,206 | 2,632 |
| EXPENSES | | | | | |
| Remuneration of UBL Fund Managers Limited - Management Company | 8.1 257 | 224 | 4,523 | 5,004 | 259 |
| Sindh Sales Tax on remuneration of the Management Company | 8.2 33 | 29 | 588 | 650 | 34 |
| Allocated expenses | 8.3 1,094 | 63 | 3,166 | 4,323 | 73 |
| Selling and marketing expenses | 8.4 1,046 | - | - | 1,046 | - |
| Remuneration of Central Depository Company of Pakistan Limited - Trustee | 9 160 | 19 | 281 | 460 | 22 |
| Annual fee to the Securities and Exchange Commission of Pakistan | 10 51 | 6 | 90 | 147 | 7 |
| Brokerage expenses | 94 | - | - | 94 | 1 |
| Amortisation of preliminary expenses and floatation costs | - | - | - | - | 34 |
| Auditor's remuneration | 8 | 58 | 63 | 129 | 133 |
| Listing and supervisory fee | - | 4 | 5 | 9 | 7 |
| Legal and professional charges | 6 | 25 | 25 | 56 | 49 |
| Bank charges | - | - | - | - | 2 |
| Total expenses | 2,749 | 428 | 8,741 | 11,918 | 621 |
| Net operating income for the period | 43,933 | 4,327 | 49,028 | 97,288 | 2,011 |
| Reversal of provision for Sindh Workers' Welfare Fund | - | - | - | - | - |
| Net income for the period before taxation | 43,933 | 4,327 | 49,028 | 97,288 | 2,011 |
| Taxation | 14 - | - | - | - | - |
| Net income for the period after taxation | 43,933 | 4,327 | 49,028 | 97,288 | 2,011 |
| Allocation of net income for the period | | | | | |
| Net income for the period after taxation | 43,933 | 4,327 | 49,028 | 97,288 | 2,011 |
| Income already paid on units redeemed | (139) | (119) | (4,429) | (4,687) | - |
| | 43,794 | 4,208 | 44,599 | 92,601 | 2,011 |
| Accounting income available for distribution | | | | | |
| - Relating to capital gains | 490 | - | - | 490 | - |
| - Excluding capital gains | 43,304 | 4,208 | 44,599 | 92,111 | 2,011 |
| | 43,794 | 4,208 | 44,599 | 92,601 | 2,011 |
| Earnings per unit | | | | | |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL SPECIAL SAVINGS FUND II
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | For the Period from December 05, 2022 to December 31, 2022 | Half year ended December 31, 2022 | | | Half year ended December 31, 2021 |
|---|---|--------------------------------------|----------------|----------------|--------------------------------------|
| | USSP-VII | USSP-VIII | USSP-IX | Total | USSP-VIII |
| | ----- Rupees in '000 ----- | | | | |
| Net income for the period after taxation | 43,933 | 7,494 | 102,819 | 154,246 | 4,304 |
| Other comprehensive income / (loss) for the period | | | | | |
| Item that may be reclassified subsequently to income statement | | | | | |
| Unrealised (loss) / gain on re-measurement of investments classified at fair value through other comprehensive income | | | | | |
| - Net change in fair value recognized in other comprehensive income | - | 875 | - | 875 | (1,746) |
| - Realised loss transferred to income statement | - | - | - | - | 192 |
| | - | 875 | - | 875 | (1,554) |
| Item that will not be reclassified subsequently to income statement | - | - | - | - | - |
| Total comprehensive income for the period | 43,933 | 8,369 | 102,819 | 155,121 | 2,750 |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL SPECIAL SAVINGS FUND II
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | For the Period from December 05, 2022 to December 31, 2022 | | Quarter ended December 31, 2022 | | Quarter ended December 31, 2021 |
|---|---|--------------|------------------------------------|---------------|---------------------------------------|
| | USSP-VII | USSP -VIII | USSP-IX | Total | USSP -VIII |
| -----Rupees in '000----- | | | | | |
| Net income for the period after taxation | 43,933 | 4,328 | 49,028 | 97,289 | 2,011 |
| Other comprehensive income / (loss) for the period | | | | | |
| Item that may be reclassified subsequently to income statement | | | | | |
| Unrealised (loss) / gain on re-measurement of investments classified at fair value through other comprehensive income | | | | | |
| - Net change in fair value recognized in other comprehensive income | - | - | - | - | (1,249) |
| - Realised loss transferred to income statement | - | - | - | - | 193 |
| | - | - | - | - | (1,056) |
| Item that will not be reclassified subsequently to income statement | - | - | - | | |
| Total comprehensive income for the period | 43,933 | 4,328 | 49,028 | 97,289 | 955 |

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

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

**UBL SPECIAL SAVINGS FUND II
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

| | For the Period from December 05, 2022 to December 31, 2022 | Half year ended December 31, 2022 | Total | Half year ended December 31, 2021 |
|--|--|--------------------------------------|-----------|--------------------------------------|
| | USSP - VII | USSP - VIII | USSP - IX | USSP - VIII |
| ----- Rupees in '000 ----- | | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Net income for the period before taxation | 43,933 | 7,494 | 102,819 | 154,246 |
| Adjustments for: | | | | |
| Financial income | (44,071) | (8,375) | (133,463) | (185,909) |
| Loss / (gain) on sale of investments - net | (239) | - | 237 | (2) |
| Unrealized loss on re-measurement of investment classified as financial assets through profit or loss - net | (2,372) | - | 13,681 | 11,309 |
| Reversal of provision for Sindh Workers' Welfare Fund | - | - | - | - |
| Amortisation of preliminary expenses and floatation costs | - | 2 | - | 2 |
| | (46,682) | (8,373) | (119,545) | (174,600) |
| Cash used in operations before working capital changes | (2,749) | (879) | (16,726) | (20,354) |
| | | | | |
| (Increase) / decrease in assets | | | | |
| Investments - net | (1,988,436) | 64,082 | (547,756) | (2,472,110) |
| Advance tax | - | 330 | 649 | 979 |
| Prepayment | - | (34) | (29) | (63) |
| | (1,988,436) | 64,378 | (547,136) | (2,471,194) |
| | | | | |
| Increase / (decrease) in liabilities | | | | |
| Payable to UBL Fund Managers Limited - Management Company | 2,430 | (82) | 78 | 2,426 |
| Payable to Central Depository Company of Pakistan | 160 | (1) | 6 | 165 |
| Payable to the Securities and Exchange Commission of Pakistan | 51 | (15) | 138 | 174 |
| Accrued expenses and other liabilities | 6,562 | 53 | (5,523) | 1,092 |
| | 9,203 | (45) | (5,301) | 3,857 |
| Cash generated from operations | (1,981,982) | 63,454 | (569,163) | (2,487,691) |
| | | | | |
| Mark-up received on bank balances | - | 6,538 | 23,817 | 30,355 |
| Mark-up received on investments | 35,878 | 2,798 | 117,177 | 155,853 |
| Net cash flows (used in) / generated from operating activities | (1,946,104) | 72,790 | (428,169) | (2,301,483) |
| | | | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Amount received on issuance of units | 12,655,376 | - | - | 12,655,376 |
| Amount paid on redemption of units | (8,582,279) | (11,303) | (122,256) | (8,715,838) |
| Dividend paid | (57,386) | (4,070) | (4,512) | (65,968) |
| Net cash flows generated from / (used in) financing activities | 4,015,711 | (15,373) | (126,768) | 3,873,570 |
| Net increase in cash and cash equivalents during the period | 2,069,607 | 57,417 | (554,937) | 1,572,087 |
| | | | | |
| Cash and cash equivalents at the beginning of the period | | | | |
| Bank balances | - | 61,280 | 36,010 | 97,290 |
| Term Deposit Receipt | - | - | 600,000 | 600,000 |
| | - | 61,280 | 636,010 | 697,290 |
| Cash and cash equivalents at the end of the period | 2,069,607 | 118,697 | 81,073 | 2,269,377 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL SPECIAL SAVINGS FUND II
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

