



CS/PSX/2019/036
February 28, 2019

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

Dear Sir,

SUB: TRANSMISSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED DECEMBER 31, 2018

We hereby inform you that the financial statements of the following funds under Management of UBL Fund Managers Limited for the period ended December 31, 2018 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 Aggressive Income Fund;
2. Al Ameen Islamic Asset Allocation Fund;
3. Al Ameen Islamic Cash Fund;
4. Al Ameen Islamic Dedicated Equity Fund;
5. Al Ameen Islamic Financial Planning Fund – II;
6. Al Ameen Islamic Financial Planning Fund – III;
7. Al Ameen Islamic Financial Planning Fund;
8. Al Ameen Islamic Sovereign Fund;
9. Al Ameen Shariah Stock Fund;
10. UBL Asset Allocation Fund;
11. UBL Capital Protected Fund – III;
12. UBL Dedicated Equity Fund;
13. UBL Financial Planning Fund;
14. UBL Financial Sector Fund;
15. UBL Government Securities Fund;
16. UBL Growth and Income Fund;
17. UBL Income Opportunity Fund;
18. UBL Liquidity Plus Fund;
19. UBL Money Market Fund;
20. UBL Special Savings Fund; and
21. UBL Stock Advantage Fund.

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

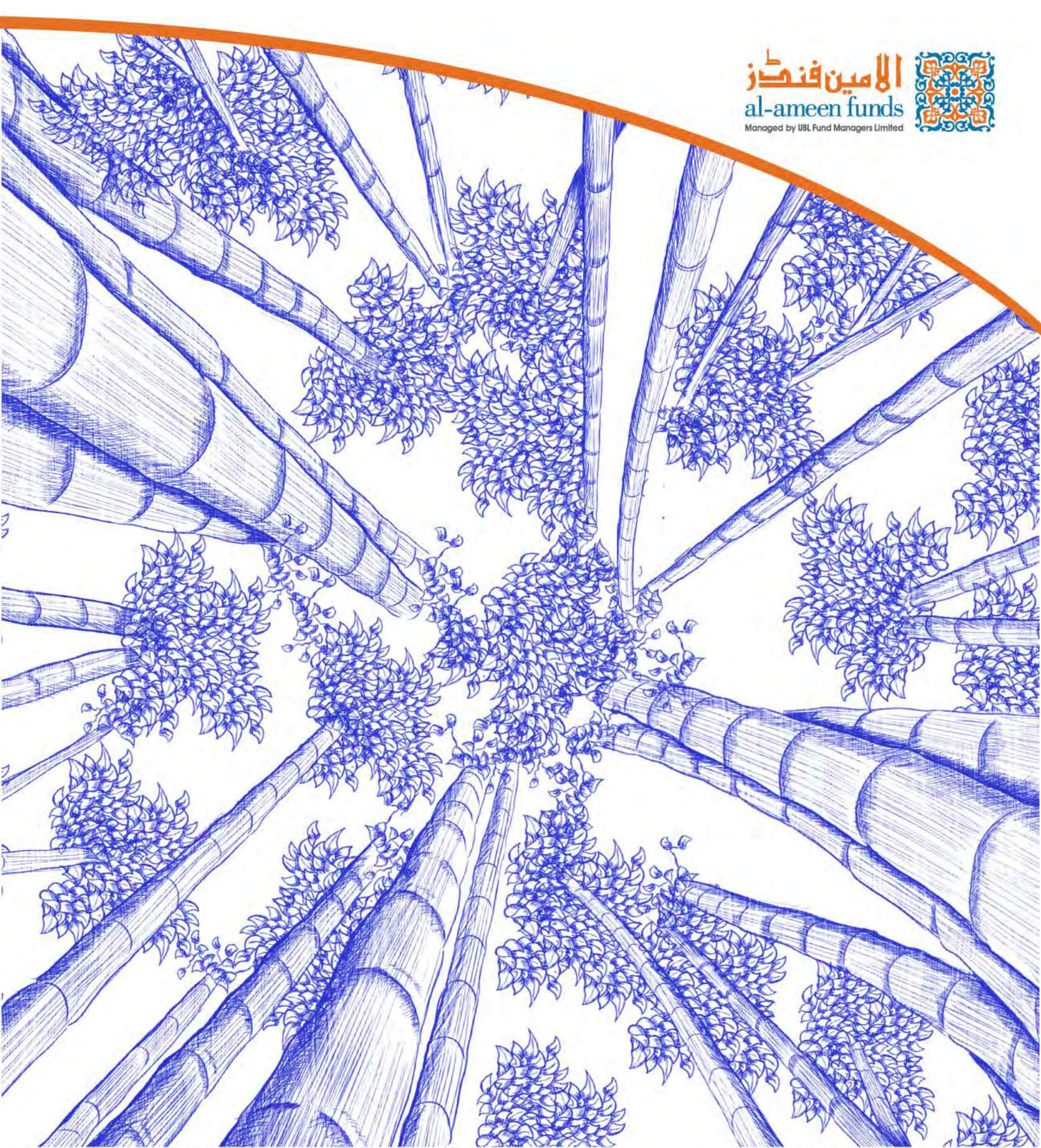
Yours Sincerely,


S.M. Aly Osman
Company Secretary

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 Financial Report December 2018

CORPORATE INFORMATION

as at December 31, 2018

Board of Directors

Azhar Hamid
Chairman

Yasir Qadri
Chief Executive Officer

Syed Furrugh Zaem
Director

Naz Khan
Director

Tauqeer Mazhar *
Director

Sadia Saeed *
Director

Imran Sarwar *
Director

Audit Committee

Naz Khan
Chair

Imran Sarwar
Member

Sadia Saeed
Member

Tauqeer Mazhar
Member

Risk and Compliance Committee

Imran Sarwar
Chairman

Syed Furrugh Zaem
Member

Yasir Qadri
Member

Azhar Hamid
Member

Tauqeer Mazhar
Member

HR & Compensation Committee

Azhar Hamid
Chairman

Naz Khan
Member

Syed Furrugh Zaem
Member

Sadia Saeed
Member

Yasir Qadri
Member

Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem
Member

Mufti Muhammad Najeeb Khan
Member

*** Directors appointed on November 2, 2018**

Chief Financial Officer

Umair Ahmed

Company Secretary

Aly Osman

Registered Office

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

Head Office

4th Floor, STSM Building,
Beaumont Road, Civil Lines,
Karachi, Pakistan.
UAN: (92-21) 111-825-262
Fax: (92-21) 32214930

Date of incorporation of the Management Company/ Pension Fund Manager

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

Management Quality Rating

AM1 by JCR-VIS Credit Rating Company

Funds Under Management

UBL Liquidity Plus Fund
Launch Date: 21 June 2009

UBL Government Securities Fund
Launch Date: 27 July 2011

UBL Money Market Fund
Launch Date: 14 October 2010

UBL Income Opportunity Fund
Launch Date: 29 March 2013

UBL Growth & Income Fund
Launch Date: 2 March 2006

UBL Asset Allocation Fund
Launch Date: 20 August 2013

UBL Stock Advantage Fund
Launch Date: 4 August 2006

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

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

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

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

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

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

UBL Retirement Savings Fund
Launch Date: 10 May 2010

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

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

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

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

UBL Financial Planning Fund
Launch Date: 28 September 2017

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

UBL Dedicated Equity Fund
Launch Date: 29 May 2018

UBL Financial Sector Fund
Launch Date: 06 April 2018

UBL Special Savings Fund
Launch Date: 09 November 2018

Conventional Investment Plans

UBL Mahana Munafa Plan

UBL Children Savings Plan

UBL Equity Builder Plan

UBL Wealth Builder Plan

Islamic Investment Plans

Al-Ameen Mahana Munafa Plan

Al-Ameen Children Savings Plan

Al-Ameen Equity Builder Plan

Al-Ameen Wealth Builder Plan

Al-Ameen Hajj Savings Plan



Directors' Report

The Board of Directors of UBL Fund Managers Limited is pleased to present to you the reports of its Al-Ameen series represented by Al-Ameen Islamic Cash Fund (AICF), Al-Ameen Islamic Sovereign Fund (AISF), Al-Ameen Islamic Aggressive Income Fund (AIAIF), Al-Ameen Islamic Asset Allocation Fund (AIAAF), Al-Ameen Shariah Stock Fund (ASSF), Al-Ameen Islamic Dedicated Equity Fund (AIDEF), Al-Ameen Islamic Active Allocation Plan – V (AIActAP-V), Al-Ameen Islamic Active Allocation Plan – VI (AIActAP-VI), Al-Ameen Islamic Active Allocation Plan – VII (AIActAP-VII), Al-Ameen Islamic Active Allocation Plan – VIII (AIActAP-VIII), Al-Ameen Islamic Active Allocation Plan – IX (AIActAP-IX), Al-Ameen Islamic Active Allocation Plan – X (AIActAP-X), Al-Ameen Islamic Active Principal Preservation Plan-I (AIAPPP-I), Al-Ameen Islamic Active Principal Preservation Plan-II (AIAPPP-II), Al-Ameen Islamic Active Principal Preservation Plan-III (AIAPPP-III) and Al-Ameen Islamic Active Principal Preservation Plan-IV (AIAPPP-IV) for six months ended December 31, 2018.

Economy & Money Market Review – 1HFY19

The economy of Pakistan showed symptoms of economic slowdown during the 1HFY19. During the period, SBP raised its policy rate by 350bps from 6.5% to 10.0%. Likewise, currency also underwent correction of 14% since Jun-18 level. The corrective measures have been reflecting on subsequent slowdown in large scale manufacturing, with sectors like cement, automobiles and petroleum products showing visible decline in demand. The Govt also vowed to cut down its development spending in order to reduce the burgeoning fiscal deficit.

With corrective measures and visible slowdown in demand, the current account deficit started showing improvement. During Jul-Dec FY19, current account deficit has declined to USD 7.9bn, down 4.4% YoY. In coming months, we expect further improvement given the expensive imports amid sharp currency depreciation and recent slump in oil prices. Meanwhile, the CPI inflation clocked in at 6.2%YoY for Dec'18 which was below market expectations given lower food prices. The ever increasing cost of imports and favorable conditions for export oriented industries should drive current account deficit towards consolidation.

LSM (Large Scale Manufacturing) a key tool in measuring growth of the economy showed negative growth from July-Oct 18 as compared to last year. Breakup of LSM shows significant decline in Pharmaceuticals, Petroleum Products and Iron & Steel Products. We expect LSM to remain under pressure given the increasing cost of doing business and expected curtailed demand in the economy.

The State Bank of Pakistan in its most recent monetary policy decided to raise the policy rate to 10% on the account of elevated core inflation. However, we expect the SBP to raise policy rate moderately during 2019 (0.5bps hike) as the impact of currency devaluation and slumped oil prices sets in. The Government in the last six PIB auctions only managed to eke up PKR 43bn while MTB's auction since July chalked up total of PKR 9.9trn.

Average inflation for 1HFY19 increased to 6.0% as against 3.75% SPLY. The increase in Headline Inflation witnessed in 1HFY19 as compared to SPLY is mainly due to rise in core inflation. We expect inflation to remain within government's target given the spillover impact of PKR devaluation (curtailed demand) and lower average oil prices as compared to SPLY to be visible in CPI of the remaining fiscal year. International Oil prices slumped to USD 50/barrel at one point in Dec-18 on the account of uncertainty in global demand.

Stock Market Review – 1HFY19

The KSE-100 index experienced a round of bear-run as witnessed in its 11.2% decline closing at 37,067 pts at end of 1HFY19. High political uncertainty, rising interest rates and weak economic outlook were some of the reasons for the underperformance of the benchmark. The recent weakness in economy has pushed Pakistan towards a likely IMF bailout as well as fresh funding from friendly countries. During the 1HFY19, foreign investors sold heavily (USD 403.6mn worth of shares). The average daily traded

shares during this period also remained low at ~103mn as the above mentioned events kept investors wary. Furthermore yields on risk free instruments as an alternate investment became increasingly attractive given the rise in interest rates.

Stable and effective policies would most likely restore investor's confidence in the market and we have seen in the past that it doesn't take long to regain investor's trust as soon as effective policies are in place, be it regulatory or economic. Although valuations are attractive, market is in doldrums because of weak macro-economic outlook. Any relief provided in the mini budget or any inflows from friendly countries would act as a much needed trigger for the market.

The market is trading at a significant discount to region (Fwd P/E 6.5 vs 13.1 region average). The dividend yield is also highest among the region (7% vs 2.5% region average), these factors along with expected IMF bailout advocates a strong fundamental case for Pakistani market. We also expect double digit earning growth in heavy weight sectors in the market which also makes the case for strong outlook.

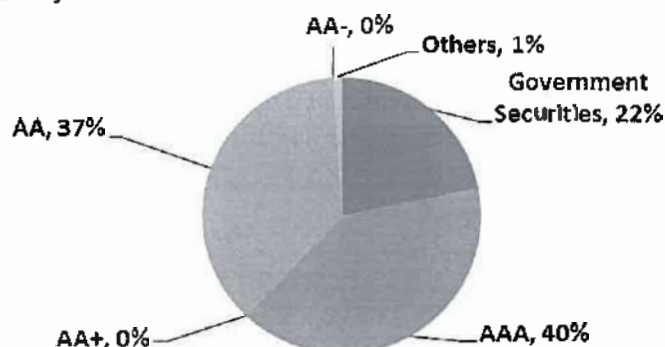
Al-Ameen Islamic Sovereign Fund (AISF):

AISF is an open-end Shariah Compliant Income fund which aims to generate a competitive return with minimum risk by investing primarily in Shariah Compliant Government Securities. The fund yielded a return of 4.62% p.a. during 1H FY19. At the end of 1H FY19, the fund manager maintained 22% exposure in GoP Ijara Sukuks whereas Cash stood at 77%. The weighted average time to maturity stood at 0.03 years.

	AISF	Benchmark
1H FY19 Return:	4.62%	7.23%
Standard Deviation (12m Rolling):	0.60%	1.59%
Sharpe Ratio (12m Rolling):	(5.35)	(0.81)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
GoP Ijara Sukuks	59%	70%	22%
Cash	40%	28%	77%
Others	1%	2%	1%
Placements with banks	0%	0%	0%
Leverage	Nil	Nil	Nil

AISF Portfolio Quality



AISF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AISF (p.a)	6.88%	4.62%	4.18%	4.38%	5.11%	7.04%
Benchmark	8.06%	7.23%	6.13%	5.25%	5.92%	6.48%

Returns are annualized using the Morningstar Methodology

The Fund earned a net income of PKR 190.293 million for the Half Year ended December 31, 2018 which mainly includes profit on bank balances and GoP securities. Net assets of the Fund stood at PKR 7,344 million as at December 31, 2018 representing net asset value of PKR 103.1828 per unit.

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

Central Depository Company of Pakistan Limited in their report highlighted that that as per the requirement of the offering document, the Fund should maintain the exposure in shariah compliant government securities in the range of 70% - 100%. However, on December 31, 2018 the Fund was in breach and did not meet the requirement of investing in shariah compliant government securities and reached upto 59% approx. of the net assets of the Fund. We would like to inform the unitholders that this is an industry wide issue and various Management Companies including UBLFM have approached SECP for granting exception from the said requirement, Further the said breach occurred due to increase in Fund size by inflow of liquidity amounting Rs.2.78 billion on July 17, 2018, further recent maturity of GoP-16 coupled with non-availability of new issue of GoP Ijara Sukuk has further led to the said non-compliance.