| | For the period from December 05, 2022 to December 31, 2022 | | | | Half year ended December 31, 2022 | | | | Half year ended December 31, 2022 | | | | Half year ended December 31, 2022 | | | | Half year ended December 31, 2021 | | | |
|--|--|---|--|--------------|-----------------------------------|---|--|--------------|-----------------------------------|---|--|--------------|-----------------------------------|---|--|--------------|-----------------------------------|---|--|--------------|
| | Capital value | Undistributed income / (Accumulated loss) | Unrealised diminution on revaluation of financial assets carried at FVTOCI | Total | Capital value | Undistributed income / (Accumulated loss) | Unrealised diminution on revaluation of financial assets carried at FVTOCI | Total | Capital value | Undistributed income / (Accumulated loss) | Unrealised diminution on revaluation of financial assets carried at FVTOCI | Total | Capital value | Undistributed income / (Accumulated loss) | Unrealised diminution on revaluation of financial assets carried at FVTOCI | Total | Capital value | Undistributed income / (Accumulated loss) | Unrealised diminution on revaluation of financial assets carried at FVTOCI | Total |
| | USSP-VII | | | | USSP-VIII | | | | USSP-IX | | | | Total | | | | USSP-VIII | | | |
| | Rupees in '000 | | | | | | | | | | | | | | | | | | | |
| Net assets at the beginning of the period | - | - | - | - | 128,209 | 229 | (882) | 127,556 | 1,796,096 | 5 | - | 1,796,101 | 1,324,305 | 234 | (882) | 1,923,657 | 136,992 | (30) | 238 | 137,200 |
| Issuance of Units (Note 12) | | | | | | | | | | | | | | | | | | | | |
| - Capital value | 12,637,400 | - | - | 12,637,400 | - | - | - | - | - | - | - | - | 12,637,400 | - | - | 12,637,400 | - | - | - | - |
| - Element of (income). | 17,976 | - | - | 17,976 | - | - | - | - | - | - | - | - | 17,976 | - | - | 17,976 | - | - | - | - |
| Total amount received on issuance of units. | 12,655,376 | - | - | 12,655,376 | - | - | - | - | - | - | - | - | 12,655,376 | - | - | 12,655,376 | - | - | - | - |
| Redemption of units (Note 12) | | | | | | | | | | | | | | | | | | | | |
| - Capital value | (8,582,140) | - | - | (8,582,140) | (11,184) | - | - | (11,184) | (118,065) | - | - | (118,065) | (8,711,389) | - | - | (8,711,389) | (105) | - | - | (105) |
| - Element of (income) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| - relating to other comprehensive income for the period | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| - relating to net income for the period after taxation | - | (139) | - | (139) | - | (119) | - | (119) | (4,191) | - | - | (4,191) | - | (4,449) | - | (4,449) | - | (1) | - | (1) |
| Total amount paid on redemption of units | (8,582,140) | (139) | - | (8,582,279) | (11,184) | (119) | - | (11,303) | (118,065) | (4,191) | - | (122,256) | (8,711,389) | (4,449) | - | (8,715,838) | (105) | (1) | - | (106) |
| Total comprehensive income for the period | - | 43,933 | - | 43,933 | - | 7,494 | 875 | 8,369 | - | 102,819 | - | 102,819 | - | 154,246 | 875 | 155,121 | - | 4,304 | - | 4,304 |
| Other comprehensive loss for the period | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (1,554) | (1,554) |
| Interim distribution during the period | | | | | | | | | | | | | | | | | | | | |
| @ Rs. 0.6584 per unit paid on December 19, 2022 | (12,728) | (11,266) | - | (23,994) | - | - | - | - | - | - | - | - | (12,728) | (11,266) | - | (23,994) | - | - | - | - |
| @ Rs. 0.3367 per unit paid on December 26, 2022 | (21,071) | (4,074) | - | (25,145) | - | - | - | - | - | - | - | - | (21,071) | (4,074) | - | (25,145) | - | - | - | - |
| @ Rs. 0.0909 per unit paid on December 28, 2022 | (6,158) | (187) | - | (6,345) | - | - | - | - | - | - | - | - | (6,158) | (187) | - | (6,345) | - | - | - | - |
| @ Rs. 0.0808 per unit paid on December 29, 2022 | (1,902) | - | - | (1,902) | - | (4,070) | - | (4,070) | - | - | - | - | (1,902) | - | - | (4,070) | - | - | - | - |
| @ Rs. 3.4813 per unit paid on October 04, 2022 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| @ Rs. 1.3964 per unit paid on September 29, 2021 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (1,763) | - | (1,763) |
| Net income for the period less distribution | (41,859) | 28,406 | - | (13,453) | - | 3,424 | 875 | 4,299 | - | 102,819 | - | 102,819 | (41,859) | 134,649 | 875 | 93,665 | - | 2,541 | (1,554) | 987 |
| Net assets at the end of the period | 4,031,377 | 28,267 | - | 4,059,644 | 117,025 | 3,534 | (7) | 120,552 | 1,678,031 | 98,633 | - | 1,776,664 | 5,826,433 | 130,434 | (7) | 5,956,860 | 136,887 | 2,510 | (1,316) | 138,081 |
| Undistributed income | | | | | | | | | | | | | | | | | | | | |
| - Realised | - | - | - | - | - | 229 | - | - | - | 5 | - | - | - | 234 | - | - | - | (30) | - | - |
| - Unrealised | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total accumulated loss brought forward | - | - | - | - | - | 229 | - | - | - | 5 | - | - | - | 234 | - | - | - | (30) | - | - |
| Accounting income available for distribution | | | | | | | | | | | | | | | | | | | | |
| - Relating to capital gains | 490 | - | - | 490 | - | - | - | - | - | - | - | - | 490 | - | - | 490 | - | - | - | - |
| - Excluding capital gains | 43,304 | - | - | 43,304 | 7,375 | - | - | 7,375 | 98,628 | - | - | 98,628 | 149,307 | - | - | 149,307 | 4,303 | - | - | 4,303 |
| | 43,794 | - | - | 43,794 | 7,375 | - | - | 7,375 | 98,628 | - | - | 98,628 | 149,797 | - | - | 149,797 | 4,303 | - | - | 4,303 |
| Interim distribution during the period | (15,527) | - | - | (15,527) | (4,070) | - | - | (4,070) | - | - | - | - | (19,597) | - | - | (19,597) | (1,763) | - | - | (1,763) |
| Undistributed income carried forward | 28,267 | - | - | 28,267 | 3,534 | - | - | 3,534 | 98,633 | - | - | 98,633 | 130,434 | - | - | 130,434 | 2,510 | - | - | 2,510 |
| Undistributed income / accumulated (loss) carried forward comprising of: | | | | | | | | | | | | | | | | | | | | |
| - Realised | 25,895 | - | - | 25,895 | 3,534 | - | - | 3,534 | 112,314 | - | - | 112,314 | 141,743 | - | - | 141,743 | 2,510 | - | - | 2,510 |
| - Unrealised | 2,372 | - | - | 2,372 | - | - | - | - | (13,681) | - | - | (13,681) | (11,309) | - | - | (11,309) | - | - | - | - |
| | 28,267 | - | - | 28,267 | 3,534 | - | - | 3,534 | 98,633 | - | - | 98,633 | 130,434 | - | - | 130,434 | 2,510 | - | - | 2,510 |
| | | | | -- Rupees -- | | | | -- Rupees -- | | | | -- Rupees -- | | | | -- Rupees -- | | | | -- Rupees -- |
| Net assets value per unit at the beginning of the period | | | | N/A | | | | 99.6648 | | | | 100.0000 | | | | | | | | 100.2658 |
| Net assets value per unit at the end of the period | | | | 100.1114 | | | | 103.2120 | | | | 105.8775 | | | | | | | | 100.9860 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Imran Sarwar
Director

UBL SPECIAL SAVINGS FUND II
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Special Savings Fund II (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 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 Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Management Company after fulfilling the requirements for registration of the Trust Deed under Sindh Act, 2020, has registered the Collective Investment Scheme Trust Deed with the Registrar acting under Sindh Act, 2020 on August 16, 2021.

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 and has been categorized by the Management Company as Capital Protected Fund. The Fund consists of three plans namely, UBL Special Savings Plan-VII (USSP-VII), UBL Special Savings Plan-VIII (USSP-VIII) and UBL Special Savings Plan-IX (USSP-IX) (the "Plans"). The Plans aim to not only provide their unit holders capital preservation but competitive regular returns from a portfolio of fixed income investments in line with the risk tolerance of the investors. Capital preservation is for the units held within Plan till thirty six (36) months and beyond from commencement of life of plan for USSP-VII, till thirty (30) months and beyond for USSP-VIII and till twelve (12) months and beyond for USSP-IX. 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 USSP-VIII was for 60 days until April 3, 2020. The subscription period was extended to June 2, 2020 vide third supplement to the offering document dated March 30, 2020. Back end load is applicable after the subscription period until the completion of 30 months life of the Plan. The duration of the plan is perpetual.

As per ninth supplement to the offering document of the Fund effective from Pre-IPO was May 09, 2022, the subscription period of USSP-IX was for 60 days following pre-IPO and IPO dated May 09, 2022 till June 15, 2022. During subscription period, units can be purchased at the prevailing NAV. Back end load is applicable after the subscription period until the completion of 12 months life of the plan. The duration of the plan is perpetual.

As per twelfth supplement to the offering document of the Fund effective from Pre-IPO was Dec 02, 2022, the subscription period of USSP-VII was for 120 days following pre-IPO and IPO dated Dec 05, 2022 till Apr 03, 2023. During subscription period, units can be purchased at the prevailing NAV. Back end load is applicable after the subscription period until the completion of 36 months life of the plan. The duration of the plan is perpetual.

Class B Units:

- Any dividend announced for Class "A" Units will be reinvested in the pertinent Allocation Plan with the consent of the unit-holders after deduction of (any applicable duties & taxes) during the Life of Plan.
- Class "B" Units will not avail capital protection. Please refer to Annexure 'B' of UBL Special Savings Plan-VII (USSP-VII) for relevant features (applicable load and restrictions).

VIS Credit Rating Company Limited has reaffirmed management quality rating of "AM1" (stable outlook) to the Management Company as on December 30, 2022.

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.

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 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), directives issued by the SECP 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, directives issued by the SECP 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, directives issued by the SECP and requirements of the Trust Deed have been followed.

- 2.2. The SECP / Commission through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Currently, the asset management companies are required to continue to follow the requirements of Circular 33 of 2012 for impairment of debt securities.
- 2.3. The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS - 34. 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 audited financial statements of the Fund for the year ended June 30, 2022.
- 2.4. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that this condensed interim financial information gives a true and fair view of the state of affairs of the Fund as at December 31, 2022.

2.5 **Basis of measurement**

This condensed interim financial information has been prepared under the historical cost convention, except for the investments which are stated at fair value.

2.6 **Functional and presentation currency**

This condensed interim financial information is presented in Pakistan Rupees, which is the functional and presentation currency of the Fund. All amounts have been rounded off to the nearest thousands of Rupee, unless otherwise indicated.

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

- 3.1 The accounting policies applied and methods of computation of balances used in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2022.
- 3.2 The preparation of this condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial statements as at and for the year ended June 30, 2022.
- 3.3 There are certain standards, interpretations on accounting and reporting standards as applicable in Pakistan and amendments to certain existing standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2022. 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, 2022.

| | Note | December 31, 2022 (Un-audited) | | | | June 30, 2022 (Audited) | | |
|------------------------------------|------|--------------------------------|----------------|---------------|------------------|-------------------------|---------------|---------------|
| | | USSP-VII | USSP-VIII | USSP-IX | Total | USSP-VIII | USSP-IX | Total |
| 4. BANK BALANCES | | ----- Rupees in '000 ----- | | | | | | |
| In local currency: | | | | | | | | |
| - Profit and loss sharing accounts | 4.1 | <u>2,069,607</u> | <u>118,697</u> | <u>81,073</u> | <u>2,269,377</u> | <u>61,280</u> | <u>36,010</u> | <u>97,290</u> |

4.1 Mark-up on these profit and loss sharing accounts range from 10.75% to 16% (June 30, 2022: 12.50% to 15.50%) per annum. These include an amount held by a related party, United Bank Limited, amounting to Rs. 0.987 million on which return is earned at 14.50% per annum.

| | Note | December 31, 2022 (Un-audited) | | | | June 30, 2022 (Audited) | | |
|---|------|--------------------------------|-----------|----------|----------|-------------------------|----------------|----------------|
| | | USSP-VII | USSP-VIII | USSP-IX | Total | USSP-VIII | USSP-IX | Total |
| 5. TERM DEPOSITS RECEIPTS | | ----- Rupees in '000 ----- | | | | | | |
| Financial assets at amortised cost | | | | | | | | |
| Term deposits receipts | 5.1 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>600,000</u> | <u>600,000</u> |
| | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>600,000</u> | <u>600,000</u> |

5.1 Term deposits receipts

5.1.1 Held by USSP - IX

| Name of Company | Maturity date | As at July 1, 2022/2021 | Purchased during the period / year | Matured during the period / year | As at December 31, 2022 / June 30, 2022 | Carrying value as a percentage of net assets of the Fund | |
|---|---------------|----------------------------|------------------------------------|----------------------------------|---|--|---|
| | | ----- Rupees in '000 ----- | | | | | % |
| United Bank Limited | July 5, 2022 | 600,000 | - | 600,000 | - | - | |
| As at December 31, 2022 (Un-audited) | | <u>600,000</u> | <u>-</u> | <u>600,000</u> | <u>-</u> | <u>-</u> | |
| As at June 30, 2022 (Audited) | | <u>-</u> | <u>600,000</u> | <u>-</u> | <u>600,000</u> | <u>33.41%</u> | |

| | Note | December 31, 2022 (Un-audited) | | | | June 30, 2022 (Audited) | | |
|---|------|--------------------------------|-----------|------------------|------------------|-------------------------|------------------|------------------|
| | | USSP-VII | USSP-VIII | USSP-IX | Total | USSP-VIII | USSP-IX | Total |
| 6. INVESTMENTS | | ----- Rupees in '000 ----- | | | | | | |
| At fair value through other comprehensive income | | | | | | | | |
| Government securities | | | | | | | | |
| - Pakistan Investment Bonds | 6.2 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>63,207</u> | <u>-</u> | <u>63,207</u> |
| At fair value through profit or loss | | | | | | | | |
| Government securities | | | | | | | | |
| - Market Treasury Bills | 5.2 | <u>1,991,047</u> | <u>-</u> | <u>1,704,499</u> | <u>3,695,546</u> | <u>-</u> | <u>1,170,661</u> | <u>1,170,661</u> |
| | | <u>1,991,047</u> | <u>-</u> | <u>1,704,499</u> | <u>3,695,546</u> | <u>63,207</u> | <u>1,170,661</u> | <u>1,233,868</u> |

6.2.1.1 Effective yield on market treasury bills for the year ranges from 12.94% to 15.98% per annum.

6.2.2 Held by USSP-IX

| Issue date | Note | Tenor | Face value | | | | Carrying value as at December 31, 2022 / June 30, 2022 | Market value as at December 31, 2022 / June 30, 2022 | Unrealized (diminution) / appreciation on remeasurement | Market value as a percentage of | |
|---|---------|-----------|----------------------------|------------------------------------|---|---|--|--|---|---------------------------------|--------------------|
| | | | As at July 01, 2022 / 2021 | Purchased during the period / year | Sold / matured during the period / year | As at December 31, 2022 / June 30, 2022 | | | | Total investments of Plan | Net assets of Plan |
| ----- Rupees in '000 ----- % ----- | | | | | | | | | | | |
| March 10, 2022 | 6.2.2.1 | 6 Months | - | 100,000 | 100,000 | - | - | - | - | 0.00% | 0.00% |
| April 28, 2022 | 6.2.2.1 | 12 Months | 628,100 | - | - | 628,100 | 597,194 | 594,284 | (2,910) | 34.87% | 33.45% |
| June 2, 2022 | 6.2.2.1 | 12 Months | 700,000 | 700,000 | 200,000 | 1,200,000 | 1,120,986 | 1,110,215 | (10,771) | 65.13% | 62.49% |
| As at December 31, 2022 (Un-audited) | | | 1,328,100 | 800,000 | 300,000 | 1,828,100 | 1,718,180 | 1,704,499 | (13,681) | 100.00% | 95.94% |
| As at June 30, 2022 (Audited) | | | - | 2,682,600 | 1,354,500 | 1,328,100 | 1,176,675 | 1,170,661 | (6,014) | 100.00% | 65.18% |

6.2.2.1 Effective yield on market treasury bills for the year ranges from 12.94% to 15.98% (June 30, 2022: 13.04% to 15.55%) per annum.

7. ADVANCE INCOME TAX

The income of the Fund is exempt under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding tax under section 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II-66417-R" 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 certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 in prior period. The Management Company is confident that the amount will be refunded to the Fund.

8. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

| Note | December 31, 2022 (Un-audited) | | | | June 30, 2022 (Audited) | | | |
|---|--------------------------------|--------------|--------------|--------------|-------------------------|--------------|--------------|--------------|
| | USSP-VII | USSP-VIII | USSP-IX | Total | USSP-VIII | USSP-IX | Total | |
| ----- Rupees in '000 ----- | | | | | | | | |
| Remuneration payable to the Management Company | 8.1 | 257 | 82 | 1,504 | 1,843 | 87 | 1,408 | 1,495 |
| Sindh Sales Tax on remuneration payable to the Management Company | 8.2 | 33 | 11 | 196 | 240 | 11 | 183 | 194 |
| Sales load payable | | - | - | 500 | 500 | - | 3,902 | 3,902 |
| Back end load payable | | - | 1 | 205 | 206 | 95 | - | 95 |
| Allocated expenses payable | 8.3 | 1,094 | 63 | 3,166 | 4,323 | 46 | - | 46 |
| Selling and marketing expenses payable | 8.4 | 1,046 | - | - | 1,046 | - | - | - |
| Payable against formation cost | | - | 1,010 | - | 1,010 | 1,010 | - | 1,010 |
| | | 2,430 | 1,167 | 5,571 | 9,168 | 1,249 | 5,493 | 6,742 |

- 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 monthly in arrears. During the period, the Management Company has charged remuneration at rates ranging from 0.79% to 0.1% for plan VII, 0.75% for Plan VIII and 1% for Plan IX per annum of daily net assets (June 30, 2022: 0.75% of daily net assets per annum for Plan VIII and 1% of daily net assets per annum for Plan IX).
- 8.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2022: 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 can charge allocated expenses to the CIS based on its direction, provided the total expense ratio (refer note 15) prescribed by the SECP vide SRO 639 (i) / 2019 dated June 20, 2019 is complied with. During the year, the Management Company has charged the Fund at the rates of ranging from 0.39% to 0.82% (June 30, 2022 : Nil) for daily net assets value of USSP-VII, 0.21% (June 30, 2022: ranging from 0.1% to 0.21%) of daily net assets value of USSP-VIII and 0.7% (June 30, 2022: Nil) of daily net assets of USSP-IX
- 8.4** In accordance with Circular 11 dated July 5, 2019, the SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-ended mutual funds (except funds of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan. Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at rates ranging from 0% to 0.78% (June 30, 2022: Nil) of daily net assets value of USSP-VII

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

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The fee has been charged at the rate of 0.055% (June 30, 2022: 0.055%) per annum of average daily net assets of each Plan during the period. The remuneration is payable on monthly basis in arrears. The Provincial Government of Sindh has also levied Sindh Sales Tax at the rate of 13% (June 30, 2022: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with NBFC Regulations a collective investment scheme classified as open end scheme is required to pay to the SECP an amount equal to 0.02% (June 30, 2022: 0.02%) of the average annual net assets of each Plan as annual fee.

| Note | December 31, 2022 (Un-audited) | | | | June 30, 2022 | | |
|---|--------------------------------|--------------|--------------|---------------|---------------|--------------|--------------|
| | USSP-VII | USSP-VIII | USSP-IX | Total | USSP-VIII | USSP-IX | Total |
| | Rupees in '000 | | | | | | |
| 11. ACCRUED EXPENSES AND OTHER LIABILITIES | | | | | | | |
| Auditor's remuneration payable | 8 | 128 | 121 | 257 | 308 | 30 | 338 |
| Withholding tax payable | 6,060 | 611 | 2,782 | 9,453 | 471 | 3,694 | 4,165 |
| Brokerage payable | 93 | 1 | 79 | 173 | 1 | 61 | 62 |
| Annual listing fee payable | - | 73 | 14 | 87 | 55 | - | 55 |
| Legal and professional fee payable | 6 | 150 | 99 | 255 | 76 | 27 | 103 |
| Sales load payable to others | - | - | 93 | 93 | - | 5,187 | 5,187 |
| Capital gains tax payable | 394 | - | 40 | 434 | - | - | - |
| Other payables | 1 | 75 | 248 | 324 | 74 | - | 74 |
| | 6,562 | 1,038 | 3,476 | 11,076 | 985 | 8,999 | 9,984 |

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

| | December 31, 2022 (Un-Audited) | | | June 30, 2022 (Audited) | For the period from May 11, 2022 to June 30, 2022 |
|--|--------------------------------|------------------|-------------------|----------------------------|--|
| | USSP-VII | USSP-VIII | USSP-IX | USSP-VIII | USSP-IX |
| 13. NUMBER OF UNITS IN ISSUE | Number of units | | | | |
| Total units in issue at the beginning of the period / year | - | 1,279,846 | 17,961,011 | 1,368,371 | - |
| Units issued during the period / year | 126,374,038 | - | - | - | 18,034,408 |
| Units redeemed during the period / year | (85,822,790) | (111,847) | (1,180,646) | (88,525) | (73,397) |
| Total units in issue at the end of the period / year | 40,551,248 | 1,167,999 | 16,780,365 | 1,279,846 | 17,961,011 |

14. TAXATION

The Fund's income is exempt from income 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. Further 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. 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. Since the Management Company intends to distribute the required minimum percentage of Fund's net accounting income for the year ending June 30, 2023 to the unit holders in the manner as explained above, no provision for taxation has been made in this condensed interim financial information.

15. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in this condensed interim financial information 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. TOTAL EXPENSE RATIO

The annualised total expense ratio for USSP-VII for the period ended December 31, 2022 is 0.09% (December 31, 2021: 0.00%), which includes Government Levy and SECP Fees of 0.004% (December 31, 2021: 0.00%), USSP-VIII is 1.45% (December 31, 2021: 1.18%), which includes Government Levy and SECP Fees of 0.12% (December 31, 2021: 0.13%) and USSP-IX 1.88% (December 31, 2021: 0.00%), which includes Government Levy, and SECP Fees of 0.15% (December 31, 2021: 0.00%) . 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 Fund.

17. 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.

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.

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 liabilities that are not based on observable market data (i.e. unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

USSP-VII

| | Fair value | | | |
|---|----------------------------|------------------|----------|------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| | ----- Rupees in '000 ----- | | | |
| As at December 31, 2022 (Un-audited) | | | | |
| Market Treasury Bills | - | 1,991,047 | - | 1,991,047 |
| | <u>-</u> | <u>1,991,047</u> | <u>-</u> | <u>1,991,047</u> |
| | <u>-</u> | <u>1,991,047</u> | <u>-</u> | <u>1,991,047</u> |
| | | | | |
| | Fair value | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| | ----- Rupees in '000 ----- | | | |
| As at June 30, 2022 (Audited) | | | | |
| Market Treasury Bills | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

USSP-VIII

| | Fair value | | | Total |
|---|------------|---------|---------|-------|
| | Level 1 | Level 2 | Level 3 | |
| ----- Rupees in '000 ----- | | | | |
| As at December 31, 2022 (Un-audited) | | | | |
| Pakistan Investment Bonds | - | - | - | - |
| | - | - | - | - |

| | Fair value | | | Total |
|--------------------------------------|------------|---------|---------|--------|
| | Level 1 | Level 2 | Level 3 | |
| ----- Rupees in '000 ----- | | | | |
| As at June 30, 2022 (Audited) | | | | |
| Pakistan Investment Bonds | - | 63,207 | - | 63,207 |
| | - | 63,207 | - | 63,207 |

USSP-IX

| | Fair value | | | Total |
|---|------------|-----------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | |
| ----- Rupees in '000 ----- | | | | |
| As at December 31, 2022 (Un-audited) | | | | |
| Market Treasury Bills | - | 1,704,499 | - | 1,704,499 |
| | - | 1,704,499 | - | 1,704,499 |

| | Fair value | | | Total |
|--------------------------------------|------------|-----------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | |
| ----- Rupees in '000 ----- | | | | |
| As at June 30, 2022 (Audited) | | | | |
| Market Treasury Bills | - | 1,170,661 | - | 1,170,661 |
| | - | 1,170,661 | - | 1,170,661 |

- 17.1** Except for the investments as disclosed above, all other financial assets and liabilities are carried at amortised cost. The estimated fair value of all financial assets and liabilities at amortised cost is considered not significantly different from the carrying value as the items are short-term in nature.

18. 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.

Remuneration of 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 during the period and balances with them at the period end, other than those which have been specifically disclosed elsewhere in this condensed interim financial information are as follows:

| | Management Company | Associated companies * | Trustee | Funds under common management | Directors and key executives ** | Other connected persons / related parties *** |
|--|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|
| USSP-VII | | | | | | |
| Transactions for the period | | | | | | |
| ----- Half year ended December 31, 2022 (Un-audited) ----- | | | | | | |
| ----- Units in '000 ----- | | | | | | |
| Units issued | - | - | - | - | - | 61,564 |
| Units redeemed | - | - | - | - | - | 24,500 |
| ----- Rupees in '000 ----- | | | | | | |
| Value of units issued | - | - | - | - | - | 6,159,935 |
| Value of units redeemed | - | - | - | - | - | 2,450,000 |
| Remuneration (inclusive of Sindh Sales Tax) | 290 | - | 160 | - | - | - |
| Allocated expenses | 1,094 | - | - | - | - | - |
| Selling and marketing expenses | 1,046 | - | - | - | - | - |
| Balance held | | | | | | |
| ----- As at December 31, 2022 (Un-audited) ----- | | | | | | |
| ----- Units in '000 ----- | | | | | | |
| Units held | - | - | - | - | - | 37,064 |
| ----- Rupees in '000 ----- | | | | | | |
| Value of units held | - | - | - | - | - | 3,710,531 |
| Remuneration payable | | | | | | |
| (inclusive of Sindh Sales Tax) | 290 | - | 160 | - | - | - |
| Allocated expenses payable | 1,094 | - | - | - | - | - |
| Selling and marketing expenses payable | 1,046 | - | - | - | - | - |

| Management Company | Associated companies * | Trustee | Funds under common management | Directors and key executives ** | Other connected persons / related parties *** |
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|

USSP-VIII

Transactions for the period

----- Half year ended December 31, 2022 (Un-audited) -----

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

| | | | | | | |
|---|------------|---|-----------|---|---|---|
| Remuneration (inclusive of Sindh Sales Tax) | 516 | - | 38 | - | - | - |
| Allocated expenses | 128 | - | - | - | - | - |
| Dividend to unitholders | - | - | - | - | - | - |