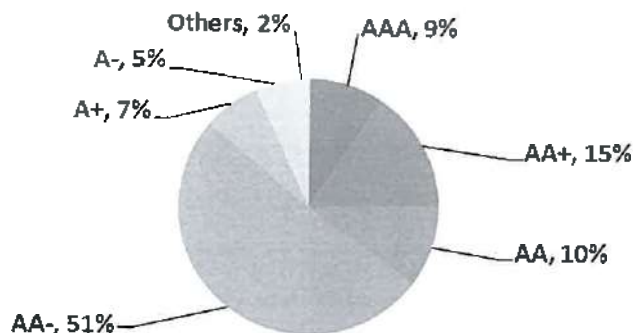
Al-Ameen Islamic Aggressive Income Fund (AIAIF):

AIAIF is an openend Shariah Compliant Aggressive Fixed Income Fund which invests in medium to long term income instruments as well as short tenor money market instruments to generate superior, long term, risk adjusted returns while preserving capital over the long term. During 1H FY19, the fund posted a return of 4.58% p.a. The fund manager maintained a diversified mix of asset allocation. The fund manager maintained a diversified mix of asset allocation whereby the allocation was made to Cash (61%), Sukuks (37%) and Placement with banks (0%).

	AIAIF	Benchmark
1H FY19 Return:	4.58%	5.48%
Standard Deviation (12m Rolling):	0.43%	0.14%
Sharpe Ratio (12m Rolling):	(7.49)	(14.86)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Sukuks	39%	40%	37%
GoP Ijara Sukuk	0%	0%	0%
Commercial Papers	0%	0%	0%
Cash	59%	58%	61%
Others	2%	2%	2%
Placements with banks	0%	0%	0%
Leverage	Nil	Nil	Nil

AIAIF Portfolio Quality



AIAIF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AIAIF (p.a)	4.36%	4.58%	4.17%	4.91%	6.84%	5.68%
Benchmark	5.60%	5.48%	5.37%	5.38%	6.26%	7.26%

Returns are annualized using the Morningstar Methodology

The Fund earned a net income of PKR 14.077 million for Half Year Ended December 31, 2018. Net assets of the Fund stood at PKR 480 million as at December 31, 2018 representing net asset value of PKR 102.2187 per unit.

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

Al-Ameen Shariah Stock Fund (ASSF):

ASSF is an open-end Equity Fund, investing primarily in Shariah compliant equities. 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 return of -8.48%. At the end of 1HFY19, the fund's major exposure was concentrated in Oil and Gas Exploration Companies (27%), Fertilizer (17%) and Power (10%). At the end of period under review, the fund maintained an exposure of ~89% in equities.

	ASSF	Benchmark
1 HFY19 Return:	-8.48%	-13.91%
Standard Deviation (12m Rolling):	16.01%	19.22%
Sharpe Ratio (12m Rolling):	(0.92)	(0.95)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equities	84%	87%	89%
Sukuks	0%	0%	0%
GoP Ijarah Sukuks	0%	0%	0%
Cash	13%	13%	10%
Others	2%	1%	1%
Leverage	Nil	Nil	Nil

ASSF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
ASSF	-7.49%	-8.48%	-7.27%	16.57%	68.69%	395.56%
Benchmark	-11.64%	-13.91%	-10.84%	10.02%	44.17%	374.24%

Returns are on absolute basis

The Fund incurred a net loss of PKR 617.511 million for the Half year December 31, 2018. The Fund incurred unrealized losses amounting to PKR 672.771 million. As at December 31, 2018, net assets of the Fund were PKR 6,748 million representing the net asset value of PKR 122.89 per unit.

Al Ameen Islamic Dedicated Equity Fund (AIDEF):

The investment objective of the Fund is to provide other 'Fund of Funds' schemes an avenue for investing in Shariah compliant Equities. The Fund Manager maintained exposure at around 86% of total assets in local equities at the end of 1H FY19. The fund was invested in Oil & Gas Exploration (26%), Fertilizer (17) and Power Generation & Distribution (11%) sectors. The fund yielded a return of -8.48% for 1H FY19.

	AIDEF	Benchmark
1H FY19 Return:	-8.48%	-13.91%
Standard Deviation (12m Rolling):	16.02%	19.22%
Sharpe Ratio (12m Rolling):	(0.93)	(0.95)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equities	85%	87%	86%
Sukuks	0%	0%	0%
GoP Ijarah Sukuks	0%	0%	0%
Cash	12%	13%	13%
Others	3%	1%	1%
Leverage	Nil	Nil	Nil

AIDEF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AIDEF	-7.34%	-8.48%	-7.45%	-	-	10.69%
Benchmark	-11.64%	-13.91%	-10.84%	-	-	8.79%

Returns are on absolute basis

The Fund has incurred a net loss of PKR 663.050 million for the Half year ended December 31, 2018 (including an unrealized loss of PKR 708.545 million on revaluation of investments). As at December 31, 2018, net assets of the Fund were PKR 7,959 million representing the net asset value of PKR 106.11 per unit.

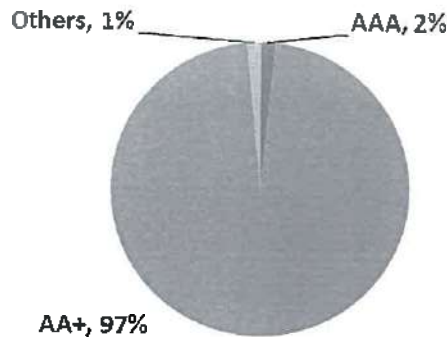
Al-Ameen Islamic Cash Fund (AICF):

AICF is an open-end Shariah Compliant Money Market Fund which aims to provide high liquidity and competitive returns while seeking maximum possible preservation of capital by investing in low-risk and liquid Shariah-compliant instruments. During the 1HFY19, the fund posted an annualized return of 7.08% against the benchmark return of 2.81% p.a. outperforming its benchmark by 427bps. Net assets of the fund were PKR 3,522mn (PKR 3,410 excluding fund of funds) at the end of period under review.

	AICF	Benchmark
1HFY19 Return:	7.08%	2.81%
Standard Deviation (12m Rolling):	0.07%	0.19%
Sharpe Ratio (12m Rolling):	(17.17)	(24.43)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Commercial Papers	0%	0%	0%
Cash	99%	99%	99%
GoP Ijara Sukuks	0%	0%	0%
Others	1%	1%	1%
Placements with banks	0%	0%	0%
Leverage	0%	0%	0%

Portfolio Quality



AICF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AICF (p.a)	7.79%	7.08%	6.24%	5.22%	5.55%	5.78%
Benchmark	3.00%	2.81%	2.70%	3.17%	4.55%	5.05%

Returns are annualized using the Morningstar Methodology

The Fund earned a net income of PKR 121.407 million for the Half year ended December 31, 2018 which mainly includes profit on bank balances and eligible securities. Net assets of the Fund stood at PKR 3,522 million as at December 31, 2018 representing net asset value of PKR 100.2666 per unit.

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

Al-Ameen Islamic Asset Allocation Fund (AIAAF)

AIAAF is an open-end Islamic asset allocation fund, which was launched on December 10, 2013. The investment objective of the Fund is to earn competitive riba free return by investing in various Shariah compliant asset classes/instruments based on the market outlook. The fund posted a return of -1.88%.

The fund's Net Assets stood at PKR 5,178mn at the end of Dec18. At the end of period under review, the fund was invested in Equities (37%), Placement with Banks (6%) and Cash (55%).

	AIAAF	Benchmark
1H FY19 Return:	-1.88%	-3.88%
Standard Deviation (12m Rolling):	6.69%	7.21%
Sharpe Ratio (12m Rolling):	(1.05)	(1.25)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equities	37%	37%	37%
Placements with banks	0%	0%	6%
Sukuk	2%	2%	2%
Cash	60%	60%	55%
GoP Ijarah	0%	0%	0%
Others	1%	1%	1%
Leverage	Nil	Nil	Nil

AIAAF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AIAAF	-2.19%	-1.88%	0.38%	16.73%	50.25%	50.35%
Benchmark	-3.69%	-3.88%	-1.64%	19.31%	43.30%	44.62%

Returns are on absolute basis

The Fund incurred a net loss of PKR 102.898 million for the Half year ended December 31, 2018 (including an unrealized loss of PKR 235.013 million on revaluation of investments) as compared to a net loss of PKR 321.128 million (including an unrealized loss of PKR 408.774 million on revaluation of investments) during the same period last period. The capital loss from the sale of securities amounted to PKR 3.328 million (December 31, 2017: capital loss amounting to PKR 88.450 million) and dividend income amounting to PKR 76.382 million (December 31, 2017: PKR 101.391 million). As at December 31, 2018, net assets of the Fund were PKR 5,178 million representing the net asset value of PKR 115.0059 per unit

Al-Ameen Islamic Active Allocation Plan – V (AIActAP-V)

The “Al-Ameen Islamic Active Allocation Plan – V” is an Islamic Allocation Plan under the “Al-Ameen Islamic Financial Planning Fund”. Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor. The Fund was matured on 15-Aug-18. The fund generated a return of 5.86% since inception.

AIActAP-V Benchmark

1HFY19 Return:	-0.28%	0.12%
Standard Deviation (12m Rolling):	n/a	n/a
Sharpe Ratio (12m Rolling):	n/a	n/a

Asset Allocation (% of Total Assets)	Jun'18	Jul'18	Aug'18
Equity Funds	50%	10%	0%
Money Market Funds	0%	0%	99%
Income Funds	49%	89%	0%
Others	0%	0%	0%
Cash	1%	1%	1%
Leverage	Nil	Nil	Nil

AIActAP-V vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AIActAP-V	-1.80%	0.09%	0.64%	-	-	5.86%
Benchmark	-0.99%	0.91%	5.10%	-	-	6.49%

Returns are on absolute basis | Figures are as at Aug 15, 2018 as the fund matured on that date.

During the period ended August 14, 2018 on maturity date, the plan incurred a net loss of PKR 4.830 million. The net assets of the plan as at August 14, 2018 were PKR 1,743.347 million representing net assets value of PKR 103.59 per unit.

Al-Ameen Islamic Active Allocation Plan – VI (AIActAP-VI)

AIFPF is an Open-End Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds. The fund posted a return of -3.71%. The fund's Net Assets stood at PKR 667mn at the end of Dec18. At the end of period under review, the fund was invested in Equities (65%), Income Funds (33%) and Cash (2%).

AIActAP-VI Benchmark

1H FY19 Return:	-3.71%	-6.94%
Standard Deviation (12m Rolling):	11.62%	13.97%
Sharpe Ratio (12m Rolling):	(0.83)	(0.77)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equity Funds	59%	59%	65%
Money Market Funds	0%	0%	0%
Income Funds	41%	39%	33%
Others	0%	0%	0%
Cash	1%	2%	2%
Leverage	Nil	Nil	Nil

AIActAP-VI vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AIActAP-VI	-2.91%	-3.71%	-2.27%	-	-	-6.01%
Benchmark	-5.51%	-6.94%	-3.41%	-	-	-7.45%

Returns are on absolute basis

During the period ended December 31, 2018, the plan incurred a net loss of PKR 7.044 million. The net assets of the plan as at December 31, 2018 were PKR 667.276 million representing net assets value of PKR 91.92 per unit.

Al-Ameen Islamic Active Allocation Plan – VII (AIActAP-VII)

AIFPF is an Open end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor. The fund generated a return of -4.88% against a benchmark of -8.19% for the period 1HFY19.

AIActAP-VII Benchmark

1HFY19 Return:	-4.88%	-8.19%
Standard Deviation (12m Rolling):	11.48%	13.78%
Sharpe Ratio (12m Rolling):	(0.95)	(0.88)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equity Funds	63%	63%	68%
Money Market Funds	0%	0%	0%
Income Funds	36%	37%	32%
Others	0%	0%	0%
Cash	1%	1%	1%
Leverage	Nil	Nil	Nil

AIActAP-VII vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AIActAP-VII	-4.08%	-4.88%	-3.48%	-	-	-14.26%
Benchmark	-6.89%	-8.19%	-4.67%	-	-	-15.47%

Returns are on absolute basis

During the period ended December 31, 2018, the plan incurred a net loss of PKR 78.302 million. The net assets of the plan as at December 31, 2018 were PKR 1,507.233 million representing net assets value of PKR 85.7446 per unit.

Al-Ameen Islamic Active Allocation Plan – VIII (AIActAP-VIII)

The "Al-Ameen Islamic Active Allocation Plan - VIII is an Islamic Allocation Plan under the "Al-Ameen Islamic Financial Planning Fund - II". AIFPF is an Open-End Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

The Fund was launched on 30-May-17. During 1HFY19, AIActAP-VIII generated a return of -4.94% against benchmark return of -8.45%. In line with the fund's strategy, the Fund's exposure to equity related funds (through Al-Ameen Islamic Dedicated Equity Fund) as at Dec'18 stood at 70%. The remaining funds were invested in Shariah Compliant income funds (through Al-Ameen Islamic Sovereign Fund).

AIActAP-VIII Benchmark

1HFY19 Return:	-4.94%	-8.45%
Standard Deviation (12m Rolling):	11.72%	14.08%
Sharpe Ratio (12m Rolling):	(0.94)	(0.88)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equity Funds	65%	64%	70%
Money Market Funds	0%	0%	0%
Income Funds	35%	36%	30%
Others	0%	0%	0%
Cash	0%	0%	0%
Leverage	Nil	Nil	Nil

AIActAP-VIII vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AIActAP-VIII	-4.16%	-4.94%	-3.57%	-	-	-14.35%
Benchmark	-7.12%	-8.45%	-4.99%	-	-	-17.09%

Returns are on absolute basis

During the period ended December 31, 2018, the plan incurred a net loss of PKR 207.739 million. The net assets of the plan as at December 31, 2018 were PKR 3,949.222 million representing net assets value of PKR 85.6457 per unit.

Al-Ameen Islamic Active Allocation Plan – IX (AIActAP-IX)

The "Al-Ameen Islamic Active Allocation Plan - IX is an Islamic Allocation Plan under the "Al-Ameen Islamic Financial Planning Fund". AIFPF is an Open-End Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

The Fund was launched on 31-Aug-17. During 1HFY19, AIActAP-IX generated a return of -4.88% against the benchmark return of -8.35%. In line with the fund's strategy, the Fund's exposure to equity related funds (through Al-Ameen Islamic Dedicated Equity Fund) as at Dec'18 was maintained at 69%. The remaining funds were invested in Shariah Compliant income funds

(through Al-Ameen Islamic Sovereign Fund).

AlActAP-IX Benchmark

1H FY19 Return:	-4.88%	-8.35%
Standard Deviation (12m Rolling):	11.38%	13.72%
Sharpe Ratio (12m Rolling):	(0.99)	(0.94)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equity Funds	65%	64%	69%
Money Market Funds	0%	0%	0%
Income Funds	35%	36%	31%
Others	0%	0%	0%
Cash	0%	0%	0%
Leverage	Nil	Nil	Nil

AlActAP-IX vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AlActAP-IX	-4.13%	-4.88%	-3.82%	-	-	-5.73%
Benchmark	-7.05%	-8.35%	-5.49%	-	-	-6.38%

Returns are on absolute basis

During the period ended December 31, 2018, the plan incurred a net loss of PKR 170.102 million. The net assets of the plan as at December 31, 2018 were PKR 3,290.260 million representing net assets value of PKR 94.2723 per unit.

Al-Ameen Islamic Active Allocation Plan – X (AlActAP-X)

The "Al-Ameen Islamic Active Allocation Plan - X is an Islamic Allocation Plan under the "Al-Ameen Islamic Financial Planning Fund II" with an objective to earn a potentially high return through active asset allocation between Islamic Equities and Islamic Income based on the Fund Manager's outlook on the asset classes. The fund was launched on 15-Dec-2017.

AlActAP-X generated a return of -4.78% vs the benchmark return of -8.16% during the period. In line with the equity strategy, the plan's exposure to local equities (through Al-Ameen Islamic Dedicated Equity Fund) stood at 67% at the end of Dec'18. The remaining funds were invested in Al-Ameen Islamic Sovereign Fund.