Transactions for the period

----- Half year ended December 31, 2021 (Un-audited) -----

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

| | | | | | | |
|---|-------|---|----|---|---|---|
| Remuneration (inclusive of Sindh Sales Tax) | 589 | - | 46 | - | - | - |
| Allocated expenses | 128 | - | - | - | - | - |
| Dividend to unitholders | 2,579 | - | - | - | - | - |

Balance held

----- As at December 31, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|--------------|---|---|---|-----------|---|
| Units held | 1,000 | - | - | - | 20 | - |
|------------|--------------|---|---|---|-----------|---|

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

| | | | | | | |
|--|----------------|---|----------|---|--------------|---|
| Value of units held | 103,212 | - | - | - | 2,064 | - |
| Remuneration payable (inclusive of Sindh Sales Tax) | 93 | - | 7 | - | - | - |
| Allocated expenses payable | 63 | - | - | - | - | - |
| Back end load payable | 1 | - | - | - | - | - |
| Payable against formation cost | 1,010 | - | - | - | - | - |

Balance held

----- As at June 30, 2022 Audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|-------|---|---|---|----|---|
| Units held | 1,000 | - | - | - | 20 | - |
|------------|-------|---|---|---|----|---|

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

| | | | | | | |
|--|--------|---|---|---|-------|---|
| Value of units held | 99,665 | - | - | - | 1,993 | - |
| Remuneration payable (inclusive of Sindh Sales Tax) | 98 | - | 8 | - | - | - |
| Allocated expenses payable | 46 | - | - | - | - | - |
| Formation cost payable | 1,010 | - | - | - | - | - |

| Management Company | Associated companies * | Trustee | Funds under common management | Directors and key executives ** | Other connected persons / related parties *** |
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|
|--------------------|------------------------|---------|-------------------------------|---------------------------------|---|

USSP IX

Transactions for the period

----- Half year ended December 31, 2022 (Un-audited) -----

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

| | | | | | | |
|---|--------|---|-----|---|---|---|
| Remuneration (inclusive of Sindh Sales Tax) | 10,248 | - | 564 | - | - | - |
| Allocated expenses | 5,865 | - | - | - | - | - |

Balance held

----- As at December 31, 2022 (Un-audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|---|---|---|---|---|-------|
| Units held | - | - | - | - | - | 5,052 |
|------------|---|---|---|---|---|-------|

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

| | | | | | | |
|--|-------|-----|-----|---|---|---------|
| Value of units held | - | - | - | - | - | 534,893 |
| Bank balances | - | 987 | - | - | - | - |
| Remuneration payable (inclusive of Sindh Sales Tax) | 1,700 | - | 139 | - | - | - |
| Allocated expenses payable | 3,166 | - | - | - | - | - |
| Back end load payable | 205 | - | - | - | - | - |
| Sales load payable | 500 | - | - | - | - | - |

Balance held

----- As at June 30, 2022 Audited) -----

----- Units in '000 -----

| | | | | | | |
|------------|---|---|---|---|---|-------|
| Units held | - | - | - | - | - | 5,052 |
|------------|---|---|---|---|---|-------|

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

| | | | | | | |
|--|-------|---------|-----|---|---|---------|
| Value of units held | - | - | - | - | - | 505,206 |
| Bank balances | - | 190 | - | - | - | - |
| Remuneration payable (inclusive of Sindh Sales Tax) | 1,591 | - | 133 | - | - | - |
| Term Deposit Receipts | - | 600,000 | - | - | - | - |
| Mark-up receivable | - | 2,785 | - | - | - | - |
| Sales load payable | 3,902 | - | - | - | - | - |

19. GENERAL

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, 2022 and December 31, 2021 have not been reviewed by auditors.

20. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on January 26, 2023 by the Board of Directors of the Management Company.

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

SD

Yasir Qadri
Chief Executive Officer

SD

Umair Ahmed
Chief Financial Officer

SD

Imran Sarwar
Director

UFRF

UBL FIXED RETURN FUND

INVESTMENT OBJECTIVE

The investment objective of UBL Fixed Return Fund (UFRF) is to provide market expected returns to its Unit-Holders subject to conditions such as holding period as defined in the offering document.


| | |
|-----------------------------|---|
| Pension Fund Manager | UBL Fund Managers Limited |
| Trustee | Digital Custodian Company Limited |
| Distribution Company | United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk) |
| Auditors | EY Ford Rhodes, Chartered Accountants. |
| Bankers | Allied Bank Limited |
| Management Co.Rating | AM1 (VIS) |

**REPORT OF THE TRUSTEE TO THE UNIT HOLDERS
UBL FIXED RETURN FUND**

**Report of the Trustee Pursuant to Regulation 41(h) and clause 9 of the schedule V
of the Non-Banking Finance Companies and Notified Entities Regulations, 2008**

UBL Fixed Return Fund, an open-end scheme established under a Trust Deed dated July 18, 2022 executed between UBL Fund Managers Limited (UBL Funds), as the Management Company and Digital Custodian Company Limited, as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) approved the appointment of Digital Custodian Company Limited as the trustee of fund on June 15, 2022.

1. UBL Funds Managers Limited, the Management Company of UBL Fixed Return Fund has, in all material respects, managed UBL Fixed Return Fund for the period ended December 31st, 2022 in accordance with the provisions of the following:
 - i. Investment limitations imposed on the Asset Management Company and the trustee under the trust deed and other applicable laws;
 - ii. Valuation or pricing is carried out in accordance with the deed and any regulatory requirement; and
 - iii. Creation and cancellation of units are carried out in accordance with the deed
 - iv. And any regulatory requirement.



Faisal Amin
Authorize Signatory
Digital Custodian Company Limited

Karachi, February 20, 2023

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INDEPENDENT AUDITORS' REVIEW REPORT

To the Unit holders of UBL Fixed Return Fund

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim Statement of Assets and Liabilities of **UBL Fixed Return Fund** (the Fund) as at **31 December 2022**, and the related condensed interim Income Statement, condensed interim Statement of Comprehensive Income, condensed interim Cash Flow Statement and condensed interim Statement of Movement in Unit Holders' Fund, and notes to the financial statements for the period then ended (here-in-after referred to as the "interim financial statements"). Management Company is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended 31 December 2022 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the period ended 31 December 2022.

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 interim financial statements 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 interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditors' review report is Arslan Khalid.



Chartered Accountants

Date: 27 February 2023

Place: Karachi

UDIN Number: RR202210191z1DKM50RL

UBL FIXED RETURN FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022

| | | December 31, 2022 (Un-Audited) | | | | | | | |
|---|-------------------|--------------------------------|-------------------|--------------------|-------------------|-------------------|------------------|-------------------|--|
| Note | UFRP I (A) | UFRP I (B) | UFRP I (C) | UFRP I (D) | UFRP I (E) | UFRP I (F) | UFRP I (G) | TOTAL | |
| (Rupees in '000) | | | | | | | | | |
| Assets | | | | | | | | | |
| 5 | 5,375 | 21,800 | 4,208 | 126,088 | 285,271 | 128,750 | 940 | 572,432 | |
| 6 | - | 217,738 | 5,046,785 | - | 6,279,772 | 2,339,859 | 445,800 | 14,329,954 | |
| | 7,358 | 50 | 818 | 225,491 | 141,051 | 1,424 | 881 | 377,074 | |
| | - | - | - | 11,094,550 | - | - | - | 11,094,550 | |
| | - | 18 | 77 | 82 | 83 | 36 | 81 | 376 | |
| | 188 | - | - | - | - | - | - | 188 | |
| Total assets | 12,921 | 239,606 | 5,051,887 | 11,446,211 | 6,706,178 | 2,470,069 | 447,702 | 26,374,573 | |
| Liabilities | | | | | | | | | |
| 7 | 3,031 | 3,558 | 2,123 | 1,927 | 2,159 | 3,877 | 190 | 16,865 | |
| 8 | 90 | 17 | 231 | 184 | 152 | 364 | 11 | 1,049 | |
| 9 | 130 | 216 | 55 | 43 | 36 | 91 | 3 | 574 | |
| 11 | 9,669 | 24,607 | 13 | 12 | 639 | 12,538 | 13 | 47,491 | |
| Total liabilities | 12,921 | 28,398 | 2,421 | 2,166 | 2,986 | 16,869 | 217 | 65,978 | |
| Net assets | - | 211,208 | 5,049,466 | 11,444,045 | 6,703,191 | 2,453,200 | 447,485 | 26,308,595 | |
| Unit holders' fund (as per the statement attached) | - | 211,208 | 5,049,466 | 11,444,045 | 6,703,191 | 2,453,200 | 447,485 | 26,308,595 | |
| Contingencies and commitments | | | | | | | | | |
| 12 | (Number of units) | | | | | | | | |
| Number of units in issue | - | 2,105,903 | 49,831,089 | 113,906,104 | 66,694,669 | 24,460,418 | 4,450,000 | | |
| Net assets value per unit | | | | | | | | | |
| | - | 100.2936 | 101.3316 | 100.4691 | 100.5057 | 100.2926 | 100.5585 | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL FIXED RETURN FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022

| | For the period From 24 August 2022 To 22 November 2022 2022 UFRP I (A) | For the period From 08 September 2022 To 31 December 2022 2022 UFRP I (B) | For the period From 08 December 2022 To 31 December 2022 2022 UFRP I (C) | For the period From 20 December 2022 To 31 December 2022 2022 UFRP I (D) | For the period From 19 December 2022 To 31 December 2022 2022 UFRP I (E) | For the period From 25 November 2022 To 31 December 2022 2022 UFRP I (F) | For the period From 21 December 2022 To 31 December 2022 2022 UFRP I (G) | Total |
|--|--|---|--|--|--|--|--|----------------|
| | (Rupees in '000) | | | | | | | |
| Income | | | | | | | | |
| Financial income | 97,754 | 179,742 | 46,199 | 37,639 | 30,872 | 78,668 | 2,117 | 472,991 |
| Net capital (loss) / gain on sale of investments | (466) | (305) | 34 | (1,511) | (47) | (447) | - | (2,742) |
| Net unrealised gain / (loss) on revaluation of investments classified as 'at fair value through profit or loss' | - | 4 | 6,091 | - | (1,949) | 2,596 | 505 | 7,247 |
| Total income | 97,287 | 179,441 | 52,323 | 36,128 | 28,876 | 80,817 | 2,622 | 477,495 |
| Expenses | | | | | | | | |
| Remuneration of the Management Company | 2,162 | 863 | 1,811 | 1,118 | 1,706 | 2,866 | 101 | 10,628 |
| Sindh Sales tax on the Management Company's remuneration | 281 | 112 | 235 | 145 | 222 | 373 | 13 | 1,382 |
| Allocation of expenses relating to the Fund | 2,123 | - | - | 275 | 77 | 729 | - | 3,204 |
| Remuneration of Digital Custodian Company Limited - Trustee | 488 | 810 | 204 | 163 | 135 | 341 | 10 | 2,150 |
| Sindh sales tax on remuneration of Trustee | 63 | 105 | 27 | 21 | 18 | 45 | 1 | 280 |
| Annual fee of Securities and Exchange Commission of Pakistan | 130 | 216 | 55 | 43 | 36 | 91 | 3 | 573 |
| Bank charges | 7 | 11 | - | - | - | 4 | - | 23 |
| Auditors' remuneration | 41 | 30 | 4 | 2 | 3 | 16 | 2 | 99 |
| Brokerage expenses | 84 | 101 | - | - | 622 | 132 | 1 | 940 |
| Legal and professional charges | 21 | 16 | 2 | 1 | 1 | 8 | 1 | 50 |
| Selling and Marketing Expense | 354 | 3,463 | - | 312 | 77 | 19 | - | 4,226 |
| Other expenses | 79 | 60 | 8 | 2 | 1 | 32 | 4 | 186 |
| Total operating expenses | 5,833 | 5,787 | 2,345 | 2,084 | 2,897 | 4,657 | 137 | 23,740 |
| Net income from operating activities | 91,454 | 173,654 | 49,978 | 34,044 | 25,979 | 76,160 | 2,485 | 453,755 |
| Net income for the period before taxation | 91,454 | 173,654 | 49,978 | 34,044 | 25,979 | 76,160 | 2,485 | 453,755 |
| Taxation | - | - | - | - | - | - | - | - |
| Net income for the period after taxation | 91,454 | 173,654 | 49,978 | 34,044 | 25,979 | 76,160 | 2,485 | 453,755 |
| Allocation of net income for the period after taxation | | | | | | | | |
| Net income for the period after taxation | 91,454 | 173,654 | 49,978 | 34,044 | 25,979 | 76,160 | 2,485 | 453,755 |
| Income already paid on units redeemed | - | (11,589) | (489) | - | (25) | - | - | (12,103) |
| | 91,454 | 162,065 | 49,489 | 34,044 | 25,954 | 76,160 | 2,485 | 441,652 |
| Accounting income available for distribution | | | | | | | | |
| - Relating to capital gains | - | - | 34 | - | - | - | - | - |
| - Excluding capital gains | 91,454 | 162,065 | 49,455 | 34,044 | 25,954 | 76,160 | 2,485 | 441,618 |
| | 91,454 | 162,065 | 49,489 | 34,044 | 25,954 | 76,160 | 2,485 | 441,618 |
| Earnings per unit | 15 | | | | | | | |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL FIXED RETURN FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022

| | For the period From 24 August 2022 To 22 November 2022 2022 UFRP I (A) | For the period From 08 September 2022 To 31 December 2022 UFRP I (B) | For the period From 08 December 2022 To 31 December 2022 UFRP I (C) | For the period From 20 December 2022 To 31 December 2022 UFRP I (D) | For the period From 19 December 2022 To 31 December 2022 UFRP I (E) | For the period From 25 November 2022 To 31 December 2022 UFRP I (F) | For the period From 21 December 2022 To 31 December 2022 UFRP I (G) | Total |
|--|---|---|--|--|--|--|--|----------------|
| | ----- (Rupees in '000) ----- | | | | | | | |
| Net income for the period after taxation | 91,454 | 173,654 | 49,978 | 34,044 | 25,979 | 76,160 | 2,485 | 453,755 |
| Other comprehensive income for the period | - | - | - | - | - | - | - | - |
| Total comprehensive income for the period | 91,454 | 173,654 | 49,978 | 34,044 | 25,979 | 76,160 | 2,485 | 453,755 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL FIXED RETURN FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022

| | For the period From 24 August 2022 UFRP I (A) | For the period From 08 September 2022 2022 UFRP I (B) | For the period From 08 December 2022 2022 UFRP I (C) | For the period From 20 December 2022 2022 UFRP I (D) | For the period From 19 December 2022 2022 UFRP I (E) | For the period From 25 November 2022 2022 UFRP I (F) | For the period From 21 December 2022 2022 UFRP I (G) | Total |
|--|--|---|--|--|--|--|--|--------------|
| (Rupees in '000) | | | | | | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | | | |
| Net income for the period before taxation | 91,454 | 173,654 | 49,978 | 34,044 | 25,979 | 76,160 | 2,485 | 453,754 |
| Adjustments for non cash and other items: | | | | | | | | |
| Financial income | (97,754) | (179,742) | (46,199) | (37,639) | (30,872) | (78,668) | (2,117) | (472,991) |
| Net unrealised (gain) / loss on revaluation of investments classified as 'at fair value through profit or loss' | - | (4) | (6,091) | - | 1,949 | (2,596) | (505) | (7,247) |
| Net capital loss / (gain) on redemption and sale of investments | 466 | 305 | (34) | 1,511 | 47 | 447 | - | 2,743 |
| | (97,287) | (179,441) | (52,323) | (36,128) | (28,876) | (80,817) | (2,622) | (477,495) |
| Cash used in operations before working capital changes | (5,833) | (5,787) | (2,345) | (2,084) | (2,897) | (4,657) | (137) | (23,741) |
| Working capital changes | | | | | | | | |
| (Increase) / decrease in assets | | | | | | | | |
| Investments | (466) | (218,039) | (5,040,660) | (1,511) | (6,281,768) | (2,337,710) | (445,295) | (14,325,450) |
| Receivable against sale of investment | - | - | - | (11,094,550) | - | - | - | (11,094,550) |
| Deposits, prepayments and other receivables | - | (18) | (78) | (83) | (84) | (36) | (81) | (379) |
| Advance tax | (188) | - | - | - | - | - | - | (188) |
| | (654) | (218,057) | (5,040,738) | (11,096,144) | (6,281,852) | (2,337,746) | (445,376) | (25,420,567) |
| Increase / (Decrease) in liabilities | | | | | | | | |
| Payable to the Management Company | 3,031 | 3,558 | 2,123 | 1,927 | 2,159 | 3,877 | 190 | 16,865 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 90 | 17 | 231 | 184 | 152 | 364 | 11 | 1,049 |
| Payable to Securities and Exchange Commission of Pakistan | 130 | 216 | 55 | 43 | 36 | 91 | 3 | 574 |
| Accrued expenses and other payables | 9,669 | 24,607 | 13 | 12 | 639 | 12,538 | 13 | 47,491 |
| | 12,921 | 28,398 | 2,421 | 2,166 | 2,986 | 16,869 | 217 | 65,978 |
| Profits received during the period | 90,396 | 179,692 | 45,381 | (187,851) | (110,179) | 77,244 | 1,236 | 95,917 |
| Net cash (used in) / generated from operating activities | 96,829 | (15,754) | (4,995,281) | (11,283,913) | (6,391,942) | (2,248,290) | (444,060) | (25,282,412) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | |
| Proceeds from issuance of units | 7,142,708 | 17,941,802 | 6,020,000 | 11,410,001 | 6,683,212 | 8,342,809 | 445,000 | 57,985,532 |
| Payments on redemption of units | (7,126,702) | (17,723,309) | (1,020,512) | - | (6,000) | (5,862,610) | - | (31,739,133) |
| Total distribution to unit holders | (107,460) | (180,939) | - | - | - | (103,159) | - | (391,558) |
| Net cash (used in) / generated from financing activities | (91,454) | 37,554 | 4,999,488 | 11,410,001 | 6,677,212 | 2,377,040 | 445,000 | 25,854,841 |
| Net increase in cash and cash equivalents | 5,375 | 21,800 | 4,208 | 126,088 | 285,271 | 128,750 | 940 | 572,432 |
| Cash and cash equivalents at beginning of the period | - | - | - | - | - | - | - | - |
| Cash and cash equivalents at end of the period | 5,375 | 21,800 | 4,208 | 126,088 | 285,271 | 128,750 | 940 | 572,432 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL FIXED RETURN FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022

| | For the period From 24 August 2022 To 22 November 2022 | | | For the period From 19 December 2022 To 31 December 2022 | | | For the period From 08 December 2022 To 31 December 2022 | | | For the period From 20 December 2022 To 31 December 2022 | | | For the period From 19 December 2022 To 31 December 2022 | | | For the period From 25 November 2022 To 31 December 2022 | | | For the period From 21 December 2022 To 31 December 2022 | | | |
|---|--|----------------------|-------------|--|----------------------|--------------|--|----------------------|-------------|--|----------------------|------------|--|----------------------|-----------|--|----------------------|-------------|--|----------------------|---------|--------------|
| | 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 | Capital value | Undistributed income | Total | Total |
| | UFRP I (A) | | | UFRP I (B) | | | UFRP I (C) | | | UFRP I (D) | | | UFRP I (E) | | | UFRP I (F) | | | UFRP I (G) | | | |
| Net assets at beginning of the period | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Issuance of units (Note 14) | | | | | | | | | | | | | | | | | | | | | | |
| - Capital value | 7,126,702 | - | 7,126,702 | 17,922,024 | - | 17,922,024 | 5,998,230 | - | 5,998,230 | 11,390,611 | - | 11,390,611 | 6,675,441 | - | 6,675,441 | 8,308,651 | - | 8,308,651 | 445,000 | - | 445,000 | 57,866,659 |
| - Element of income | 16,006 | - | 16,006 | 19,778 | - | 19,778 | 21,770 | - | 21,770 | 19,390 | - | 19,390 | 7,771 | - | 7,771 | 34,158 | - | 34,158 | - | - | - | 118,873 |
| Total proceeds on issuance of units | 7,142,708 | - | 7,142,708 | 17,941,802 | - | 17,941,802 | 6,020,000 | - | 6,020,000 | 11,410,001 | - | 11,410,001 | 6,683,212 | - | 6,683,212 | 8,342,809 | - | 8,342,809 | 445,000 | - | 445,000 | 57,985,532 |
| Redemption of units (Note 14) | | | | | | | | | | | | | | | | | | | | | | |
| - Capital value | (7,126,702) | - | (7,126,702) | (17,711,434) | - | (17,711,434) | (1,015,121) | - | (1,015,121) | - | - | - | (5,974) | - | (5,974) | (5,862,610) | - | (5,862,610) | - | - | - | (31,721,841) |
| - Element of loss | - | - | - | (286) | (11,589) | (11,875) | (4,902) | (489) | (5,391) | - | - | - | (1) | (25) | (26) | - | - | - | - | - | - | (17,292) |
| Total payments on redemption of units | (7,126,702) | - | (7,126,702) | (17,711,720) | (11,589) | (17,723,309) | (1,020,023) | (489) | (1,020,512) | - | - | - | (5,975) | (25) | (6,000) | (5,862,610) | - | (5,862,610) | - | - | - | (31,739,133) |
| Total comprehensive income for the period | - | 91,454 | 91,454 | - | 173,654 | 173,654 | - | 49,978 | 49,978 | - | 34,044 | 34,044 | - | 25,979 | 25,979 | - | 76,160 | 76,160 | - | 2,485 | 2,485 | 453,754 |
| Distribution during the period | (16,006) | (91,454) | (107,460) | (19,492) | (161,447) | (180,939) | - | - | - | - | - | - | - | - | - | (34,158) | (69,001) | (103,159) | - | - | - | (391,558) |
| Net assets at the end of the period | - | - | - | 210,590 | 618 | 211,208 | 4,999,977 | 49,489 | 5,049,466 | 11,410,001 | 34,044 | 11,444,045 | 6,677,237 | 25,954 | 6,703,191 | 2,446,041 | 7,159 | 2,453,200 | 445,000 | 2,485 | 447,485 | 26,308,595 |
| Undistributed income brought forward | | | | | | | | | | | | | | | | | | | | | | |
| Realised | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Unrealised | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Accounting income available for distribution | | | | | | | | | | | | | | | | | | | | | | |
| - Relating to capital gains | - | - | - | - | - | - | 34 | - | 34 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| - Excluding capital gains | 91,454 | - | 91,454 | 162,065 | - | 162,065 | 49,455 | - | 49,455 | 34,044 | - | 34,044 | 25,954 | - | 25,954 | 76,160 | - | 76,160 | - | - | - | 2,485 |
| Distribution during the period | 91,454 | - | 91,454 | 162,065 | - | 162,065 | 49,489 | - | 49,489 | 34,044 | - | 34,044 | 25,954 | - | 25,954 | 76,160 | - | 76,160 | - | - | - | 2,485 |
| Undistributed income carried forward | (91,454) | - | (91,454) | (161,447) | - | (161,447) | - | - | - | - | - | - | - | - | - | (69,001) | - | (69,001) | - | - | - | - |
| Undistributed income carried forward | - | - | - | 618 | - | 618 | 49,489 | - | 49,489 | 34,044 | - | 34,044 | 25,954 | - | 25,954 | 7,159 | - | 7,159 | - | - | - | 2,485 |
| Realised gains | - | - | - | 614 | - | 614 | 43,399 | - | 43,399 | 34,044 | - | 34,044 | 27,903 | - | 27,903 | 4,563 | - | 4,563 | - | - | - | 1,980 |
| Unrealised gains / (loss) | - | - | - | 4 | - | 4 | 6,091 | - | 6,091 | - | - | - | (1,949) | - | (1,949) | 2,596 | - | 2,596 | - | - | - | 505 |
| Net asset value per unit at the beginning of the period | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Net asset value per unit at the end of the period | - | - | - | 100,2936 | - | 100,2936 | 101,3316 | - | 101,3316 | 100,4691 | - | 100,4691 | 100,5057 | - | 100,5057 | 100,2926 | - | 100,2926 | - | - | - | 100,5585 |