AlActAP-X Benchmark

1H FY19 Return:	-4.78%	-8.16%
Standard Deviation (12m Rolling):	11.03%	13.33%
Sharpe Ratio (12m Rolling):	(1.09)	(1.03)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equity Funds	65%	64%	67%
Money Market Funds	0%	0%	0%
Income Funds	35%	35%	33%
Others	0%	0%	0%
Cash	1%	0%	1%
Leverage	Nil	Nil	Nil

AIActAP-X vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AIActAP-X	-4.08%	-4.78%	-4.64%	-	-	-3.20%
Benchmark	-6.97%	-8.16%	-6.37%	-	-	-4.42%

Returns are on absolute basis

During the period ended December 31, 2018, the plan incurred a net loss of PKR 79.513 million. The net assets of the plan as at December 31, 2018 were PKR 1,569.540 million representing net assets value of PKR 96.7657 per unit.

Al Ameen Islamic Active Principal Preservation Plan - I (AIAPPP-I)

The "AlAmeen Islamic Active Principal Preservation Plan" is an Islamic Allocation Plan under the "AlAmeen Islamic Financial Planning Fund II". AIFPF is an Open-End Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

The Fund was launched on 20-Mar-18. During the 1HFY19, AIAPPP-I generated a return of 1.99%. As per the fund's strategy, majority exposure of 86% was maintained in Shariah Compliant Income Funds (through Al-Ameen Islamic Sovereign Fund) while 11% exposure was maintained in Equity funds (through Al-Ameen Islamic Dedicated Equity Fund) at end of Dec'18. The remaining funds were kept in Shariah Compliant Money Market fund (through Al-Ameen Islamic Cash Fund).

AIAPPP-I Benchmark

1HFY19 Return:	1.99%	1.98%
Standard Deviation (12m Rolling):	n/a	n/a
Sharpe Ratio (12m Rolling):	n/a	n/a

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equity Funds	9%	8%	11%
Money Market Funds	3%	3%	3%
Income Funds	89%	89%	86%
Others	0%	0%	0%
Cash	0%	0%	0%
Leverage	Nil	Nil	Nil

AIAPPP-I vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AIAPPP-I	0.83%	1.99%	-	-	-	2.44%
Benchmark	0.79%	1.98%	-	-	-	1.72%

Returns are on absolute basis

During the period ended December 31, 2018, the plan earned a net income of PKR 40.637 million. The net assets of the plan as at December 31, 2018 were PKR 2,058.486 million representing net assets value of PKR 102.4376 per unit.

Al Ameen Islamic Active Principal Preservation Plan-II (AIAPPP-II)

The "Al-Ameen Islamic Active Principal Preservation Plan-II" is an Islamic Allocation Plan under the "Al-Ameen Islamic Financial Planning Fund - III". AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

The Fund was launched on 28-May-18. During the 1HFY19, AIAPPP-II generated a return of 1.99%. As per the fund manager's strategy, majority exposure of 87% was maintained in Shariah Compliant Income Funds (through Al-Ameen Islamic Sovereign Fund) while 9% exposure was maintained in Equity funds (through Al-Ameen Islamic Dedicated Equity Fund) at end of Dec'18. The remaining funds were kept in Shariah Compliant Money Market fund (through Al-Ameen Islamic Cash Fund).

AIAPPP-II Benchmark

1HFY19 Return:	1.99%	2.21%
Standard Deviation (12m Rolling):	n/a	n/a
Sharpe Ratio (12m Rolling):	n/a	n/a

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equity Funds	7%	6%	9%
Money Market Funds	4%	4%	4%
Income Funds	89%	90%	87%
Others	0%	0%	0%
Cash	0%	0%	0%
Leverage	Nil	Nil	Nil

AIAPPP-II vs Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AIAPPP-II	1.01%	1.99%	-	-	-	2.64%
Benchmark	1.01%	2.21%	-	-	-	2.58%

Returns are on absolute basis

During the period ended December 31, 2018, the plan earned a net income of PKR 14.860 million. The net assets of the plan as at December 31, 2018 were PKR 747.752 million representing net assets value of PKR 102.6415 per unit.

Al-Ameen Islamic Active Principal Preservation Plan-III (AIAPPP-III)

The "Al-Ameen Islamic Active Principal Preservation Plan-III" is an Islamic Allocation Plan under the "Al-Ameen Islamic Financial Planning Fund - III". AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

The Fund was launched on 25-Sep-18. Since inception, AIAPPP-III generated a return of 0.94% against benchmark of 0.95%. As per the fund manager's strategy, majority exposure of 84% was maintained in Shariah Compliant Income Funds (through Al-Ameen Islamic Sovereign Fund) while 11% exposure was maintained in Equity funds (through Al-Ameen Islamic Dedicated Equity Fund) at end of Dec'18. The remaining funds were kept in Shariah Compliant Money Market fund (through Al-Ameen Islamic Cash Fund).

AIAPPP-III Benchmark

1H FY19 Return:	0.94%	0.95%
Standard Deviation (12m Rolling):	n/a	n/a
Sharpe Ratio (12m Rolling):	n/a	n/a

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equity Funds	10%	7%	11%
Money Market Funds	4%	4%	4%
Income Funds	86%	88%	84%
Others	0%	0%	0%
Cash	1%	1%	1%
Leverage	Nil	Nil	Nil

AIAPPP-III vs Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AIAPPP-III	0.87%	-	-	-	-	0.94%
Benchmark	0.90%	-	-	-	-	0.95%

Returns are on absolute basis

During the period from September 25, 2018 to December 31, 2018, the plan earned a net income of PKR 6.561 million. The net assets of the plan as at December 31, 2018 were PKR 703.903 million representing net assets value of PKR 100.9425 per unit.

Al-Ameen Islamic Active Principal Preservation Plan-IV (AIAPPP-IV)

The "Al-Ameen Islamic Active Principal Preservation Plan-IV" is an Islamic Allocation Plan under the "Al-Ameen Islamic Financial Planning Fund - IV". AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

The Fund was launched on 18-Dec-18. Since inception, AIAPPP-IV generated a return of -0.07% against benchmark of -0.68%. As per the fund manager's strategy, majority exposure of 82% was maintained in Shariah Compliant Income Funds (through Al-Ameen Islamic Sovereign Fund) while 14% exposure was maintained in Equity funds (through Al-Ameen Islamic Dedicated Equity Fund) at end of Dec'18. The remaining funds were kept in Cash.

AIAPPP-IV Benchmark

1H FY19 Return:	-0.07%	-0.68%
Standard Deviation (12m Rolling):	n/a	n/a
Sharpe Ratio (12m Rolling):	n/a	n/a

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equity Funds	0%	0%	14%
Money Market Funds	0%	0%	0%
Income Funds	0%	0%	82%
Others	0%	0%	1%
Cash	0%	0%	3%
Leverage	Nil	Nil	Nil

AIAPPP-IV vs Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AIAPPP-IV	-	-	-	-	-	-0.07%
Benchmark	-	-	-	-	-	-0.68%

Returns are on absolute basis



During the period from December 18, 2018 to December 31, 2018, the plan incurred a net loss of PKR 0.137 million. The net assets of the plan as at December 31, 2018 were PKR 283.484 million representing net assets value of PKR 99.9530 per unit.

Future Outlook

The fundamentals of the stock market are intact and the market is trading at a significant discount as compared to the regional peers. We continue to maintain a positive outlook on the local equity market in the short to medium-term. Recent PKR devaluation is expected to support the export oriented industries greatly and aid in curbing the current account deficit position. Any possible relief for the market in the upcoming mini-budget, as well as clarity on funding from friendly countries and a brisk decision on IMF bailout would provide probably restore confidence in investor. Meanwhile, investor friendly policies and focus towards FDIs is expected to fetch investments in sectors like automobile, energy and IT.

Despite recent increase in fixed income yields, we still find tremendous value in the stock market for medium to long-term investors, as reflected in ~14% earning yield and strong double-digit earnings growth over the next two years. Banks and E&Ps, the two heaviest sectors in index are expected to perform during this time and would likely trigger the growth in earnings and lead the upside.

Acknowledgements

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

FOR & ON BEHALF OF THE BOARD



Yasir Qadri
CHIEF EXECUTIVE

Karachi, Dated: 27 February 2019

AICF

Al-Ameen Islamic Cash Fund

INVESTMENT OBJECTIVE

AICF is an open-end Shariah Compliant Money Market Fund which aims to provide high liquidity and competitive returns while seeking maximum possible preservation of capital by investing in low risk and liquid Shariah Compliant 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)
Auditor	BDO Ebrahim & Co. Chartered Accountants
Bankers	Muslim Commercial Bank Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited Allied Bank Limited Meezan Bank Limited United Bank Limited National Bank of Pakistan Bank Al Habib Limited Bank Alfalah Limited
Management Co.Rating	AM1 (JCR-VIS)
Fund Rating	AA (f) (JCR - VIS)

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) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



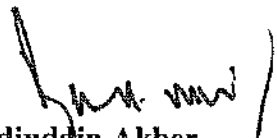
TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC 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 Al-Ameen Islamic 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, 2018 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 20, 2019

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS**Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AL AMEEN ISLAMIC CASH FUND** ("the Fund") as at December 31, 2018 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 and notes to the accounts for the half year then ended (here-in-after referred to as "condensed interim financial information"). UBL Fund Managers Limited (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting 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, 2018 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures for the quarter ended December 31, 2018 and December 31, 2017 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: 27 FEB 2019****CHARTERED ACCOUNTANTS** Engagement Partner: Zulfikar Ali Causer

AL-AMEEN ISLAMIC CASH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT DECEMBER 31, 2018

		December 31, 2018 (Unaudited)	June 30, 2018 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	3,496,884	5,226,437
Profit receivable		30,174	29,161
Prepayments and other receivables		16,120	8,903
Advance tax	5	6,709	6,618
TOTAL ASSETS		3,549,887	5,271,119
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company		2,159	2,700
Payable to Central Depository Company of Pakistan Limited - Trustee		333	468
Payable to Securities and Exchange Commission of Pakistan		1,335	3,747
Accrued expenses and other liabilities	6	23,951	21,464
TOTAL LIABILITIES		27,778	28,379
NET ASSETS		3,522,109	5,242,740
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		3,522,109	5,242,740
CONTINGENCIES AND COMMITMENTS			
	7	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		35,127,456	49,806,558
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		100.2666	105.2621

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

AL-AMEEN ISLAMIC CASH FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Note	Half year ended		Quarter ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
		----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----
INCOME					
Profit on bank balances		137,272	140,245	74,935	63,987
Profit on term deposit musharika		-	14,758	-	10,040
Other income		122	9	-	9
Total income		<u>137,394</u>	<u>155,012</u>	<u>74,935</u>	<u>74,036</u>
EXPENSES					
Remuneration of UBL Fund Managers Limited - Management Company		6,877	15,508	3,753	7,383
Sales tax on remuneration of Management Company		894	2,016	488	960
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,936	2,775	961	1,324
Annual fee of Securities and Exchange Commission of Pakistan		1,335	2,078	662	983
Allocated expenses		1,780	2,771	882	1,311
Amortisation of preliminary expenses and floatation costs		-	123	-	-
Bank charges		67	99	45	46
Auditors' remuneration		288	236	163	125
Shariah advisory fee		176	169	99	113
Legal and professional charges		76	41	38	11
Fees and subscription charges		118	280	62	221
Printing expenses		10	-	-	-
Other expenses		-	17	-	17
Total operating expenses		<u>13,557</u>	<u>26,113</u>	<u>7,153</u>	<u>12,494</u>
Operating income for the period		<u>123,837</u>	<u>128,899</u>	<u>67,782</u>	<u>61,542</u>
Provision for Sindh Workers' Welfare Fund		(2,430)	(2,529)	(1,332)	(1,205)
Net income for the period before taxation		<u>121,407</u>	<u>126,370</u>	<u>66,450</u>	<u>60,337</u>
Taxation	8	-	-	-	-
Net income for the period after taxation		<u>121,407</u>	<u>126,370</u>	<u>66,450</u>	<u>60,337</u>
Allocation of net income for the period					
Income already paid on units redeemed		(8,071)	(99,204)	(420)	(53,160)
Net income for the period available for distribution		<u>113,336</u>	<u>27,166</u>	<u>66,030</u>	<u>7,177</u>
Relating to capital gains		-	-	-	-
Excluding capital gains		113,336	27,166	66,030	7,177
Earnings per unit	9	<u>113,336</u>	<u>27,166</u>	<u>66,030</u>	<u>7,177</u>

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

AL-AMEEN ISLAMIC CASH FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Half year ended		Quarter ended	
	December 31,	December 31,	December 31,	December 31,
	2018	2017	2018	2017
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Net income for the period after taxation	121,407	126,370	66,450	60,337
Other comprehensive income				
Items that may be reclassified subsequently to income statement	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-
Total comprehensive income for the period	<u>121,407</u>	<u>126,370</u>	<u>66,450</u>	<u>60,337</u>

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC CASH FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended	
	December 31, 2018	December 31, 2017
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	121,407	126,370
Adjustments:		
Profit on bank balances	(137,272)	(140,245)
Profit on term deposit musharika	-	(14,758)
Amortisation of preliminary expenses and flotation cost	-	123
Provision for Sindh Workers' Welfare Fund	2,430	2,529
	<u>(134,842)</u>	<u>(152,351)</u>
Cash used in operations before working capital changes	(13,435)	(25,981)
Working capital changes		
(Increase) / decrease in assets		
Prepayments and other receivables	(7,217)	169,583
(Decrease) / increase in liabilities		
Payable to UBL Fund Managers Limited - Management Company	(541)	(819)
Payable to Central Depository Company of Pakistan Limited - Trustee	(135)	(67)
Annual fee payable to Securities and Exchange Commission of Pakistan	(2,412)	(159)
Accrued expenses and other liabilities	57	(1,957)
	<u>(3,031)</u>	<u>(3,002)</u>
Taxes paid	(91)	(1)
Profit received on bank balances and term deposit musharika	136,259	157,391
Net cash generated from operating activities	112,485	297,990
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	6,008,067	20,263,078
Payments on redemption of units	(7,483,775)	(20,257,325)
Dividend paid	(366,330)	-
Net cash (used in) / generated from financing activities	(1,842,038)	5,753
Net (decrease) / increase in cash and cash equivalents	(1,729,553)	303,743
Cash and cash equivalents at the beginning of the period	5,226,437	3,818,223
Cash and cash equivalents at the end of the period	3,496,884	4,121,966
CASH AND CASH EQUIVALENTS		
Bank balances	3,496,884	3,101,966
Term deposit musharika	-	1,020,000
	<u>3,496,884</u>	<u>4,121,966</u>