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

For UBL Fund Managers Limited
(Management Company)

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director

UBL FIXED RETURN FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** UBL Fixed Return Fund (the Fund) was established under a Trust Deed executed between UBL Fund Managers Limited, (wholly owned subsidiary company of United Bank Limited) as its Management Company and Digital Custodian Company Limited (DCCL), as its Trustee. The Trust Deed was executed on 18 July 2022 and the Fund was authorized by the Securities and Exchange Commission of Pakistan (SECP) on 15 June 2022 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Trust Deed was previously registered under The "Trust Act 1882". The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, the above-mentioned Trust Deed has been registered under the Sindh Trust Act".
- 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 has been formed to offer Allocation Plans based on their structure of fixed maturity or perpetual investing in the investable avenues as defined in Offering Document of the Fund. The duration of the Fund is perpetual; however, Allocation Plans launched underline may have a fixed maturity or could be perpetual (subject to approval of SECP).
- 1.4** The investment objective of UBL Fixed Return Fund (UFRF) is to provide market expected returns to its Unit-Holders subject to conditions such as holding period as defined in the offering document.
- 1.5** The Fund launched UBL Fixed Return Plan I A dated 24 August 2022, UBL Fixed Return Plan I B dated 8 September 2022, UBL Fixed Return Plan I C dated 8 December 2022, UBL Fixed Return Plan I D dated 20 December 2022, UBL Fixed Return Plan I E dated 19 December 2022, UBL Fixed Return Plan I F dated 25 November 2022 and UBL Fixed Return Plan I G dated 21 December 2022. All plans are Fixed Return Plan with an objective to generate competitive, risk adjusted returns while aiming to preserve capital over the long term. During the period, UFRP I A matured and all the units were redeemed with effect from November 22, 2022.
- 1.6** Title to the assets of the Fund are held in the name of Digital Custodian Company Limited (DCCL) as the Trustee of the Fund.
- 1.7** The Management Company has been reaffirmed a quality rating of AM1 dated December 31,2022 & fund rating of A+(f) by VIS Credit Rating Company.

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 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 these condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements.

2.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at September 30, 2022.

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

3.1 The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2021 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not 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

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

| Standards, interpretations and amendments | Effective date (annual periods beginning on or after) |
|--|--|
| Definition of Accounting Estimates - Amendments to IAS 8 | January 01, 2023 |
| Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 | January 01, 2023 |
| Deferred Tax related to Assets and Liabilities arising from a Single Transaction Amendments to IAS 12 | January 01, 2023 |
| Classification of liabilities as current or non-current - Amendment to IAS 1 | January 01, 2024 |
| Lease Liability in a Sale and Leaseback - Amendments to IFRS 16 | January 01, 2024 |
| Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28 | Not yet finalized |

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

| Standards | IASB Effective date (annual periods beginning on or after) |
|---|---|
| IFRS 1 - First-time Adoption of International Financial Reporting Standards | July 01, 2009 |
| IFRS 17 – Insurance Contracts | January 01, 2023 |

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

The principal accounting policies applied in the preparation of these financial statements are set out below.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial assets

4.2.2 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost
- at fair value through other comprehensive income (FVOCI)
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

- The determination of business model within which a financial asset is held.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

The Fund classifies its financial assets in the following categories:

4.2.3 Impairment

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The Fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

4.2.3.1 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the income statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP in accordance with the provisioning policy duly approved by the Board of Directors. The provisioning policy approved by the Board of Directors has been placed on the Management Company's website as required by the SECP's circular.

4.3. Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.4. Initial recognition and measurement

The Fund initially recognises financial assets at FVTPL on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. Other financial assets are recognised on the date on which they are originated.

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

4.5. Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the income statement.

4.6 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the income statement.

4.7 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

4.8 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement.

4.9 Reclassifications

Financial assets are not reclassified subsequent to their initial recognition unless the Fund were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

4.10. Financial liabilities - classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value at net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Any gain or loss on derecognition is also recognised in profit or loss.

4.11. Deferred formation cost

This represents expenses incurred on the formation of the Fund. As permitted in the Non-Banking Finance Companies and Notified Entities Regulations, 2008, these expenses are being amortised to the income statement (effective from 24 August 2022).

4.12. Unitholders' fund

Unitholders' fund representing the units issued by the Fund, is carried at the redemption amount representing the investors' right to a residual interest in the Fund's assets.

4.13 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received, by the distributors / Management Company during business hours, as of the close of the previous day on which the applications were received. The offer price represents the net assets value per unit as of the close of previous day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable.

Units redeemed are recorded at the redemption price, applicable to units as of the close of the previous day. The redemption price represents the net assets value per unit as of the close of the previous day on which the applications were received less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.14 Element of income

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in statement of movement in unitholders' fund.

4.15 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

4.16 Net asset value per unit

The net asset value per unit as disclosed on the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units outstanding at the year end.

4.17 Taxation

The Fund is exempt from income 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 ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders. Provided that for the purpose of determining distribution of at least ninety percent of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund provides for deferred taxation using the balance sheet liability method on all major temporary differences between the amounts used for financial reporting purposes and amounts used for taxation purposes. In addition, the Fund also records deferred tax asset on unutilised tax losses to the extent that it is no longer probable that the related tax benefit will be realised. However, the Fund has not recognised any amount in respect of taxation in these financial statements as the Fund distributes more than ninety percent of its accounting income for the current period and intends to continue availing the tax exemption in future years by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders' every year.

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.

4.18. 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, 2022. 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.

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

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, 2022. 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.

| | 31 December 2022 (audited) UFRP I (A) | 31 December 2022 (audited) UFRP I (B) | 31 December 2022 (audited) UFRP I (C) | 31 December 2022 (audited) UFRP I (D) | 31 December 2022 (audited) UFRP I (E) | 31 December 2022 (audited) UFRP I (F) | 31 December 2022 (audited) UFRP I (G) | Total | |
|-------------------------|--|--|--|--|--|--|--|------------|----------------|
| 5. BANK BALANCES | ----- (Rupees in '000) ----- | | | | | | | | |
| PLS saving accounts | 5.1 | 5,375 | 21,800 | 4,208 | 126,088 | 285,271 | 128,750 | 940 | 572,432 |
| | | 5,375 | 21,800 | 4,208 | 126,088 | 285,271 | 128,750 | 940 | 572,432 |

5.1 The rates of return on these balances range from 13.50% to 16.35% per annum.

| | 31 December 2022 (Unaudited) UFRP I (A) | 31 December 2022 (Unaudited) UFRP I (B) | 31 December 2023 (Unaudited) UFRP I (C) | 31 December 2024 (Unaudited) UFRP I (D) | 31 December 2025 (Unaudited) UFRP I (E) | 31 December 2026 (Unaudited) UFRP I (F) | 31 December 2027 (Unaudited) UFRP I (G) | Total | |
|--|--|--|--|--|--|--|--|----------------|-------------------|
| 6. INVESTMENTS | ----- (Rupees in '000) ----- | | | | | | | | |
| At fair value through profit or loss' | | | | | | | | | |
| - Market Treasury Bills | 6.1 | - | 217,738 | 5,046,785 | - | - | 2,339,859 | 445,800 | 8,050,182 |
| - Pakistan Investment Bonds | 6.2 | - | - | - | - | 6,279,772 | - | - | 6,279,772 |
| - Letter of Placement | 6.3 | - | - | - | - | - | - | - | - |
| | | - | 217,738 | 5,046,785 | - | 6,279,772 | 2,339,859 | 445,800 | 14,329,954 |

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

| | | | | | | UFRP I (A) | | | | |
|--------------------------------------|------|--------------------|--|----------------------------------|------------------------|---------------------------------------|-------------------------------------|-----------------------|--------------------------------|--------------------------|
| Name of instrument | Note | As at 01 July 2022 | Purchased / acquired during the period | Sold / matured during the period | As at 31 December 2022 | Carrying value as at 31 December 2022 | Market value as at 31 December 2022 | Un-realized Gain/Loss | Percentage of total investment | Percentage of net assets |
| ----- (Number of certificates) ----- | | | | | | ----- (Rupees in '000) ----- | | | | |
| T-BILLS 3-Months | | - | 15,065,000 | 15,065,000 | - | - | - | - | 0.00% | 0.00% |
| T-BILLS 6-Months | | - | 6,000,000 | 6,000,000 | - | - | - | - | 0.00% | 0.00% |
| December 31, 2022 | | | | | | - | - | - | - | - |

| | | | | | | UFRP I (B) | | | | |
|--------------------------------------|------|--------------------|--|----------------------------------|------------------------|------------------------------|--------------|-----------------------|--------------------------------|--------------------------|
| Name of instrument | Note | As at 01 July 2022 | Purchased / acquired during the period | Sold / matured during the period | As at 31 December 2022 | Carrying value | Market value | Un-realized Gain/Loss | Percentage of total investment | Percentage of net assets |
| ----- (Number of certificates) ----- | | | | | | ----- (Rupees in '000) ----- | | | | |
| T-BILLS 3-Months | | - | 19,875,000 | 19,655,000 | 220,000 | 217,734 | 217,738 | 4 | 100% | 103% |
| T-BILLS 6-Months | | - | 2,250,000 | 2,250,000 | - | - | - | - | - | - |
| December 31, 2022 | | | | | | 217,734 | 217,738 | 4 | 100% | 103% |

| | | | | | | UFRP I (C) | | | | |
|--------------------------------------|------|--------------------|--|----------------------------------|------------------------|------------------------------|--------------|-----------------------|--------------------------------|--------------------------|
| Name of instrument | Note | As at 01 July 2022 | Purchased / acquired during the period | Sold / matured during the period | As at 31 December 2022 | Carrying value | Market value | Un-realized Gain/Loss | Percentage of total investment | Percentage of net assets |
| ----- (Number of certificates) ----- | | | | | | ----- (Rupees in '000) ----- | | | | |
| T-BILLS 3-Months | | - | 61,670 | 10,000 | 51,670 | 5,040,694 | 5,046,785 | 6,091 | 100% | 99.9% |
| December 31, 2022 | | | | | | 5,040,694 | 5,046,785 | 6,091 | 100% | 100% |

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

UFRP I (D)

| Name of instrument | Note | As at 01 July 2022 | Purchased / acquired during the period | Sold / matured during the period | As at 31 December 2022 | Carrying value | Market value | Un-realized Gain/Loss | Percentage of total investment | Percentage of net assets |
|---------------------------------------|------|--------------------|--|----------------------------------|------------------------|----------------------------|--------------|-----------------------|--------------------------------|--------------------------|
| ----- (Number of certificates) ----- | | | | | | ---- (Rupees in '000) ---- | | ----- % ----- | | |
| T-BILLS 3-Months December 31, 2022 | | - | 10,000 | 10,000 | - | - | - | - | - | - |
| | | | | | | ----- | ----- | ----- | ----- | ----- |