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

AL-AMEEN ISLAMIC CASH FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended			December 31, 2017
	December 31, 2018	December 31, 2018	December 31, 2018	
	Capital value	Undistributed income	Total	Total
Note	(Rupees in '000)			
Net assets at the beginning of the period	5,189,103	53,637	5,242,740	4,013,428
Issuance of 59,889,033 units (2017: 200,149,563 units)				
Capital value of units	6,003,420	-	6,003,420	20,063,472
Element of income				
Due to net income earned	4,647	-	4,647	199,606
Total proceeds on issuance of units	6,008,067	-	6,008,067	20,263,078
Redemption of 74,568,135 units (2017: 199,765,471 units)				
Capital value of units	(7,474,889)	-	(7,474,889)	(20,024,970)
Element of income				
Due to net income earned	(815)	(8,071)	(8,886)	(232,355)
Total payments on redemption of units	(7,475,704)	(8,071)	(7,483,775)	(20,257,325)
Total comprehensive income for the period	-	121,407	121,407	126,370
Annual Distribution				
Rs. 5.0197 per unit declared on July 02, 2018 as cash dividend	(196,538)	(53,488)	(250,026)	-
Interim Distribution				
Re. 0.4495 per unit declared on July 29, 2018 as cash dividend	(645)	(11,975)	(12,620)	-
Re. 0.2627 per unit declared on August 12, 2018 as cash dividend	(796)	(7,567)	(8,363)	-
Re. 0.2336 per unit declared on August 26, 2018 as cash dividend	(260)	(7,595)	(7,855)	-
Re. 0.2411 per unit declared on September 02, 2018 as cash dividend	(628)	(7,839)	(8,467)	-
Re. 0.2538 per unit declared on September 23, 2018 as cash dividend	(177)	(7,986)	(8,163)	-
Re. 0.2547 per unit declared on October 07, 2018 as cash dividend	(165)	(8,434)	(8,599)	-
Re. 0.2624 per unit declared on October 10, 2018 as cash dividend	(319)	(9,222)	(9,541)	-
Re. 0.2698 per unit declared on November 04, 2018 as cash dividend	(154)	(9,667)	(9,821)	-
Re. 0.2638 per unit declared on November 18, 2018 as cash dividend	(148)	(8,447)	(8,595)	-
Re. 0.2642 per unit declared on December 02, 2018 as cash dividend	(597)	(8,969)	(9,566)	-
Re. 0.3331 per unit declared on December 16, 2018 as cash dividend	(351)	(12,069)	(12,420)	-
Re. 0.3497 per unit declared on December 30, 2018 as cash dividend	(203)	(12,091)	(12,294)	-
Net income for the period less distribution	(200,981)	(43,942)	(244,923)	126,370
Net assets at the end of the period	3,520,485	1,624	3,522,109	4,145,551
Undistributed income / (loss) brought forward comprises of:				
Realised gain / (loss)		53,637		(1,248)
Unrealised gain		-		-
Total undistributed income / (loss) brought forward		53,637		(1,248)
Income available for distribution:				
Relating to capital gains		-		-
Excluding capital gains		113,336		27,166
		113,336		27,166
Distributions during the period:				
Annual distribution of Rs. 5.0197 per unit declared on July 02, 2018 as cash dividend		(53,488)		-
Interim distributions during half year ended December 31, 2018 as cash dividend		(111,861)		-
		(165,349)		-
Undistributed income carried forward		1,624		25,918
Undistributed income carried forward comprises of:				
Realised gain		1,624		25,918
Unrealised gain		-		-
Total undistributed income carried forward		1,624		25,918
		(Rupees)		(Rupees)
Net assets value per unit at the beginning of the period		105.2621		100.2424
Net assets value per unit at the end of the period		100.2666		102.5585

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC CASH FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Al-Ameen Islamic Cash Fund (the Fund) was established under the Trust Deed executed between UBL Fund Managers Limited, (wholly owned subsidiary company of United Bank Limited) as its Management Company, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and the Central Depository Company of Pakistan Limited, as its Trustee. The Trust Deed was executed on May 29, 2012 and the Fund was authorized by the Securities and Exchange Commission of Pakistan ("SECP") on July 26, 2012 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 ("NBFC Rules"). The registered office of the Management Company is situated at 4th floor, STSM Building, Beaumont Road, Civil Lines, Karachi. The Fund commenced its operations from September 19, 2012.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.
- 1.3 The Fund is an open-ended mutual fund 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 holders.
- 1.4 The Fund provides high liquidity and competitive returns while seeking maximum possible preservation of capital by investing in low risk and liquid Shariah Compliant instruments. Under Circular 07 dated March 6, 2009 issued by the SECP, the Fund has been categorised by the Management Company as Shariah Compliant Money Market Fund.
- 1.5 Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.6 JCR - VIS Credit Rating Company has re-affirmed quality rating of AM1 (stable outlook) to the Management Company as at December 27, 2018 and a stability rating of "AA(f)" to the Fund as at December 31, 2018.

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 International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2018.
- 2.1.3 The comparative statement of asset 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, 2018, 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, 2017.
- 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, 2018 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, 2018.

2.2 Basis of measurement

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

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, 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, 2018 except as disclosed in note 3.6.
- 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 annual audited financial statements as at and for the year ended June 30, 2018.
- 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, 2018. 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 except as disclosed in note 3.6.
- 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, 2018.

- 3.6 IFRS 9 'Financial Instruments' was issued on July 24, 2017. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective for accounting periods beginning on or after July 1, 2018. A number of other new standards are effective from July 1, 2018 but they do not have a material effect on the Fund's condensed interim financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below:

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of IFRS 9 has not had a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

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

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

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

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

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

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

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

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

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

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

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

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39 ----- (Rupees in '000) -----	New carrying amount under IFRS 9 -----
Financial assets	Note				
Bank balances	(a)	Loans and receivables	Amortised cost	5,226,437	5,226,437
Profit receivable	(a)	Loans and receivables	Amortised cost	29,161	29,161
Other receivable	(a)	Loans and receivables	Amortised cost	183	183
				<u>5,255,781</u>	<u>5,255,781</u>

- (a) These financial assets classified as 'Loans and receivables' have been classified as amortised cost.

ii. Impairment of financial assets

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

SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds. Meanwhile, asset management companies shall continue to follow the requirements of Circular 33 of 2012 dated October 24, 2012 in relation to impairment of debt securities.

iii. Transition

The Fund has used the exemption not to restate comparative periods. Differences, if any, in the carrying amounts of financial assets resulting from the adoption of IFRS 9 are recognised in net assets attributable to unit holders as at July 1, 2018. Accordingly, the comparative information does not reflect the requirements of IFRS 9, but rather those of IAS 39.

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

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

		(Unaudited) December 31, 2018	(Audited) June 30, 2018
	Note	----- (Rupees in '000) -----	
4	BANK BALANCES		
	Profit and loss sharing accounts	4.1 3,489,298	5,214,050
	Current accounts	4.2 7,586	12,387
		<u>3,496,884</u>	<u>5,226,437</u>

4.1 Profit rates on these savings accounts range between 3.75% to 10.25% per annum (June 30, 2018: 4% to 6.2% per annum). This includes an amount held by a related party (United bank Limited) amounting to Rs. 49.232 million (June 30, 2018: Rs. 4,903.025 million) on which return is earned at 9.25% (June 30, 2018: 6.20%) per annum.

4.2 This represents amount held with a related party (United Bank Limited) amounting to Rs. 5.992 million (June 30, 2018: Rs. 10.763 million).

5 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 Income Tax Return for Tax Year 2019.

6 ACCRUED EXPENSES AND OTHER LIABILITIES

6.1 Provision for indirect taxes and duties

Provision for Federal Excise Duty (FED) amounted to as at December 31, 2018 Rs. 7.812 million (June 30, 2018: Rs. 7.812 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, 2018. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 7.812 million till June 30, 2016.

Had the provision not been retained, the net asset value per unit of the Fund would have been higher by Re. 0.2224 per unit (June 30, 2018: Re. 0.1568 per unit).

6.2 Provision For Sindh Workers' Welfare Fund

Provision for Sindh Workers' Welfare Fund (SWWF) as at December 31, 2018 amounted to Rs. 12.078 million (June 30, 2018: Rs. 9.648 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements for the year ended June 30, 2018.

The Management Company, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis.

Had the SWWF not been provided for, the net assets value per unit would have been higher by Re. 0.3438 (June 30, 2018: Rs.0.1937).

7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2018 and June 30, 2018.

8 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 the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in the form of cash. 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. The Management Company intends to distribute by way of cash dividend of at least 90% of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year ending June 30, 2019 to its unit holders, accordingly, no provision for current and deferred taxation has been recognised in this condensed interim financial information.

9 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 the cumulative weighted average number of outstanding units is not practicable.

10 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 0.45% for the half year ended December 31, 2018 and this includes 0.14% representing government levy, Worker's Welfare Fund and SECP Fee.

11 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 Management Company), entities under common management or directorships, Central Depository Company of Pakistan Limited (Trustee of the Fund) and the Directors and Officers of Management Company. Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration of the Management Company and the Trustee is determined in accordance with the provision 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:

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
	(Rupees in '000)					
Transactions during the year ended December 31, 2018						
Profit on bank balances	-	89,877	-	-	-	-
Bank and other charges	-	57	-	-	-	-
Units issued	-	-	-	2,686,362	3,638	716,159
Units redeemed	-	-	-	5,191,730	5,180	154,000
Dividend paid	-	-	-	136,735	376	77,401
Remuneration (inclusive of Sindh Sales Tax)	7,771	-	1,936	-	-	-
Allocated expenses	1,780	-	-	-	-	-
Shariah advisory fee	176	-	-	-	-	-
Balances held as at December 31, 2018						
Units held (In units '000)	-	-	-	1,118	34	13,225
Units held(In Rupees '000)	-	-	-	112,098	3,409	1,326,025
Bank balances	-	55,154	-	-	-	-
Remuneration payable including Sindh Sales Tax	1,708	-	333	-	-	-
Other payables	113	-	-	-	-	-
Allocated expenses payable	308	-	-	-	-	-
Shariah advisory fee payable	30	-	-	-	-	-
Profit receivable	-	8,842	-	-	-	-

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
	(Rupees in '000)					
Transactions during the year ended December 31, 2017						
Profit on bank balances	-	116,395	-	-	-	-
Bank charges	-	97	-	-	-	-
Units issued	-	-	-	16,142,948	7,158	385,000
Units redeemed	-	-	-	17,613,350	2,808	-
Remuneration (inclusive of Sindh Sales Tax)	17,524	-	2,775	-	-	-
Allocated expenses	2,771	-	-	-	-	-
Shariah advisory fee	169	-	-	-	-	-
Balances held as at June 30, 2018						
Units held (In units '000)	-	102	-	26,050	-	-
Units held	-	10,737	-	2,742,079	-	-
Bank balances	-	4,913,788	-	-	-	-
Remuneration payable including Sindh Sales Tax	1,651	-	468	-	-	-
Other payables	89	-	-	-	-	-
Allocated expenses payable	935	-	-	-	-	-
Shariah advisory fee payable	25	-	-	-	-	-
Profit receivable	-	28,172	-	-	-	-

12 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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	
As at December 31, 2018	
Fair value through profit or loss	Amortized cost
----- Rupees in '000-----	

Financial assets not measured at fair value

Bank balances	-	3,496,884
Profit receivable	-	30,174
Other receivables	-	16,120
	-	3,543,178

Financial liabilities not measured at fair value

Payable to Management Company	-	1,963
Payable to Trustee	-	295
Accrued expenses and other liabilities	-	23,951
	-	26,209

Carrying Amount		
----- As at June 30, 2018 -----		
Loans and receivables	Fair value through profit and loss	Other financial liabilities
----- Rupees in '000-----		

Financial assets not measured at fair value

Bank balances	5,226,437	-	-
Profit receivable	29,161	-	-
Other receivables	10,483	-	-
	5,266,081	-	-

Financial liabilities not measured at fair value

Payable to Management Company	-	-	2,389
Payable to Trustee	-	-	414
Accrued expenses and other liabilities	-	-	371
	-	-	3,174

- 12.1 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.

12.2 Transfers during the period

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

13 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.

14 GENERAL

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

15 DATE OF AUTHORIZATION FOR ISSUE

15.1 This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on February 27, 2019.

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

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AISF

Al-Ameen Islamic Sovereign Fund

INVESTMENT OBJECTIVE

AISF is an open-end Shariah Compliant Income Fund which aims to generate a competitive return with minimum risk, by investing primarily in Shariah Compliant 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 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	KPMG Taseer Hadi and Co., Chartered Accountants
Bankers	Allied Bank Limited Bank Al Habib Limited Bank Alfalah Limited Dubai Islamic Bank Limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited MCB Bank Limited Meezan Bank Limited National Bank of Pakistan Soneri Bank Limited United Bank Limited
Management Co. Rating	AM1 (JCR-VIS)
Fund Rating	AA- (f) (JCR-VIS)

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TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC SOVEREIGN 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 Al-Ameen Islamic Sovereign Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company (MC) of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2018 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.

We would like to draw unit holder's attention that as per the requirement of the offering document, the Fund should maintain the exposure in shariah compliant government securities in the range of 70% - 100%. However, on December 31, 2018 the Fund did not meet the requirement of investing in shariah compliant government securities and reached upto 59% approx. of the net assets of the Fund. The reason given by the MC was mainly due to increase in Fund size by inflow of liquidity amounting to Rs.2.78 billion on July 17, 2018, which could not be invested due to non-availability of securities in the market. We have reported non-compliance to the Commission.


Badiuddin Akber
Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: February 27, 2019



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Chartered Accountants
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Karachi 75530 Pakistan
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**Independent Auditors' Review Report to the unit holders of Al - Ameen Islamic
Sovereign Fund**

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Al - Ameen Islamic Sovereign Fund** ("the Fund") as at 31 December 2018 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the accounts for the six months period then ended (here-in-after referred to as the "interim financial information"). Management Company is responsible for the preparation and presentation of this 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 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 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 is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures for the three months period ended 31 December 2018 in the condensed interim financial information have not been reviewed and we do not express a conclusion on them.



KPMG Taseer Hadi & Co.

The engagement partner on the engagement resulting in this independent auditor's review report is Mazhar Saleem.

Date: 27 February 2019

Karachi


KPMG Taseer Hadi & Co.
Chartered Accountants

Al - Ameen Islamic Sovereign Fund
Condensed Interim Statement of Assets and Liabilities
As at 31 December 2018

	Note	31 December 2018 (Unaudited) (Rupees in '000)	30 June 2018 (Audited)
Assets			
Bank balances	4	5,705,928	856,839
Investments	5	1,609,322	4,059,168
Profits receivable		67,056	45,436
Prepayments and other receivables		244	7,815
Advance tax	6	470	470
Total assets		7,383,020	4,969,728
Liabilities			
Payable to the Management Company	7	8,119	5,372
Payable to Central Depository Company of Pakistan Limited - Trustee		663	454
Payable to Securities and Exchange Commission of Pakistan		2,849	3,360
Accrued expenses and other payables	8	27,593	24,024
Total liabilities		39,224	33,210
Net assets		7,343,796	4,936,518
Unit holders' fund (as per the statement attached)		7,343,796	4,936,518
Contingency	9		
		(Number)	
Number of units in issue (face value of units is Rs. 100 each)		71,172,667	47,505,965
		(Rupees)	
Net asset value per unit		103.1828	103.9136

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

Al - Ameen Islamic Sovereign Fund
Condensed Interim Income Statement (Unaudited)
For the half year and quarter ended 31 December 2018

		Half year ended		Quarter ended	
		31 December		31 December	
		2018	2017	2018	2017
Note		(Rupees in '000)			
Income					
Financial income	10	259,465	100,377	141,608	50,750
Net capital loss on redemption and sale of investments		(4,207)	(25,280)	(4,207)	(3,906)
Net unrealised (loss) / gain on revaluation of investments classified as 'at fair value through profit or loss'		(6,597)	(944)	26,020	4,913
Other income		22	7	22	7
Total income		248,683	74,160	163,443	51,764
Expenses					
Remuneration of the Management Company		37,988	18,064	19,921	9,069
Sindh Sales Tax on the Management Company's remuneration		4,938	2,348	2,589	1,179
Allocation of expenses relating to the Fund	7.1	3,799	1,806	1,992	906
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		3,915	2,203	2,031	1,102
Annual fee of Securities and Exchange Commission of Pakistan		2,849	1,355	1,494	680
Auditors' remuneration		585	548	328	309
Shariah advisory fee	7.2	175	161	99	76
Brokerage expenses		45	1,451	31	492
Listing fee		14	13	7	6
Legal and professional charges		101	41	50	11
Bank charges		38	76	24	51
Other expenses		131	144	58	79
Total operating expenses		54,578	28,210	28,624	13,960
Net income from operating activities		194,105	45,950	134,819	37,804
Provision for Sindh Workers' Welfare Fund	8.2	(3,812)	(906)	(2,644)	(744)
Net income for the period before taxation		190,293	45,044	132,175	37,060
Taxation	11	-	-	-	-
Net income for the period after taxation		190,293	45,044	132,175	37,060
Allocation of net income for the period after taxation					
Net income for the period after taxation		190,293	45,044	132,175	37,060
Income already paid on units redeemed		(38,992)	(13,387)	(35,996)	(10,601)
		151,301	31,657	96,179	26,459
Accounting income available for distribution					
- Relating to capital gains		-	-	18,934	3,507
- Excluding capital gains		151,301	31,657	77,245	22,952
		151,301	31,657	96,179	26,459
Earnings per unit	13				

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AI - Ameen Islamic Sovereign Fund
Condensed Interim Statement of Comprehensive Income (Unaudited)
For the half year and quarter ended 31 December 2018

	Half year ended 31 December		Quarter ended 31 December	
	2018	2017	2018	2017
	----- (Rupees in '000) -----			
Net income for the period after taxation	190,293	45,044	132,175	37,060
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>190,293</u>	<u>45,044</u>	<u>132,175</u>	<u>37,060</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

Al - Ameen Islamic Sovereign Fund
Condensed Interim Statement of Movement in Unit Holders' Funds (Unaudited)
For the half year ended 31 December 2018

	2018			2017
	Capital value	Undistributed income	Total	Total
	(Rupees in '000)			
Net assets at beginning of the period	4,881,606	54,912	4,936,518	7,746,302
Issuance of 77,519,118 units (31 December 2017: 83,949,936 units)				
- Capital value	7,818,695	-	7,818,695	8,467,317
- Element of income	18,606	-	18,606	68,444
Total proceeds on issuance of units	7,837,301	-	7,837,301	8,535,761
Redemption of 53,852,416 units (31 December 2017: 101,739,968 units)				
- Capital value	(5,431,637)	-	(5,431,637)	(10,261,647)
- Element of loss	(4,693)	(38,992)	(43,685)	(7,399)
Total payments on redemption of units	(5,436,330)	(38,992)	(5,475,322)	(10,269,046)
Total comprehensive income for the period	-	190,293	190,293	45,044
Final distribution for the year ended 30 June 2018: Rs. 3.0521 per unit declared on 2 July 2018 (31 December 2018: Nil)	(125,107)	(19,887)	(144,994)	-
Net income for the period less distribution	(125,107)	170,406	45,299	45,044
Net assets at end of the period	7,157,470	186,326	7,343,796	6,058,061
Undistributed income brought forward:				
- Realised income		73,668		21,968
- Unrealised income		(18,756)		12,611
		54,912		34,579
Accounting income available for distribution				
- Relating to capital gains	-			-
- Excluding capital gains	151,301			31,657
	151,301			31,657
Final distribution for the year ended 30 June 2018: Rs. 3.0521 per unit declared on 2 July 2018 (31 December 2018: Nil)		(19,887)		-
Undistributed income carried forward		186,326		66,236
Undistributed income carried forward comprises of:				
- Realised income		192,923		67,180
- Unrealised loss		(6,597)		(944)
		186,326		66,236
		(Rupees)		(Rupees)
Net assets value per unit at beginning of the period		103.9136		100.8615
Net assets value per unit at end of the period		103.1828		102.0368

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AI - Ameen Islamic Sovereign Fund
Condensed Interim Cash Flow Statement (Unaudited)
For the half year ended 31 December 2018

	Half year ended	
	31 December 2018	31 December 2017
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	190,293	45,044
Adjustments for non-cash and other items:		
Financial income	(259,465)	(100,377)
Net unrealised loss on revaluation of investments 'at fair value through profit or loss'	6,597	944
Provision for Sindh Workers' Welfare Fund	3,812	906
Net capital loss on redemption and sale of investments	4,207	25,280
Shariah advisory fee	175	161
Allocation of expenses relating to the Fund	3,799	1,806
	(240,875)	(71,280)
Net cash used in operations before working capital changes	(50,582)	(26,236)
Working capital changes		
<i>Decrease / (increase) in assets</i>		
Investments	2,439,042	(686,017)
Prepayments and other receivables	80	(117)
Advance tax	-	(9)
	2,439,122	(686,143)
<i>(Decrease) / increase in liabilities</i>		
Payable to the Management Company	(1,227)	(1,628)
Payable to Central Depository Company of Pakistan Limited - Trustee	209	46
Payable to Securities and Exchange Commission of Pakistan	(511)	(1,193)
Accrued expenses and other payables	(242)	(9,752)
Payable against purchase of investment	-	301,800
	(1,771)	289,273
Profits received	237,844	105,497
Net cash generated from / (used in) operating activities	2,624,613	(317,609)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	7,844,792	8,546,142
Payments on redemption of units	(5,475,322)	(10,279,427)
Total distribution to unit holders	(144,994)	-
Net cash generated from / (used in) financing activities	2,224,476	(1,733,285)
Net increase / (decrease) in cash and cash equivalents	4,849,089	(2,050,894)
Cash and cash equivalents at beginning of the period	856,839	5,575,113
Cash and cash equivalents at end of the period	5,705,928	3,524,219
CASH AND CASH EQUIVALENTS		
Bank balances	5,705,928	3,339,219
Term Deposit Musharika	-	185,000
	5,705,928	3,524,219

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

Al - Ameen Islamic Sovereign Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the half year ended 31 December 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

Al-Ameen Islamic Sovereign 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 25 August 2010 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 17 September 2010 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from 7 November 2010.

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 is listed on the Pakistan Stock Exchange Limited. Units are offered for subscription on a continuous basis to general public. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

The investment objective of the fund is to provide a competitive rate of return with a moderate level of risk to its investors by investing in designated authorised investments approved by the Shariah Advisory Board.

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

JCR-VIS Credit Rating Company has re-affirmed quality rating of 'AM1' (stable outlook) to the Management Company as on 27 December 2018.

The Fund has been rated as AA-(f) by JCR - VIS on 31 December 2018.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations 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 and the NBFC Regulations have been followed.

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2018.

2.1.3 These condensed interim financial information are unaudited and are being submitted to the unit holders as required under Regulation 38(2)(f) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). However, a limited scope review has been carried out by the auditors in accordance with the requirements of clause (xix) of the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan.

2.1.4 The comparative statement of asset 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, 2018, 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 statements for the period ended December 31, 2017.

2.1.5 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at 31 December 2018.

2.1.6 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

There are certain amendments which are effective from annual period beginning on or after 1 July 2019. These amendments are not likely to have an impact on the Fund's financial position. Therefore these are not stated in this condensed interim financial information.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

- 3.1 Except as described below, the accounting policies applied in this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended 30 June 2018.
- 3.2 Securities and Exchange Commission of Pakistan (SECP) vide its SRO. 229 (I)/2019 has modified the effective date for applicability of IFRS 9 'Financial Instruments', however the Fund has opted for early adoption of the said standard from 1 July 2018 as permitted. The Fund also adopted IFRS 15 „Revenue from contracts with customers" from 1 July 2018. A number of other new standards are effective from 1 July 2018 but they do not have a material effect on the Fund's financial information.
- 3.3 IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities. As a result of adoption of IFRS 9, the Fund has adopted consequential amendments to IAS 1 Presentation of Financial statements', which requires separate presentation in the income statement and statement of comprehensive income, profit / markup calculated using the effective interest method.
- 3.4 The adoption of IFRS 15 did not impact the timing or amount of dividend, profit, markup and other investment income and related assets and liabilities recognised by the fund. Accordingly, there is no impact on comparative information.
- 3.5 The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows. The standard eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 did not have a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below:

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

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

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

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

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

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

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

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

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

Financial assets at FVTPL These assets are subsequently measured at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement.

Financial assets at amortised cost These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see (ii) below). Profit / markup income, foreign exchange gains and losses and impairment are recognised in income

Debt investments at FVOCI

These assets are subsequently measured at fair value. Profit / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.

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

	Note	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39 (Rupees in '000)	New carrying amount under IFRS 9
Financial assets					
Ijarah Sukuks	(a)	Designated at FVTPL	At FVTPL	4,059,168	4,059,168
Bank balances	(b)	Loans and receivables	Amortised cost	856,839	856,839
Profit Receivable	(b)	Loans and receivables	Amortised cost	45,436	45,436
Receivables	(b)	Loans and receivables	Amortised cost	7,697	7,697

(a) Ijarah Sukuks classified as 'designated at FVTPL' have been mandatorily reclassified as 'fair value through profit or loss'.

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

ii. Impairment of financial assets

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

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated 21 November 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds.

iii. Transition

The changes in accounting policies resulting from adoption of IFRS 9 have been applied retrospectively. However, there is no impact of the changes in accounting policies on the Fund's financial position except for the classification of assets and liabilities of the comparative period.

3.6 The preparation of this condensed interim financial information in conformity with approved accounting and reporting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and 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.

3.7 The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2018.

	Note	31 December 2018 (Unaudited) ----- (Rupees in '000) -----	30 June 2018 (Audited) -----
4. BANK BALANCES			
PLS savings accounts	4.1	5,697,411	850,129
Current account	4.2	8,517	6,710
		5,705,928	856,839

4.1 Profit rates on these bank accounts range between 6.3% to 10.25% (30 June 2018: 1.89% to 6.4%) per annum. This includes balance with United Bank Limited (holding company Management Company) of Rs. 2,969.64 million (30 June 2018: Rs. 531.03 million) carrying profit rate ranging from 6.3% to 9.25% (30 June 2018: 6.2%) per annum.

4.2 This includes balance with United Bank Limited of Rs. 4.9 million (30 June 2018: Rs. 3.7 million).

4.3 Circular No. 16 dated 07 July 2010 issued by the SECP requires details of investments not compliant with the investment criteria specified for the category assigned to open-end collective investment schemes or the investment requirements of the constitutive documents of the Fund to be disclosed in the annual accounts of the Fund. The table below gives the details of such non compliant investments.

Disclosure of excess exposure (per asset class) as at 31 December 2018

Name of investment	Maximum exposure	Quarter average	Excess
Cash requirement	30%	39.53%	9.53%

5. INVESTMENTS

	31 December 2018 (Unaudited) ----- (Rupees in '000) -----	30 June 2018 (Audited) -----
Note		
At fair value through profit or loss	5.1 <u>1,609,322</u>	<u>4,059,168</u>

5.1 At fair value through profit or loss - Government Securities

	As at 01 July 2018	Purchased during the period	Sold / matured during the period	As at 31 December 2018	Carrying value as at 31 December 2018	Market value as at 31 December 2018	Market value as at 30 June 2018	Percentage of total investments	Percentage of net assets
Note	----- (Number of Holdings) -----			----- (Rupees in '000) -----					
Government of Pakistan									
Ijarah Sukuk XVI - 3 years	24,340	16,550	(40,890)	-	-	-	2,443,249	-	-
Ijarah Sukuk XVII - 3 years	5.1.1 <u>16,090</u>	<u>-</u>	<u>-</u>	<u>16,090</u>	<u>1,615,919</u>	<u>1,609,322</u>	<u>1,615,919</u>	<u>56.99%</u>	<u>26.56%</u>
	<u>40,430</u>	<u>16,550</u>	<u>(40,890)</u>	<u>16,090</u>	<u>1,615,919</u>	<u>1,609,322</u>	<u>4,059,168</u>	<u>56.99%</u>	<u>26.56%</u>

5.1.1 These Ijarah sukuk certificates have face value of Rs.1,609 million and were issued in February 2016. These carry profit equal to the rate of latest weighted average yield of six-month Market Treasury Bills (MTBs) per annum, receivable semi-annually in arrears with no floor or cap and will mature in February 2019. These sukuk certificates carry the sovereign guarantee of the Government of Pakistan and are redeemable in full on maturity. As at 31 December 2018, profit at the rate of at 6.10% (30 June 2017: 6.10%) per annum was due on these sukuk certificates.

5.1.2 The nominal value of each GOP Ijarah Sukuk is Rs.100,000.

5.2 Circular No. 16 dated 07 July 2010 issued by the SECP requires details of investments not compliant with the investment criteria specified for the category assigned to open-end collective investment schemes or the investment requirements of the constitutive documents of the Fund to be disclosed in the annual accounts of the Fund. The table below gives the details of such non compliant investments.

Disclosure of excess exposure (per asset class) as at 31 December 2018

Name of investment	Minimum exposure	Quarter average	Short
Government securities	70%	59.41%	10.59%

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 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). The management is confident that the same shall be refunded after filing Income Tax Return for Tax year 2019.

7. PAYABLE TO MANAGEMENT COMPANY

- 7.1** This includes reimbursement of certain expense to the management company amounting to Rs. 0.643 million (30 June 2018: 0.818 million). During the period, fund was charged 0.1% of average annual net assets as allocated expense according to Regulation 60 of NBFC Regulations, 2008.
- 7.2** As per amended NBFC Regulations dated November 25, 2015, the management company is entitled to charge shariah advisory fee from the Fund. Accordingly, the management company has charged Rs.0.175 (31 December 2017: Rs.0.161) million as shariah advisory.

8. ACCRUED EXPENSES AND OTHER PAYABLES	Note	31 December 2018 (Unaudited)	30 June 2018 (Audited)
		(Rupees in '000)	
Provision for indirect duties and taxes	8.1	16,613	16,613
Provision for Sindh Workers' Welfare Fund	8.2	9,863	6,051
Withholding tax and zakat deducted at source		235	747
Auditors' remuneration payable		513	503
Brokerage payable		55	26
Other payables		314	84
		<u>27,593</u>	<u>24,024</u>

- 8.1** There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.1 to the annual audited financial statements for the year ended 30 June 2018. As a matter of abundant caution, the Management Company has maintained full provision for Federal Excise Duty (FED) till 30 June 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Rs. 0.21 per unit (30 June 2018: Rs. 0.32 per unit).
- 8.2** There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.2 to the annual audited financial statements for the year ended 30 June 2018. The Management Company, based on an opinion obtained by Mutual Fund Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay Sindh Workers' Welfare Fund (SWWF) under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis.

Had the SWWF not been provided for, the net assets value per unit would have been higher by Rs. 0.14 per unit (30 June 2018: Rs. 0.13 per unit).

9. CONTINGENCY

As at 31 December 2018, there is no contingency.

10. FINANCIAL INCOME	Half year ended		Quarter ended	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	(Unaudited)			
	(Rupees in '000)			
Profits on:				
- Bank balances calculated using the effective interest method	119,635	26,764	67,529	12,476
- Term deposit musharika using the effective interest method	-	2,533	-	2,533
- GOP Ijarah Sukuks	139,830	71,080	74,079	35,741
	<u>259,465</u>	<u>100,377</u>	<u>141,608</u>	<u>50,750</u>

11. 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 the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Board of Directors of the Management Company intends to distribute more than 90% of the Fund's accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders during the year. Accordingly, no provision has been made in the financial statements for the period ended 31 December 2018.

12. TOTAL EXPENSE RATIO

The Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/18/2016 dated 20 July 2016, requires that collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the period ended 31 December 2018 is 0.77% which include 0.16% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

13. EARNINGS PER UNIT

Earnings per unit (EPU) for respective Fund have not been disclosed in this condensed interim financial information as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

14. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Financial Services (Private) Limited, Entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the Fund, the directors and officer of the Management Company.

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	Funds under common management	Directors and key executives	Other connected persons / related parties
----- (Transaction during the half year ended 31 December 2018) -----						
----- (Rupees in '000) -----						
Unit issued	-	-	-	9,586,909	345	-
Unit redeemed	-	-	-	7,034,903	-	-
Profit on savings accounts	-	97,904	-	-	-	-
Bank charges	-	35	-	-	-	-
Remuneration	37,988	-	3,465	-	-	-
Sales tax on remuneration	4,938	-	450	-	-	-
Allocated expenses	3,799	-	-	-	-	-
Shariah advisory fee	175	-	-	-	-	-
Dividend paid	-	-	-	119,599	86	-

----- (Balances held as at 31 December 2018) -----						
Units held (in units '000)	-	-	-	64,739	32	-
Units held (in rupees '000)	-	-	-	6,679,906	3,266	-
Bank balances*	-	2,974,522	-	-	-	-
Remuneration payable **	7,274	-	663	-	-	-
Sales load and other payables	155	167	-	-	-	-
Shariah fee	29	-	-	-	-	-
Other payable	17	-	-	-	-	-
Payable against allocated expenses	644	-	-	-	-	-
Profits receivable	-	18,094	-	-	-	-

* These carry profit rate ranging between 6.3% - 9.25% per annum.