UFRP I (E)

| Name of instrument | Note | As at 01 July 2022 | Purchased / acquired during the period | Sold / matured during the period | As at 31 December 2022 | Carrying value | Market value | Un-realized Gain/Loss | Percentage of total investment | Percentage of net assets |
|---------------------------------------|------|--------------------|--|----------------------------------|------------------------|----------------------------|--------------|-----------------------|--------------------------------|--------------------------|
| ----- (Number of certificates) ----- | | | | | | ---- (Rupees in '000) ---- | | ----- % ----- | | |
| T-BILLS 3-Months December 31, 2022 | | - | 20,000 | 20,000 | - | - | - | - | - | - |
| | | | | | | ----- | ----- | ----- | ----- | ----- |

UFRP I (F)

| Name of instrument | Note | As at 01 July 2022 | Purchased / acquired during the period | Sold / matured during the period | As at 31 December 2022 | Carrying value | Market value | Un-realized Gain/Loss | Percentage of total investment | Percentage of net assets |
|---------------------------------------|------|--------------------|--|----------------------------------|------------------------|----------------------------|--------------|-----------------------|--------------------------------|--------------------------|
| ----- (Number of certificates) ----- | | | | | | ---- (Rupees in '000) ---- | | ----- % ----- | | |
| T-BILLS 3-Months December 31, 2022 | | - | 122,868 | 98,868 | 24,000 | 2,337,263 | 2,339,859 | 2,596 | 100% | 95% |
| | | | | | | ----- | ----- | ----- | ----- | ----- |
| | | | | | | 2,337,263 | 2,339,859 | 2,596 | 100% | 95% |

UFRP I (G)

| Name of instrument | Note | As at 01 July 2022 | Purchased / acquired during the period | Sold / matured during the period | As at 31 December 2022 | Carrying value | Market value | Un-realized Gain/Loss | Percentage of total investment | Percentage of net assets |
|---------------------------------------|------|--------------------|--|----------------------------------|------------------------|----------------------------|--------------|-----------------------|--------------------------------|--------------------------|
| ----- (Number of certificates) ----- | | | | | | ---- (Rupees in '000) ---- | | ----- % ----- | | |
| T-BILLS 3-Months December 31, 2022 | | - | 4,590 | - | 4,590 | 445,295 | 445,800 | 505 | 100% | 100% |
| | | | | | | ----- | ----- | ----- | ----- | ----- |
| | | | | | | 445,295 | 445,800 | 505 | 100% | 100% |

6.2 Government Securities - Pakistan Investment Bonds - 'At Fair Value Through Profit or Loss'
(certificates having a nominal value of Rs.100,000 each)

| | | | | | | UFRP I (D) | | | | |
|--------------------------------------|------|--------------------|--|----------------------------------|------------------------|------------------------------|--------------|-----------------------|--------------------------------|--------------------------|
| Name of instrument | Note | As at 01 July 2022 | Purchased / acquired during the period | Sold / matured during the period | As at 31 December 2022 | Carrying value | Market value | Un-realized Gain/Loss | Percentage of total investment | Percentage of net assets |
| ----- (Number of certificates) ----- | | | | | | ----- (Rupees in '000) ----- | | | | |
| PIB-FRB | | - | 13,575,000 | 13,575,000 | - | - | - | - | - | - |
| PIB-FRB-11 | | - | 11,185,200 | 11,185,200 | - | - | - | - | - | - |
| December 31, 2022 | | | | | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

| | | | | | | UFRP I (E) | | | | |
|--------------------------------------|-------|--------------------|--|----------------------------------|------------------------|------------------------------|-------------------------|-----------------------|--------------------------------|--------------------------|
| Name of instrument | Note | As at 01 July 2022 | Purchased / acquired during the period | Sold / matured during the period | As at 31 December 2022 | Carrying value | Market value | Un-realized Gain/Loss | Percentage of total investment | Percentage of net assets |
| ----- (Number of certificates) ----- | | | | | | ----- (Rupees in '000) ----- | | | | |
| PIB-FRB-19 | 6.2.1 | - | 22,250 | - | 22,250 | 2,214,792 | 2,213,875 | (917) | 35% | 33% |
| PIB-FRB-21 | 6.2.1 | - | 18,900 | - | 18,900 | 1,878,585 | 1,878,660 | 75 | 30% | 28% |
| PIB-FRB-24 | 6.2.1 | - | 22,100 | - | 22,100 | 2,188,344 | 2,187,237 | (1,107) | 35% | 33% |
| December 31, 2022 | | | | | | <u>6,281,721</u> | <u>6,279,772</u> | <u>(1,949)</u> | <u>100%</u> | <u>94%</u> |

6.2.1 These comprise of floating rate Pakistan Investment Bonds (PIBs) carry interest rates 16.9623%.

6.3 Letter of Placement

| | | | | | | UFRP I (B) | | | | |
|---------------------------------------|-------------|--------------------|--------------------------|---------------------------|------------------------|----------------|--------------|-----------------------|--------------------------------|--------------------------|
| Name | Profit rate | As at 01 July 2022 | Placed during the period | Matured during the period | As at 31 December 2022 | Carrying value | Market value | Un-realized Gain/Loss | Percentage of total investment | Percentage of net assets |
| ----- (Rupees in '000) ----- | | | | | | ----- % ----- | | | | |
| PAK Kuwait Investment Company Limited | 15.05% | - | 1,000,000,000 | 1,000,000,000 | - | - | - | - | - | - |
| Pak Oman Investment Company Limited | 15.00% | - | 1,200,000,000 | 1,200,000,000 | - | - | - | - | - | - |
| December 31, 2022 | | | | | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

| | | 31 December 2022 (Unaudited) UFRP I (A) | 31 December 2022 (Unaudited) UFRP I (B) | 31 December 2022 (Unaudited) UFRP I (C) | 31 December 2022 (Unaudited) UFRP I (D) | 31 December 2022 (Unaudited) UFRP I (E) | 31 December 2022 (Unaudited) UFRP I (F) | 31 December 2022 (Unaudited) UFRP I (G) | Total |
|---|-------------|--|--|--|--|--|--|--|---------------|
| (Rupees in '000) | | | | | | | | | |
| 7. PAYABLE TO THE MANAGEMENT COMPANY | Note | | | | | | | | |
| Remuneration payable to the Management Company | 7.1 | 414 | 16 | 1,811 | 1,118 | 1,706 | 2,701 | 101 | 7,867 |
| Sindh sales tax payable on remuneration of the Management Company | 7.2 | 54 | 2 | 235 | 145 | 222 | 351 | 13 | 1,022 |
| Sales load and conversion charges payable | 7.3 | 87 | 77 | 77 | 77 | 77 | 77 | 77 | 547 |
| Selling and Marketing Expense Payable | 7.3 | 354 | 3,463 | - | 312 | 77 | 19 | - | 4,226 |
| Allocated expenses payable | 7.4 | 2,123 | - | - | 275 | 77 | 729 | - | 3,204 |
| | | 3,031 | 3,558 | 2,123 | 1,927 | 2,159 | 3,877 | 190 | 16,865 |

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:

| | | | | | | |
|------------|---|---|---|---|---|---|
| UFRP 1 (A) | From Aug 24, 2022 to Sep 06, 2022 | From Sep 07, 2022 to Dec 31, 2022 | | | | |
| | 0.65% per annum of average daily net assets | 0.30% per annum of average daily net assets | | | | |
| UFRP 1 (B) | From Sep 08, 2022 to Sep 12, 2022 | From Sep 13, 2022 to Sep 30, 2022 | | | | |
| | 0.05% per annum of average daily net assets | 0.08% per annum of average daily net assets | | | | |
| UFRP 1 (C) | For Dec 08, 2022 | From Dec 09, 2022 to Dec 14, 2022 | From Dec 15, 2022 to Dec 31, 2022 | | | |
| | 2% per annum of average daily net assets | 0.78% per annum of average daily net assets | 0.65% per annum of average daily net assets | | | |
| UFRP 1 (D) | For Dec 08, 2022 | From Dec 21, 2022 to Dec 27, 2022 | For Dec 28, 2022 | For Dec 29, 2022 | For Dec 30, 2022 | For Dec 31, 2022 |
| | 2% per annum of average daily net assets | 0.70% per annum of average daily net assets | 0.21% per annum of average daily net assets | 0.37% per annum of average daily net assets | 0.87% per annum of average daily net assets | 0.00% per annum of average daily net assets |
| UFRP 1 (E) | For Dec 19, 2022 | From Dec 20, 2022 to Dec 22, 2022 | From Dec 23, 2022 to Dec 27, 2022 | For Dec 28, 2022 | From Dec 29, 2022 to Dec 31, 2022 | |
| | 2% per annum of average daily net assets | 0.79% per annum of average daily net assets | 1.23% per annum of average daily net assets | 0.00% per annum of average daily net assets | 0.79% per annum of average daily net assets | |
| UFRP 1 (F) | From Nov 25, 2022 to Nov 30, 2022 | From Dec 01, 2022 to Dec 31, 2022 | | | | |
| | 0.63% per annum of average daily net assets | 0.78% per annum of average daily net assets | | | | |
| UFRP 1 (G) | From Dec 21, 2022 to Dec 31, 2022 | | | | | |
| | 0.75% per annum 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% 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 rates ranging from 0.00% to 2.29%.
- 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. the Management Company has charged remuneration at ranging from 0.00% to 1.45%.

| 8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE | Note | 31 December 2022 | 31 December 2022 | 31 December 2022 | 31 December 2022 | 31 December 2022 | 31 December 2022 | 31 December 2022 | Total |
|--|------|------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|--------------|
| | | (Unaudited) UFRP I (A) | (Unaudited) UFRP I (B) | (Unaudited) UFRP I (C) | (Unaudited) UFRP I (D) | (Unaudited) UFRP I (E) | (Unaudited) UFRP I (F) | (Unaudited) UFRP I (G) | |
| | | ----- (Rupees in '000) ----- | | | | | | | |
| Remuneration payable to the Trustee | 8.1 | 80 | 15 | 204 | 163 | 135 | 322 | 10 | 929 |
| Sindh sales tax on Trustee remuneration | 8.2 | 10 | 2 | 27 | 21 | 17 | 42 | 1 | 120 |
| | | <u>90</u> | <u>17</u> | <u>231</u> | <u>184</u> | <u>152</u> | <u>364</u> | <u>11</u> | <u>1,049</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 0.075% 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% on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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

| 10. TOTAL EXPENSE RATIO | 31 December 2022 | 31 December 2022 | 31 December 2022 | 31 December 2022 | 31 December 2022 | 31 December 2022 |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | (Unaudited) UFRP I (B) | (Unaudited) UFRP I (C) | (Unaudited) UFRP I (D) | (Unaudited) UFRP I (E) | (Unaudited) UFRP I (F) | (Unaudited) UFRP I (G) |
| The annualised total expense ratio (TER) based on the current period are as follows: | | | | | | |
| Total expense ratio | 0.17% | 0.06% | 0.04% | 0.07% | 0.10% | 0.03% |
| Government levy, SWWF and SECP fee | 0.12% | 0.12% | 0.12% | 0.12% | 0.12% | 0.12% |

This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an aggressive income scheme.