** This balance is inclusive of Sindh Sales Tax payable.

----- Transaction during the half year ended 31 December 2017 -----						
----- (Rupees in '000) -----						
Unit issued	-	-	-	8,160,367	889	-
Unit redeemed	-	-	-	9,375,196	192	-
Profit on savings accounts	-	18,607	-	-	-	-
Bank charges	-	71	-	-	-	-
Remuneration	18,064	-	1,950	-	-	-
Sales tax on remuneration	2,348	-	253	-	-	-
Allocated expenses	1,806	-	-	-	-	-
Shariah advisory fee	161	-	-	-	-	-

----- (As at 30 June 2018 Audited) -----						
Units held (in units '000)	-	-	-	39,186	28	-
Units held (in rupees '000)	-	-	-	4,071,949	2,945	-
Bank balances*	-	534,762	-	-	-	-
Remuneration payable **	4,414	-	454	-	-	-
Sales load and other payables	115	44	-	-	-	-
Shariah fee	25	-	-	-	-	-
Payable against allocated expenses	818	-	-	-	-	-
Profits receivable	-	1,639	-	-	-	-

* These carry profit rate 6.2% per annum.

** This balance is inclusive of Sindh Sales Tax payable.

15 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 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 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.

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 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 (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).

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

On-balance sheet financial instruments

31 December 2018

Note	Carrying amount				Fair value			
	At fair value through profit or loss	At fair value through other comprehensive income	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
Investment in debt securities								
	<u>1,609,322</u>	<u>-</u>	<u>-</u>	<u>1,609,322</u>	<u>-</u>	<u>1,609,322</u>	<u>-</u>	<u>1,609,322</u>
Financial assets not measured at fair value								
15.1								
Bank balances	-	-	5,705,928	5,705,928				
Profits receivable	-	-	67,056	67,056				
	<u>-</u>	<u>-</u>	<u>5,772,984</u>	<u>5,772,984</u>				
Financial liabilities not measured at fair value								
15.1								
Payable to Management Company	-	-	8,119	8,119				
Payable to Trustee	-	-	663	663				
Accrued expenses and other payables	-	-	833	833				
	<u>-</u>	<u>-</u>	<u>9,615</u>	<u>9,615</u>				

30 June 2018

Note	Carrying amount				Fair value			
	Fair value through profit or loss	Available for sale	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value								
Investment in debt securities								
	<u>4,059,168</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,059,168</u>	<u>-</u>	<u>4,059,168</u>	<u>-</u>
	<u>4,059,168</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,059,168</u>			
Financial assets not measured at fair value								
15.1								
Bank balances	-	-	856,839	-	856,839			
Profits receivable	-	-	45,436	-	45,436			
	<u>-</u>	<u>-</u>	<u>902,275</u>	<u>-</u>	<u>902,275</u>			
Financial liabilities not measured at fair value								
15.1								
Payable to Management Company	-	-	-	5,372	5,372			
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	454	454			
Accrued expenses and other payables	-	-	-	1,360	1,360			
	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,186</u>	<u>7,186</u>			

15.1 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 GENERAL

- 16.1** This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.
- 16.2** Prior year's figures have been rearranged / reclassified wherever necessary for better presentation and comparison. However, there were no material reclassifications to report.
- 16.3** This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended 31 December 2018 and 31 December 2017 in this condensed interim financial information have not been reviewed by the auditors.
- 16.4** This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on February 27, 2019.

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AIAIF

Al-Ameen Islamic Aggressive Income Fund

INVESTMENT OBJECTIVE

AIAIF is an open-end Shariah Compliant Aggressive Fixed Income Fund which invests in medium to long-term income instruments as well as short-tenor money market instruments 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 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	KPMG Taseer Hadi & Co, Chartered Accountants
Bankers	Al Baraka Islamic Bank Limited Allied Bank Limited Bank Alfalah Limited - Islamic Banking BankIslami Pakistan Limited Dubai Islamic Bank Limited MCB Bank Limited National Bank of Pakistan Habib Bank Limited - Islamic Banking Habib Metropolitan Bank Limited - Islamic Banking Meezan Bank Limited United Bank Limited Faysal Bank Limited - Islamic Banking Soneri Bank Limited - Islamic Banking
Management Co. Rating	AM1 (JCR-VIS)
Fund Rating	BBB+ (f) (JCR-VIS)

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) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL - AMEEN ISLAMIC AGGRESSIVE 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 Al - Ameen Islamic Aggressive 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, 2018 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 Akbar
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 21, 2019



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

Independent Auditors' Review Report to the unit holders of Al - Ameen Islamic Aggressive Income Fund

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Al - Ameen Islamic Aggressive Income Fund** ("the Fund") as at 31 December 2018 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the accounts for the six months period then ended (here-in-after referred to as the "interim financial information"). Management Company is responsible for the preparation and presentation of this 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 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 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 is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures for the three months period ended 31 December 2018 in the condensed interim financial information have not been reviewed and we do not express a conclusion on them.



KPMG Taseer Hadi & Co.

The engagement partner on the engagement resulting in this independent auditor's review report is Mazhar Saleem.

Date: 27 February 2019

Karachi


KPMG Taseer Hadi & Co.
Chartered Accountants

Al - Ameen Islamic Aggressive Income Fund
Condensed Interim Statement of Assets and Liabilities
As at 31 December 2018

		31 December 2018 (Unaudited) ----- (Rupees in '000) -----	30 June 2018 (Audited) -----
Assets	Note		
Bank balances	4	299,640	459,540
Term deposit musharika		-	95,000
Investments	5	183,253	240,647
Profits receivable		6,609	8,349
Deposits, prepayments and other receivables		2,739	6,571
Advance tax	6	1,826	1,824
Total assets		494,067	811,931
Liabilities			
Payable to the Management Company	7	999	1,444
Payable to Central Depository Company of Pakistan Limited - Trustee		81	127
Payable to Securities and Exchange Commission of Pakistan		234	756
Accrued expense and other payables	9	12,750	13,876
Total liabilities		14,064	16,203
Net assets		480,003	795,728
Unit holders' fund (as per the statement attached)		480,003	795,728
Contingency	10		
		----- (Number of units) -----	
Number of units in issue		4,695,846	7,693,921
		----- (Rupees) -----	
Net assets value per unit (face value of Rs. 100 each)		102.2187	103.4230

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

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

 --SD--
Chief Executive Officer

 --SD--
Chief Financial Officer

 --SD--
Director

Al - Ameen Islamic Aggressive Income Fund
Condensed Interim Income Statement (Unaudited)
For the half year and quarter ended 31 December 2018

		Half year ended 31 December		Quarter ended 31 December	
		2018	2017	2018	2017
	Note	(Rupees in '000)			
Income					
Financial income	11	26,079	33,933	12,499	16,918
Net capital (loss) / gain on redemption and sale of investments		(883)	(2,405)	(696)	1,964
Net unrealised loss on revaluation of investments classified as 'at fair value through profit or loss'		(3,212)	(2,512)	(2,389)	(4,140)
Other income		-	211	-	71
Total income		21,984	29,227	9,414	14,813
Expenses					
Remuneration of the Management Company		4,683	8,087	2,008	3,958
Sindh Sales tax on the Management Company's remuneration		609	1,051	261	514
Allocation of expenses relating to the Fund	7.1	312	539	134	264
Remuneration of Central Depository Company of Pakistan Limited - Trustee		600	1,001	257	495
Annual fee of Securities and Exchange Commission of Pakistan		234	404	100	198
Bank charges		31	72	11	33
Auditors' remuneration		389	326	216	209
Listing fees		14	19	7	7
Brokerage expenses		14	93	14	36
Legal and professional charges		107	41	56	11
Settlement Expenses		343	-	250	-
Shariah advisory fee	7.2	175	169	99	85
Other expenses		114	79	57	79
Total operating expenses		7,625	11,881	3,470	5,889
Net income from operating activities		14,359	17,346	5,944	8,924
Provision for Sindh Workers' Welfare Fund		(282)	(341)	(116)	(175)
Net income for the period before taxation		14,077	17,005	5,828	8,749
Taxation	12	-	-	-	-
Net income for the period after taxation		14,077	17,005	5,828	8,749
Allocation of net income for the period after taxation					
Net income for the period after taxation		14,077	17,005	5,828	8,749
Income already paid on units redeemed		(4,138)	(3,459)	(2,835)	(2,186)
		9,939	13,546	2,993	6,563
Accounting income available for distribution					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		9,939	13,546	2,993	6,563
		9,939	13,546	2,993	6,563
Earnings per unit	13				

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

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

--SD--

Chief Executive Officer

--SD--

Chief Financial Officer

--SD--

Director

Al - Ameen Islamic Aggressive Income Fund
Condensed Interim Statement of Comprehensive Income (Unaudited)
For the half year and quarter ended 31 December 2018

	Half year ended 31 December		Quarter ended 31 December	
	2018	2017	2018	2017
	----- (Rupees in '000) -----			
Net income for the period after taxation	14,077	17,005	5,828	8,749
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	14,077	17,005	5,828	8,749

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

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

 --SD--
Chief Executive Officer

 --SD--
Chief Financial Officer

 --SD--
Director

AI - Ameen Islamic Aggressive Income Fund
Condensed Interim Statement of Movement in Unit Holders' Fund (Unaudited)
For the half year ended 31 December 2018

	2018			2017
	Capital value	Undistributed income	Total	Total
	----- (Rupees in '000) -----			
Net assets at beginning of the period	763,357	32,371	795,728	1,105,259
Issuance of 1,544,569 (2017: 6,438,748) units				
- Capital value	154,361	-	154,361	643,473
- Element of income	1,619	-	1,619	3,160
Total proceeds on issuance of units	155,980	-	155,980	646,633
Redemption of 4,542,644 (2017: 8,083,343) units				
- Capital value	(453,981)	-	(453,981)	(807,830)
- Element of loss	(847)	(4,138)	(4,985)	(5,010)
Total payments on redemption of units	(454,828)	(4,138)	(458,966)	(812,840)
Total comprehensive income for the period	-	14,077	14,077	17,005
Final distribution for the year ended 30 June 2018: Rs. 3.4854 per unit (31 December 2017: Nil)	(8,078)	(18,738)	(26,816)	-
Net income for the period less distribution	(8,078)	(4,661)	(12,739)	17,005
Net assets at end of the period	456,431	23,572	480,003	956,057
Undistributed income brought forward :				
- Realised income		37,321		12,363
- Unrealised (loss) / income		(4,950)		1,336
		32,371		13,699
Accounting income available for distribution				
- Relating to capital gains	-			-
- Excluding capital gains	9,939			13,546
	9,939			13,546
Final distribution for the year ended 30 June 2018: Rs. 3.4854 per unit (31 December 2017: Nil)		(18,738)		-
Undistributed income carried forward		23,572		27,245
Undistributed income carried forward comprise of :				
- Realised income		26,784		29,757
- Unrealised income		(3,212)		(2,512)
		23,572		27,245
				----- (Rupees) -----
Net assets value per unit at beginning of the period			103.4230	99.9376
Net assets value per unit at end of the period			102.2187	101.5472

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

--SD--
Chief Executive Officer

--SD--
Chief Financial Officer

--SD--
Director

AI - Ameen Islamic Aggressive Income Fund

Condensed Interim Cash Flow Statement (Unaudited)

For the half year ended 31 December 2018

	Half year ended	
	31 December 2018	31 December 2017
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	14,077	17,005
Adjustments for non cash and other items:		
Financial income	(26,079)	(33,933)
Net unrealised loss on revaluation of investments classified as 'at fair value through profit or loss'	3,212	2,512
Net capital loss on redemption and sale of investments	883	2,405
Provision for Sindh Workers' Welfare Fund	282	341
	(21,702)	(28,675)
Net cash used in operations before working capital changes	(7,625)	(11,670)
Working capital changes		
<i>(Increase) / decrease in assets</i>		
Investments	53,300	312,486
Deposits, prepayments and other receivables	(139)	43,632
Advance tax	(2)	(52)
	53,159	356,066
<i>Increase / (decrease) in liabilities</i>		
Payable to the Management Company	(445)	495
Payable to Central Depository Company of Pakistan Limited - Trustee	(46)	19
Payable to Securities and Exchange Commission of Pakistan	(522)	(487)
Accrued expenses and other payables	(1,408)	(6,237)
	(2,421)	(6,210)
Profits received during the period	27,818	32,944
Net cash generated from operating activities	70,931	371,130
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	159,951	646,633
Payments on redemption of units	(458,966)	(812,840)
Total distribution to unit holders	(26,816)	-
Net cash used in financing activities	(325,831)	(166,207)
Net (decrease) / increase in cash and cash equivalents	(254,900)	204,923
Cash and cash equivalents at beginning of the period	554,540	433,323
Cash and cash equivalents at end of the period	299,640	638,246
CASH AND CASH EQUIVALENTS		
Bank balances	299,640	338,246
Term deposit musharika	-	300,000
	299,640	638,246

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

--SD--
Chief Executive Officer

--SD--
Chief Financial Officer

--SD--
Director

Al - Ameen Islamic Aggressive Income Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the half year ended 31 December 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

Al-Ameen Islamic Aggressive Income 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 Central Depository Company of Pakistan Limited (CDC), as its Trustee. The Trust Deed was executed on August 10, 2007 and the Fund was authorized by the Securities and Exchange Commission of Pakistan (SECP) on August 27, 2007 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (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 end mutual fund, listed on the Pakistan Stock Exchange Limited. Units of the Fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The Fund has been formed to generate superior, long term, risk adjusted returns by investing in medium to long term income instrument as well as short tenor money market instruments. Furthermore, the Fund invests in instruments that are approved by the Shariah Advisory Board. Under provision of the Trust Deed, all activities of the Fund shall be undertaken in accordance with the Shariah. Under circular 07 dated 06 March 2009 issued by the SECP, the Fund has been categorized by the Management Company as an (Islamic) Aggressive Income Fund.

JCR-VIS Credit Rating Company has re-affirmed quality rating of 'AM1' (stable outlook) to the Management Company as on 27 December 2018.

The Fund has been rated as BBB+(f) by JCR - VIS on 31 December 2018.

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 PRESENTATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations 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 and the NBFC Regulations have been followed.

- 2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2018.
- 2.1.3 These condensed interim financial information are unaudited and are being submitted to the unit holders as required under Regulation 38(2)(f) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). However, a limited scope review has been carried out by the auditors in accordance with the requirements of clause (xix) of the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan.
- 2.1.4 The comparative statement of asset 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 30 June 2018, 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 statements for the period ended 31 December 2017.
- 2.1.5 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at 31 December 2018.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

- 3.1 Except as described below, the accounting policies applied in this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended 30 June 2018.

Securities and Exchange Commission of Pakistan (SECP) vide its SRO. 229 (I)/2019 has modified the effective date for applicability of IFRS 9 'Financial Instruments', however the Fund has opted for early adoption of the said standard from 1 July 2018 as permitted. The Fund also adopted IFRS 15 „Revenue from contracts with customers" from 1 July 2018. A number of other new standards are effective from 1 July 2018 but they do not have a material effect on the Fund's financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities. As a result of adoption of IFRS 9, the Fund has adopted consequential amendments to IAS 1 Presentation of Financial statements', which requires separate presentation in the income statement and statement of comprehensive income, profit / markup calculated using the effective interest method.

The adoption of IFRS 15 did not impact the timing or amount of dividend, profit, markup and other investment income and related assets and liabilities recognised by the fund. Accordingly, there is no impact on comparative information.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below;

Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows. The standard eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 did not have a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below:

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

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

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

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

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

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

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

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

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

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

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

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

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
	Note			----- (Rupees in '000) -----	
Financial assets					
Sukuk certificates	(a)	Designated at FVTPL	At FVTPL	240,647	240,647
Sukuk certificates	(b)	Available for sale	FVOCI	-	-
Bank balances	(c)	Loans and receivables	Amortised cost	459,540	459,540
Term deposit Musharika	(c)	Loans and receivables	Amortised cost	95,000	95,000
Profits receivable	(c)	Loans and receivables	Amortised cost	8,349	8,349
Deposits and other receivables	(c)	Loans and receivables	Amortised cost	6,571	6,571

(a) Sukuk certificates classified as 'designated at FVTPL' have been reclassified as 'fair value through profit or loss'.

(b) The financial assets classified as 'available for sale' have been classified as fair value through other comprehensive income.

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

ii. Impairment of financial assets

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

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated 21 November 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds.

iii. Transition

The changes in accounting policies resulting from adoption of IFRS 9 have been applied retrospectively. However, there is no impact of the changes in accounting policies on the Fund's financial position except for the classification of assets and liabilities of the comparative period.

- 3.2 The preparation of this condensed interim financial information in conformity with approved accounting and reporting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and 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 Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2018.

		31 December 2018 (Unaudited)	30 June 2018 (Audited)
	Note	----- (Rupees in '000) -----	
4. BANK BALANCES			
Current accounts	4.1	7,268	6,696
PLS saving accounts	4.2	292,372	452,844
		<u>299,640</u>	<u>459,540</u>
4.1	This includes balance with United Bank Limited of Rs. 3.707 million (30 June 2018: Rs. 4.64 million), holding company of the Management Company.		
4.2	Profit rates on PLS savings accounts ranges from 3% to 10.5% (30 June 2018: 5.6% to 6.4%) per annum. This includes balance with United Bank Limited of Rs. 39.447 million (30 June 2018: Rs. 91.08 million) carrying profit rate ranges from 6.3% to 9.25% (30 June 2018: 5.75% to 6.2%) per annum.		
5. INVESTMENTS			
At fair value through profit or loss'			
- Sukuk certificates			
- Quoted	5.1	101,185	103,166
- Unquoted	5.1	82,068	137,481
		<u>183,253</u>	<u>240,647</u>
At fair value other comprehensive income			
- Sukuk certificates - Quoted	5.2	-	-

5.1 'At fair value through profit or loss' - Sukuk certificates (certificates of Rs.5,000 each, unless otherwise stated)

Name of instrument	Note	As at 01 July 2018	Purchased / acquired during the period	Sold / matured during the period	As at 31 December 2018	Carrying value as at 31 December 2018	Market value as at 31 December 2018	Market value as at 30 June 2018	Percentage of total investment	Percentage of net assets
		----- (Number of certificates) -----			----- (Rupees in '000) -----			----- % -----		
<u>Performing</u>										
<u>Quoted</u>										
Power generation and distribution										
K-Electric Limited - 5 years		15,000	-	-	15,000	76,054	75,269	76,054	41.07%	15.68%
Chemical										
Engro Corporation Limited (11.7.14) - 5 years		5,000	-	-	5,000	27,112	25,916	27,112	14.14%	5.40%
						103,166	101,185	103,166	55.21%	21.08%
<u>Unquoted</u>										
Chemical										
Ghani Gases Limited (2.2.17) (certificates of Rs.70,833 each)		325	-	-	325	23,252	22,416	25,987	12.23%	4.67%
Engro Fertilizers Limited (9.7.14) Sukuk - III (certificates of Rs.1,750 each)		19,800	-	-	19,800	34,997	34,650	52,495	18.91%	7.22%
						58,249	57,066	78,482	31.14%	11.89%
Power generation and distribution										
WAPDA Sukuk - III (certificates of Rs.2,143 each)		13,000	-	(13,000)	-	-	-	33,949	-	-
Food and Energy										
Dawood Hercules Corporation Limited (16.9.17) (certificates of Rs. 100,000 each)		250	-	-	250	25,050	25,002	25,050	13.64%	5.21%
						83,299	82,068	137,481	44.78%	17.10%

5.2 At fair value through other comprehensive income' - Sukuk certificates (certificates of Rs.5,000 each, unless otherwise stated)

Name of instrument	Note	As at 01 July 2018	Purchased / acquired during the period	Sold / matured during the period	As at 31 December 2018	Carrying value as at 31 December 2018	Market value as at 31 December 2018	Market value as at 30 June 2018	Percentage of total investment	Percentage of net assets
----- (Number of certificates) ----- (Rupees in '000) ----- % -----										
Non- performing										
Security Leasing Corporation Limited - Sukuk (19-09-07) – II	5.2.1	10,000	-	-	10,000	-	-	-	-	-
Cable and electronics goods										
New Allied Electronics Industries Limited-I*	5.2.1	192,000	-	-	192,000	-	-	-	-	-
New Allied Electronics Industries Limited-II	5.2.1	10,000	-	-	10,000	-	-	-	-	-
Chemical										
Agritech Limited	5.2.1	16,600	-	-	16,600	-	-	-	-	-
Agritech Limited (zero rate coupon)	5.2.1	2,411	-	-	2,411	-	-	-	-	-
						<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

* Face value of each certificate is Rs.312.5.

5.2.1 For details refer annual financial statements of the Fund for the year ended 30 June 2018.

5.3 Significant terms and conditions of performing debt securities held as at 31 December 2018 are as follows:

Name	Issue Date	Remaining Principal (Rupees in '000)	Quoted / unquoted	Mark-up rate per annum	Maturity	Secured / unsecured	Rating
Electricity							
K-Electric Limited	19-Mar-14	75,000	Quoted	3 Month Kibor + 275 bps	19-Mar- 2019	Secured	AA
Chemical							
Engro Corporation Limited	11-Jul-14	25,000	Quoted	13.5% (Fixed Rate Security)	11-July-2019	Secured	AA+
Engro Fertilizers Limited	9-Jul-14	34,650	Unquoted	6 months KIBOR + 175 bps	09-July-2019	Secured	AA
Ghani Gases Limited	2-Feb-17	23,021	Unquoted	3 Month KIBOR + 1%	02-Feb-2023	Secured	A
Food and Energy							
Dawood Hercules Corporation Limited	16-Nov-17	25,000	Unquoted	3 Month KIBOR + 1%	16-Nov-2022	Secured	AA

5.4 Circular No. 16 dated 07 July 2010 issued by the SECP requires details of investments not compliant with the investment criteria specified for the category assigned to open-end collective investment schemes or the investment requirements of the constitutive documents of the Fund to be disclosed in the annual accounts of the Fund. The table below gives the details of such non compliant investments.

Disclosure of excess exposure (per asset class) as at 31 December 2018

Name of investment	Exposure type	% of Net Assets	Limit	Excess
SUKUK- K-electric Limited (19-03-14)	Per entity	15.68%	15%	0.68%

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 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). During the period, 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 Income Tax Return for Tax year 2019.

7. PAYABLE TO THE MANAGEMENT COMPANY

- 7.1 This includes reimbursement of certain expenses to the management company amounting to Rs. 0.042 million (30 June 2018: Rs. 0.142 million). During the period fund was charged 0.1% of average annual net assets as allocated expense according to Regulation 60 of NBFC Regulations, 2008.
- 7.2 As per amended NBFC Regulations dated November 25, 2015, the management company is entitled to charge shariah advisory fee from the Fund. Accordingly, the management company has charged Rs.0.175 (31 December 2017: Rs.0.169) million as shariah advisory fee.

8. TOTAL EXPENSE RATIO

The Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/18/2016 dated 20 July 2016, requires that collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the period ended 31 December 2018 is 1.28% which include 0.19% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

		31 December 2018 (Unaudited)	30 June 2018 (Audited)
	Note	----- (Rupees in '000) -----	
9. ACCRUED EXPENSE AND OTHER PAYABLES			
Provision for indirect duties and taxes	9.1	9,511	9,511
Provision for Sindh Workers' Welfare Fund	9.2	2,359	2,076
Brokerage payable		16	13
Auditors' remuneration payable		344	301
Withholding tax and zakat deducted at source		112	504
Other payables		408	1,471
		<u>12,750</u>	<u>13,876</u>

- 9.1 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 June 30, 2018. As a matter of abundant caution, the Management Company has maintained full provision for Federal Excise Duty (FED) till June 30, 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Rs.1.95 (30 June 2018: Rs.1.19).
- 9.2 There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements for the year ended 30 June 2018. The Management Company, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis.

Had the SWWF not been provided for, the net assets value per unit would have been higher by Rs. 0.50 (June 30, 2018: Rs.0.27).

10. CONTINGENCY

As at 31 December 2018, there is no contingency.

11. FINANCIAL INCOME

	Half year ended		Quarter ended	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	----- (Unaudited) -----			
	----- (Rupees in '000) -----			
Profits on:				
- Bank balances using the effective interest method	15,171	10,302	6,909	6,297
- Term deposit musharika using the effective interest method	175	6,510	-	3,860
- GOP Ijarah Sukuks	-	3,244	-	21
- Sukuk certificates	10,733	13,877	5,590	6,740
	<u>26,079</u>	<u>33,933</u>	<u>12,499</u>	<u>16,918</u>

12. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule of 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 in the form of cash amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealized capital gains to the unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause II of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute in cash form at least 90% of the income earned for the year by the Fund to the unit holders, accordingly no provision has been made in this condensed interim financial information.

13. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

14. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Financial Services (Private) Limited, Entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the Fund, the directors and officer of the Management Company.

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	Funds under common management	Directors and key executives	Other connected persons / related parties
----- (Transaction during the half year ended 31 December 2018) -----						
----- (Rupees in '000) -----						
Transactions during the period						
Profit on PLS saving accounts	-	953	-	-	-	-
Bank charges	-	24	-	-	-	-
Units issued	-	-	-	-	2,365	-
Units redeemed	-	-	-	-	1,996	-
Dividend paid	-	-	-	-	421	-
Settlement charges	-	-	3	-	-	-
Allocated expenses	312	-	-	-	-	-
Remuneration **	5,292	-	600	-	-	-
Shariah advisory fee	175	-	-	-	-	-
-----Transaction during the half year ended 31 December 2017-----						
----- (Rupees in '000) -----						
Transactions during the period						
Profit on PLS savings accounts	-	7,331	-	-	-	-
Bank charges	-	65	-	-	-	-
Units issued	-	-	-	-	920	-
Units redeemed	-	-	-	-	4,761	-
Settlement charges	-	-	7	-	-	-
Allocated expenses	539	-	-	-	-	-
Remuneration**	9,138	-	1,001	-	-	-
Shariah advisory fee	169	-	-	-	-	-

As at December 31, 2018 (Unaudited)						
Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties	
----- (Rupees in '000) -----						
Balances held						
Units held (units in '000)	-	-	-	124	-	
Units held (Rupees in '000)	-	-	-	12,719	-	
Bank balances*	-	43,154	-	-	-	
Deposits	-	-	100	-	-	
Remuneration payable**	715	-	81	-	-	
Sales load and other payables	94	20	-	-	-	
Allocated expense payable to the management company	42	-	-	-	-	
Shariah advisory fee payable	29	-	-	-	-	
Conversion Charges payable	102	-	-	-	-	
Others	17	-	-	-	-	
Profit receivable	-	125	-	-	-	

* These carry profit rate at the rate of 9.25% per annum.

** This balance is inclusive of Sindh Sales Tax.

As at June 30, 2018 (Audited)						
Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties	
----- (Rupees in '000) -----						
Balances held						
Units held (in units '000)	-	-	-	121	-	
Units held (in rupees '000)	-	-	-	12,514	-	
Bank balances*	-	95,717	-	-	-	
Deposits	-	-	100	-	-	
Remuneration payable **	1,123	-	127	-	-	
Sales load and other payables	136	42	-	-	-	
Shariah fee	26	-	-	-	-	
Others	17	-	-	-	-	
Payable against allocated expenses	142	-	-	-	-	
Profit receivable	-	552	-	-	-	

* These carry profit rate at the rate of 6.2% per annum.

** This balance is inclusive of Sindh Sales Tax.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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 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 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 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 (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).

On-balance sheet financial instruments
31 December 2018

	Note	Carrying amount				Fair value			
		At fair value through profit or loss	At fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
		----- (Rupees in 000) -----				----- (Rupees in 000) -----			
Financial assets measured at fair value									
Sukuk certificates		<u>183,253</u>	<u>-</u>	<u>-</u>	<u>183,253</u>	<u>101,185</u>	<u>82,068</u>	<u>-</u>	<u>183,253</u>
Financial assets not measured at fair value	15.1								
Bank balances		-	-	299,640	299,640				
Profits receivable		-	-	6,609	6,609				
Deposits		-	-	2,600	2,600				
		<u>-</u>	<u>-</u>	<u>308,848</u>	<u>308,849</u>				
Financial liabilities not measured at fair value	15.1								
Payable to the Management Company		-	-	999	999				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	81	81				
Accrued expense and other payables		-	-	769	769				
		<u>-</u>	<u>-</u>	<u>1,849</u>	<u>1,849</u>				

30 June 2018 (Audited)									
		Carrying amount				Fair value			
		Fair value through profit or loss	Available for sale	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
		----- (Rupees in 000) -----					----- (Rupees in 000) -----		
Financial assets measured at fair value									
Sukuk certificates		<u>240,647</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>240,647</u>	<u>103,166</u>	<u>137,481</u>	<u>-</u>
Financial assets not measured at fair value	15.1								
Bank balances		-	-	459,540	-	459,540			
Term deposit musharika		-	-	95,000	-	95,000			
Profits receivable		-	-	8,349	-	8,349			
Deposits		-	-	6,571	-	6,571			
		<u>-</u>	<u>-</u>	<u>569,460</u>	<u>-</u>	<u>569,460</u>			
Financial liabilities not measured at fair value	15.1								
Payable to the Management Company		-	-	-	1,444	1,444			
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	127	127			
Accrued expense and other payables		-	-	-	1,785	1,785			
		<u>-</u>	<u>-</u>	<u>-</u>	<u>3,356</u>	<u>3,356</u>			

During the period ended 31 December 2018, 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.

- 15.1 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 a reasonable approximation of fair value.

16. GENERAL

- 16.1** This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.
- 16.2** This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended 31 December 2018 and 31 December 2017 in this condensed interim financial information have not been reviewed by the auditors.
- 16.3** Corresponding figures have been rearranged / reclassified wherever necessary for better presentation and comparison. However, there were no material reclassifications to report.
- 16.4** This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on February 27, 2019 .

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

--SD--
Chief Executive Officer

--SD--
Chief Financial Officer

--SD--
Director

AIAAF

Al-Ameen Islamic Asset Allocation Fund

INVESTMENT OBJECTIVE

The investment objective of the Fund is to earn competitive riba free return by investing in various shariah compliant 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	KPMG Taseer Hadi and Co., Chartered Accountants
Bankers	Allied Bank Limited Bank Alfalah Limited BankIslami Pakistan Limited Dubai Islamic Bank Limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited MCB Bank Limited Meezan Bank Limited National Bank Limited Soneri Bank Limited United Bank Limited
Management Co. Rating	AM1 (JCR-VIS)

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) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL - AMEEN ISLAMIC 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 Al - Ameen Islamic 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, 2018 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 21, 2019



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

**Independent Auditors' Review Report to the unit holders of AI - Ameen Islamic
Asset Allocation Fund**

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AI - Ameen Islamic Asset Allocation Fund** ("the Fund") as at 31 December 2018 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the accounts for the six months period then ended (here-in-after referred to as the "interim financial information"). Management Company is responsible for the preparation and presentation of this 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 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 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 is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures for the three months period ended 31 December 2018 in the condensed interim financial information have not been reviewed and we do not express a conclusion on them.



KPMG Taseer Hadi & Co.

The interim financial information of the Fund for the six months period ended 31 December 2017 and financial statements for the year ended 30 June 2018 were reviewed and audited by another firm of auditors whose reports dated 16 February 2018 and 28 August 2018 expressed an unmodified conclusion and opinion thereon respectively.

The engagement partner on the engagement resulting in this independent auditor's review report is Mazhar Saleem.