| | 31 December 2022 (Unaudited) UFRP 1 (A) | 31 December 2022 (Unaudited) UFRP 1 (B) | 31 December 2022 (Unaudited) UFRP 1 (C) | 31 December 2022 (Unaudited) UFRP 1 (D) | 31 December 2022 (Unaudited) UFRP 1 (E) | 31 December 2022 (Unaudited) UFRP 1 (F) | 31 December 2022 (Unaudited) UFRP 1 (G) | Total |
|---|--|--|--|--|--|--|--|---------------|
| | (Rupees in '000) | | | | | | | |
| 11. ACCRUED EXPENSE AND OTHER PAYABLES | | | | | | | | |
| Brokerage payable | 84 | 101 | - | - | 622 | 132 | 1 | 940 |
| Auditors' remuneration payable | 41 | 30 | 4 | 2 | 3 | 16 | 2 | 99 |
| Withholding tax | 8,770 | 24,228 | - | - | - | 10,350 | - | 43,348 |
| Capital gains tax payable | 717 | 164 | - | - | 6 | 2,029 | - | 2,917 |
| Sales load payable | - | - | - | - | - | - | - | - |
| Other payables | 58 | 83 | 9 | 9 | 9 | 9 | 9 | 187 |
| | <u>9,669</u> | <u>24,607</u> | <u>13</u> | <u>12</u> | <u>639</u> | <u>12,538</u> | <u>13</u> | <u>47,491</u> |

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022.

| | 31 December 2022 (Unaudited) UFRP 1 (A) | 31 December 2022 (Unaudited) UFRP 1 (B) | 31 December 2022 (Unaudited) UFRP 1 (C) | 31 December 2022 (Unaudited) UFRP 1 (D) | 31 December 2022 (Unaudited) UFRP 1 (E) | 31 December 2022 (Unaudited) UFRP 1 (F) | 31 December 2022 (Unaudited) UFRP 1 (G) | Total |
|---|--|--|--|--|--|--|--|--------------------|
| | Number of Units | | | | | | | |
| 13. NUMBER OF UNITS IN ISSUE | | | | | | | | |
| Total units in issue at the beginning of the period | - | - | - | - | - | - | - | - |
| Units issued during the period | 71,267,020 | 179,220,242 | 59,982,298 | 113,906,104 | 66,754,413 | 83,086,517 | 4,450,000 | 578,666,594 |
| Units redeemed during the period | (71,267,020) | (177,114,339) | (10,151,209) | - | (59,744) | (58,626,099) | - | (317,218,411) |
| Total units in issue at the end of the period | <u>-</u> | <u>2,105,903</u> | <u>49,831,089</u> | <u>113,906,104</u> | <u>66,694,669</u> | <u>24,460,418</u> | <u>4,450,000</u> | <u>261,448,183</u> |

14. TAXATION

The income of the Fund is exempt from income 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% 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 Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% 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 Company intends to distribute at least 90% of the Fund's accounting income for the year ending June 30, 2023 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore 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 AND BALANCES 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, Digital Custodian Company 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.

All other transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with the market rates.

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

| | Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
|---------------------------------------|--------------------------------------|----------------------|---------|------------------------------|---|
| | ----- (As at 31 December 2022) ----- | | | | |
| Transactions during the period | ----- (Units in '000) ----- | | | | |
| UFRP-I-(A) | | | | | |
| Units issued | 1,031 | - | - | - | - |
| Units redeemed | 1,031 | - | - | - | - |
| | ----- (Rupees in '000) ----- | | | | |
| Value of units issued | 103,050 | - | - | - | - |
| Value of units redeemed | 103,050 | - | - | - | - |
| Dividend paid | 3,588 | - | - | - | - |
| Allocated expenses | 2,123 | - | - | - | - |
| Remuneration * | 2,443 | - | 551 | - | - |
| Selling and marketing expense | 354 | - | - | - | - |

| As at December 31, 2022 | | | | |
|---|----------------------|---------|------------------------------|---|
| Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
| ----- (Rupees in '000) ----- | | | | |
| Balances held | | | | |
| UFRP-I-(A) | | | | |
| Remuneration payable * | 467 | - | - | - |
| Sales load and other payables | 87 | - | - | - |
| Allocated expense payable to the Management Company | 2,123 | - | - | - |
| Selling and marketing expense payable | 354 | - | - | - |
| * This balance is inclusive of Sindh Sales Tax. | | | | |

| As at 31 December 2022 | | | | |
|---------------------------------------|----------------------|---------|------------------------------|---|
| Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
| ----- (Units in '000) ----- | | | | |
| Transactions during the period | | | | |
| UFRP-I-(B) | | | | |
| Units issued | 20 | - | - | 3,507 |
| Units redeemed | 10 | - | - | 1,520 |
| ----- (Rupees in '000) ----- | | | | |
| Value of units issued | 2,037 | - | - | 351,257 |
| Value of units redeemed | 1,000 | - | - | 152,065 |
| Dividend paid | 44 | - | - | - |
| Remuneration * | 975 | 915 | - | - |
| Selling and marketing expense | 3,463 | - | - | - |

| As at December 31, 2022 | | | | |
|---|----------------------|---------|------------------------------|---|
| Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
| ----- (Rupees in '000) ----- | | | | |
| Balances held | | | | |
| UFRP-I-(B) | | | | |
| Units held (units in '000) | 10 | - | - | 1,987 |
| Units held (Rupees in '000) | 1,040 | - | - | 199,273 |
| Remuneration payable * | 18 | - | - | - |
| Sales load and other payables | 77 | - | - | - |
| Selling and marketing expense payable | 3,463 | - | - | - |
| * This balance is inclusive of Sindh Sales Tax. | | | | |

| | Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
|---------------------------------------|--------------------|----------------------|---------|------------------------------|---|
| ----- (As at 31 December 2022) ----- | | | | | |
| ----- (Units in '000) ----- | | | | | |
| Transactions during the period | | | | | |
| UFRP-I-(C) | | | | | |
| Units issued | 10,151 | - | - | - | 49,831 |
| Units redeemed | 10,151 | - | - | - | - |
| ----- (Rupees in '000) ----- | | | | | |
| Value of units issued | 1,020,000 | - | - | - | 5,000,000 |
| Value of units redeemed | 1,020,512 | - | - | - | - |
| Purchase of securities | - | 4,512,259 | - | - | - |
| Remuneration * | 2,047 | - | 231 | - | - |

As at December 31, 2022

| | Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
|-------------------------------|--------------------|----------------------|---------|------------------------------|---|
| ----- (Rupees in '000) ----- | | | | | |
| Balances held | | | | | |
| UFRP-I-(C) | | | | | |
| Units held (units in '000) | - | - | - | - | 49,831 |
| Units held (Rupees in '000) | - | - | - | - | 5,049,465 |
| Remuneration payable * | 2,046 | - | - | - | - |
| Sales load and other payables | 77 | - | - | - | - |

* This balance is inclusive of Sindh Sales Tax.

| | Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
|---------------------------------------|--------------------|----------------------|---------|------------------------------|---|
| ----- (As at 31 December 2022) ----- | | | | | |
| ----- (Units in '000) ----- | | | | | |
| Transactions during the period | | | | | |
| UFRP-I-(D) | | | | | |
| Units issued | 100 | - | - | - | 113,806 |
| ----- (Rupees in '000) ----- | | | | | |
| Value of units issued | 10,000 | - | - | - | 11,400,000 |
| Allocated expenses | 275 | - | - | - | - |
| Remuneration * | 1,264 | - | 184 | - | - |
| Selling and marketing expense | 312 | - | - | - | - |

| As at December 31, 2022 | | | | |
|---|----------------------|---------|------------------------------|---|
| Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
| ----- (Rupees in '000) ----- | | | | |
| Balances held | | | | |
| UFRP-I-(D) | | | | |
| Units held (units in '000) | 100 | - | - | 113,806 |
| Units held (Rupees in '000) | 10,047 | - | - | 11,433,998 |
| Remuneration payable * | 1,263 | - | - | - |
| Sales load and other payables | 77 | - | - | - |
| Allocated expense payable to the management company | 275 | - | - | - |
| Selling and marketing expense payable | 312 | - | - | - |
| * This balance is inclusive of Sindh Sales Tax. | | | | |

| As at 31 December 2022 | | | | |
|---------------------------------------|----------------------|---------|------------------------------|---|
| Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
| ----- (Units in '000) ----- | | | | |
| Transactions during the period | | | | |
| UFRP-I-(E) | | | | |
| Units issued | - | - | - | 44,497 |
| Units redeemed | - | - | - | 60 |
| ----- (Rupees in '000) ----- | | | | |
| Value of units issued | - | - | - | 4,453,615 |
| Value of units redeemed | - | - | - | 5,994 |
| Allocated expenses | 77 | - | - | - |
| Remuneration * | 1,928 | - | 152 | - |
| Selling and marketing expense | 77 | - | - | - |

| As at December 31, 2022 | | | | |
|---|----------------------|---------|------------------------------|---|
| Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
| ----- (Rupees in '000) ----- | | | | |
| Balances held | | | | |
| UFRP-I-(E) | | | | |
| Units held (units in '000) | - | - | - | 44,437 |
| Units held (Rupees in '000) | - | - | - | 4,466,145 |
| Remuneration payable * | 1,928 | - | - | - |
| Sales load and other payables | 77 | - | - | - |
| Allocated expense payable to the Management company | 77 | - | - | - |
| Selling and marketing expense payable | 77 | - | - | - |
| * This balance is inclusive of Sindh Sales Tax. | | | | |

| | Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
|---------------------------------------|--------------------|----------------------|---------|------------------------------|---|
| ----- (As at 31 December 2022) ----- | | | | | |
| ----- (Units in '000) ----- | | | | | |
| Transactions during the period | | | | | |
| UFRP-I-(F) | | | | | |
| Units issued | - | - | - | - | 29,614 |
| Units redeemed | - | - | - | - | 9,584 |
| ----- (Rupees in '000) ----- | | | | | |
| Value of units issued | - | - | - | - | 2,984,809 |
| Value of units redeemed | - | - | - | - | 958,483 |
| Allocated expenses | 729 | - | - | - | - |
| Remuneration * | 3,239 | - | 386 | - | - |
| Selling and marketing expense | 19 | - | - | - | - |

As at December 31, 2022

| | Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
|---|--------------------|----------------------|---------|------------------------------|---|
| ----- (Rupees in '000) ----- | | | | | |
| Balances held | | | | | |
| UFRP-I-(F) | | | | | |
| Units held (units in '000) | - | - | - | - | 20,031 |
| Units held (Rupees in '000) | - | - | - | - | 2,008,923 |
| Remuneration payable * | 3,052 | - | - | - | - |
| Sales load and other payables | 77 | - | - | - | - |
| Allocated expense payable to the Management Company | 729 | - | - | - | - |
| Selling and marketing expense payable | 19 | - | - | - | - |

* This balance is inclusive of Sindh Sales Tax.

| | Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
|---------------------------------------|--------------------|----------------------|---------|------------------------------|---|
| ----- (As at 31 December 2022) ----- | | | | | |
| ----- (Units in '000) ----- | | | | | |
| Transactions during the period | | | | | |
| UFRP-I-(G) | | | | | |
| Units issued | - | - | - | - | 3,700 |
| ----- (Rupees in '000) ----- | | | | | |
| Value of units issued | - | - | - | - | 370,000 |
| Remuneration * | 114 | - | 11 | - | - |

As at December 31, 2022

| | Management company | Associated companies | Trustee | Directors and key executives | Other connected persons / related parties |
|-------------------------------|--------------------|----------------------|---------|------------------------------|---|
| ----- (Rupees in '000) ----- | | | | | |
| Balances held | | | | | |
| UFRP-I-(G) | | | | | |
| Units held (units in '000) | - | - | - | - | 3,700 |
| Units held (Rupees in '000) | - | - | - | - | 372,066 |
| Remuneration payable * | 114 | - | - | - | - |
| Sales load and other payables | 77 | - | - | - | - |

* This balance is inclusive of Sindh Sales Tax.

17. GENERAL

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

18. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on January 26, 2023 by the Board of Directors of the Management Company.

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

SD
Yasir Qadri
Chief Executive Officer

SD
Umair Ahmed
Chief Financial Officer

SD
Muhammad Rizwan Malik
Director