Date: 27 February 2019

Karachi


KPMG Taseer Hadi & Co.
Chartered Accountants

AI - Ameen Islamic Asset Allocation Fund
Condensed Interim Statement of Assets and Liabilities
As at 31 December 2018

		31 December 2018 (Unaudited)	30 June 2018 (Audited)
	<i>Note</i>	----- (Rupees in '000) -----	
Assets			
Bank balances	4	2,882,451	3,646,368
Term deposit receipts	5	290,000	300,000
Investments	6	2,035,134	2,539,282
Receivable against sale of investments		5,458	891
Dividend receivable		-	8,691
Profits receivable		28,763	24,134
Deposits, prepayments and other receivables		2,689	9,551
Advance tax	7	1,943	1,943
Preliminary expenses and floatation costs		-	87
Total assets		5,246,438	6,530,947
Liabilities			
Payable to the Management Company	8	19,460	15,650
Payable to Central Depository Company of Pakistan Limited - Trustee		608	707
Payable to Securities and Exchange Commission of Pakistan		2,828	7,388
Accrued expenses and other payables	9	45,811	51,369
Total liabilities		68,707	75,114
Net assets		5,177,731	6,455,833
Unit holders' fund (as per the statement attached)		5,177,731	6,455,833
Contingency	15		
		(Number)	
Number of units in issue (face value of units is Rs. 100 each)		45,021,429	55,077,294
		(Rupees)	
Net asset value per unit		115.0059	117.2141

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

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

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AI - Ameen Islamic Asset Allocation Fund
Condensed Interim Income Statement (Unaudited)
For the half year and quarter ended 31 December 2018

		Half year ended		Quarter ended	
		31 December		31 December	
		2018	2017	2018	2017
Note		(Rupees in '000)			
Income					
Financial income	10	143,400	154,275	73,766	74,827
Net capital loss on redemption and sale of investments		(3,328)	(88,450)	(14,747)	(78,749)
Dividend income		76,382	101,391	39,011	70,903
Net unrealised loss on revaluation of investments classified as 'at fair value through profit or loss'		(235,013)	(408,774)	(174,086)	(104,782)
Other income		113	132	113	17
Total income		(18,446)	(241,426)	(75,943)	(37,784)
Expenses					
Remuneration of the Management Company	8.1	52,068	41,305	27,876	20,451
Sindh Sales tax on the Management Company's remuneration	8.2	6,769	5,370	3,624	2,659
Allocation of expenses relating to the Fund	8.3	2,976	4,131	1,394	2,046
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		3,933	5,238	1,860	2,597
Annual fee of Securities and Exchange Commission of Pakistan		2,828	3,924	1,325	1,943
Selling and marketing expenses	8.4	11,905	16,522	5,575	8,180
Shariah advisory fee	8.5	175	158	99	73
Auditors' remuneration		284	265	159	149
Legal and professional charges		101	41	50	11
Brokerage expenses		1,730	916	730	239
Amortisation of preliminary expenses and floatation costs		88	100	38	50
Bank charges		95	160	50	80
Listing fees		14	35	7	17
Other expenses		1,486	1,537	574	1,427
Total operating expenses		84,452	79,702	43,361	39,922
Provision for Sindh Workers' Welfare Fund	9.1	-	-	-	-
Net loss for the period before taxation		(102,898)	(321,128)	(119,304)	(77,706)
Taxation	11	-	-	-	-
Net loss for the period after taxation		(102,898)	(321,128)	(119,304)	(77,706)
Allocation of net loss for the period after taxation					
Net loss for the period after taxation		(102,898)	(321,128)	(119,304)	(77,706)
Income already paid on units redeemed		-	-	-	-
		(102,898)	(321,128)	(119,304)	(77,706)
Accounting income available for distribution					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		-	-	-	-
		-	-	-	-
Earnings per unit	12				

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

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AI - Ameen Islamic Asset Allocation Fund
Condensed Interim Statement of Comprehensive Income (Unaudited)
For the half year and quarter ended 31 December 2018

	Half year ended		Quarter ended	
	31 December		31 December	
	2018	2017	2018	2017
	----- (Rupees in '000) -----			
Net loss for the period after taxation	(102,898)	(321,128)	(119,304)	(77,706)
Other comprehensive income for the period				
<i>Items to be reclassified to income statement in subsequent periods</i>				
Net unrealised appreciation on revaluation of investments classified as 'available-for-sale'	-	11,932	-	4,050
Total comprehensive loss for the period	<u>(102,898)</u>	<u>(309,196)</u>	<u>(119,304)</u>	<u>(73,656)</u>

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

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AI - Ameen Islamic Asset Allocation Fund
Condensed Interim Statement of Movement in Unit Holders' Fund (Unaudited)
For the half year ended 31 December 2018

	2018				2017
	Capital value	Undistributed income	Unrealised appreciation on 'available-for-sale' investments	Total	Total
----- (Rupees in '000) -----					
Net assets at 30 June 2018 / 30 June 2017	6,032,689	406,411	16,733	6,455,833	7,894,823
Adjustment due to adoption of IFRS 9	-	16,733	(16,733)	-	-
Net assets at 1 July 2018 / 1 July 2017	6,032,689	423,144	-	6,455,833	7,894,823
Issuance of 4,798,169 units (2017: 20,256,300 units)					
- Capital value	562,414	-	-	562,414	2,406,448
- Element of income	3,534	-	-	3,534	(46,821)
Total proceeds on issuance of units	565,948	-	-	565,948	2,359,627
Redemption of 14,854,034 units (2017: 18,856,918 units)					
- Capital value	(1,741,102)	-	-	(1,741,102)	(2,240,202)
- Element of loss	(50)	-	-	(50)	68,956
Total payments on redemption of units	(1,741,152)	-	-	(1,741,152)	(2,171,246)
Total comprehensive loss for the period		(102,898)	-	(102,898)	(309,196)
Net assets at end of the period	4,857,485	320,246	-	5,177,731	7,774,008
Undistributed income brought forward:					
- Realised income		406,411			385,737
- Unrealised income		16,733			143,580
		423,144			529,317
Net loss for the period after taxation		(102,898)			(321,128)
Undistributed income carried forward		320,246			208,189
Undistributed income carried forward comprises of:					
- Realised income		555,259			616,963
- Unrealised loss		(235,013)			(408,774)
		320,246			208,189
				(Rupees)	(Rupees)
Net assets value per unit at beginning of the period				117.2141	118.8000
Net assets value per unit at end of the period				115.0059	114.5700

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

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AI - Ameen Islamic Asset Allocation Fund
Condensed Interim Cash Flow Statement (Unaudited)
For the half year ended 31 December 2018

	Half year ended	
	31 December 2018	31 December 2017
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period before taxation	(102,898)	(321,128)
Adjustments for non-cash and other items:		
Financial income	(143,400)	(154,275)
Net capital loss on redemption and sale of investments	3,328	88,450
Dividend income	(76,382)	(101,391)
Net unrealised loss on revaluation of investments classified as 'at fair value through profit or loss'	235,013	408,774
Amortisation of preliminary expenses and floatation costs	88	100
	18,647	241,658
Net cash used in operations before working capital changes	(84,251)	(79,470)
Working capital changes		
<i>(Increase) / decrease in assets</i>		
Investments	265,807	(643,228)
Receivable against sale of investments	(11,468)	-
Deposits, prepayments and other receivables	6,863	(1,168)
	261,202	(644,396)
<i>(Decrease) / Increase in liabilities</i>		
Payable to the Management Company	3,810	3,319
Payable to Central Depository Company of Pakistan Limited - Trustee	(99)	61
Payable to Securities and Exchange Commission of Pakistan	(4,560)	(195)
Accrued expenses and other payables	(5,558)	(250,394)
	(6,407)	(247,209)
Profits received	138,771	146,713
Dividend received	85,071	81,272
Withholding tax paid	-	(39)
Net cash flows generated from / (used in) operating activities	394,386	(743,129)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	572,849	2,359,627
Payments on redemption of units	(1,741,152)	(2,171,246)
Net cash flows (used in) / generated from financing activities	(1,168,303)	188,381
Net decrease in cash and cash equivalents	(773,917)	(554,748)
Cash and cash equivalents at beginning of the period	3,946,368	5,244,379
Cash and cash equivalents at end of the period	3,172,451	4,689,631
CASH AND CASH EQUIVALENTS		
Bank balances	2,882,451	3,796,631
Term deposit receipts	290,000	893,000
	3,172,451	4,689,631

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

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

Al - Ameen Islamic Asset Allocation Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the half year and quarter ended 31 December 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

Al-Ameen Islamic 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 30 June 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 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, listed on the Pakistan Stock Exchange Limited. Units of the Fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The objective of the Fund is to earn competitive riba free return by investing in various shariah compliant asset classes based on the market outlook. Under circular 07 dated 06 March 2009 issued by the SECP, the Fund has been categorized by the Management Company as an Islamic Asset Allocation Fund.

JCR-VIS Credit Rating Company has re-affirmed quality rating of 'AM1' (stable outlook) to the Management Company as on 27 December 2018.

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 These 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:

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations 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 and the NBFC Regulations have been followed.

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2018.

2.1.3 These condensed interim financial information are unaudited and are being submitted to the unit holders as required under Regulation 38(2)(f) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). However, a limited scope review has been carried out by the auditors in accordance with the requirements of clause (xix) of the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan.

2.1.4 The comparative statement of asset 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 30 June 2018, 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 statements for the period ended 31 December 2017.

2.1.5 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at 31 December 2018.

2.1.6 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

There are certain amendments which are effective from annual period beginning on or after 1 July 2019. These amendments are not likely to have an impact on the Fund's financial position. Therefore these are not stated in this condensed interim financial information.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

3.1 Except as described below, the accounting policies applied in this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended 30 June 2018.

Securities and Exchange Commission of Pakistan (SECP) vide its SRO. 229 (I)/2019 has modified the effective date for applicability of IFRS 9 'Financial Instruments', however the Fund has opted for early adoption of the said standard from 1 July 2018 as permitted. The Fund also adopted IFRS 15 „Revenue from contracts with customers" from 1 July 2018. A number of other new standards are effective from 1 July 2018 but they do not have a material effect on the Fund's financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities. As a result of adoption of IFRS 9, the Fund has adopted consequential amendments to IAS 1 Presentation of Financial statements', which requires separate presentation in the income statement and statement of comprehensive income, profit / markup calculated using the effective interest method.

The adoption of IFRS 15 did not impact the timing or amount of dividend, profit, markup and other investment income and related assets and liabilities recognised by the fund. Accordingly, there is no impact on comparative information.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below:

i) Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows. The standard eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 did not have a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

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

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

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

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

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

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

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

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

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

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

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

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

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
	<i>Note</i>			(Rupees in '000)	
Financial assets					
Quoted equity securities	(a)	Available-for-sale	At FVTPL	750,449	750,449
Quoted equity securities	(b)	Designated at FVTPL	At FVTPL	1,691,162	1,691,162
Sukuk certificates	(c)	Designated at FVTPL	At FVTPL	97,671	97,671
Bank balances	(d)	Loans and receivables	Amortised cost	3,646,368	3,646,368
Term deposit receipts	(d)	Loans and receivables	Amortised cost	300,000	300,000
Dividend receivable	(d)	Loans and receivables	Amortised cost	8,691	8,691
Profits receivable	(d)	Loans and receivables	Amortised cost	24,134	24,134
Deposits and other receivables	(d)	Loans and receivables	Amortised cost	9,551	9,551
Receivable against sale of investments	(d)	Loans and receivables	Amortised cost	891	891

(a) Quoted equity securities classified as 'available-for-sale' have been reclassified as 'fair value through profit or loss'. The impact for reclassification is explained below in iii) Transition.

(b) Quoted equity securities classified as 'designated at FVTPL' have been reclassified as 'fair value through profit or loss'.

(c) Sukuk certificates classified as 'designated at FVTPL' have been reclassified as 'fair value through profit or loss'.

(d) The financial assets classified as 'loans and receivables' have been classified as amortised cost as these are held by the company to collect contractual cash flows; and cash flows are solely payments of principal and interest.

ii) Impairment of financial assets

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

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated 21 November 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds.

iii) Transition

The Fund has adopted modified retrospective restatement for adopting IFRS 9 and accordingly, all changes arising on adoption of IFRS 9 have been adjusted at the beginning of the current period. The effect of change in accounting policy is as follows:

	As reported at 30 June 2018	Change (Rupees)	As at 1 July 2018
Impact on Statement of Assets and Liabilities			
Quoted equity securities - available for sale	750,449	(750,449)	-
Quoted equity securities - at fair value through profit or loss	1,691,162	750,449	2,441,611
Impact on Statement of Unit Holders' Fund			
Unrealized appreciation on re-measurement of 'available for sale' investments	16,733	(16,733)	-
Undistributed income	406,411	16,733	423,144

There is no impact on the condensed interim income statement, condensed interim statement of comprehensive income and condensed interim cash flow statement as the Fund has opted for modified retrospective restatement as mentioned above.

3.2 The preparation of this condensed interim financial information in conformity with approved accounting and reporting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and 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 recognized prospectively commencing from the period of revision.

3.3 The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2018.

		31 December 2018 (Unaudited)	30 June 2018 (Audited)
4 BANK BALANCES	<i>Note</i>	----- (Rupees in '000) -----	
Current accounts		47,702	24,871
PLS Saving accounts	4.1	2,834,749	3,621,497
		2,882,451	3,646,368

4.1 These carry profit rates ranging from 6.3% to 10.25% (30 June 2018: 3.9% to 6.4%) per annum. It includes balance with United Bank Limited (Holding Company of the Management Company) of Rs. 1,793.04 million (30 June 2018: Rs. 2,599.24 million) carrying profit rate of 6.3% to 9.25%. (30 June 2018: 5.5% to 6.2%).

5 TERM DEPOSIT RECEIPTS

Commercial bank	290,000	300,000

5.1 These carry profit rates ranging from 10.5% - 10.6% (30 June 2018 : 5.8% - 7.16%) per annum and will mature latest by 14 March 2019.

6 INVESTMENTS

At fair value through profit or loss

- Quoted equity securities	6.1	1,916,220	1,691,162
- Sukuk certificates	6.2	118,914	97,671
		2,035,134	1,788,833

Available for sale

- Quoted equity securities	3.1	-	750,449
		2,035,134	2,539,282

6.1 Quoted equity securities - 'at fair value through profit or loss'

Name of the investee company	As at 01 July 2018	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at 31 December 2018	Cost / carrying value	Market value	Appreciation / (diminution)	As percentage of total investments	As percentage of net assets	Paid up capital of investee company (with face value of investment)
Note	----- (Number of shares) -----					----- (Rupees in '000) -----			----- (%) -----		
Unless stated otherwise, the holdings are in ordinary shares of Rs. 10 each.											
Cement											
D.G. Khan Cement Company Limited	700	-	-	(700)	-	-	-	-	-	-	-
Fauji Cement Company Limited	190,000	-	-	(190,000)	-	-	-	-	-	-	-
Kohat Cement Company Limited	858,300	72,500	261,240	(25,000)	1,167,040	110,186	99,128	(11,058)	5.17%	1.91%	0.58%
Lucky Cement Limited	193,550	39,950	-	(83,750)	149,750	74,851	65,092	(9,759)	3.40%	1.26%	0.05%
Cherat Cement Company Limited	603,600	4,900	-	(589,500)	19,000	1,763	1,323	(440)	0.07%	0.03%	0.01%
Attock Cement Pakistan Limited	-	196,900	-	(196,900)	-	-	-	-	-	-	-
Pioneer Cement Limited	261,300	150,000	-	(365,000)	46,300	1,841	1,940	99	0.10%	0.04%	0.02%
						188,641	167,483	(21,158)	8.74%	3.23%	0.66%
Oil and gas exploration companies											
Mari Petroleum Company Limited	112,260	9,000	11,726	-	132,986	181,843	164,352	(17,491)	8.58%	3.17%	0.11%
Oil & Gas Development Company Limited	1,256,300	25,000	-	(97,000)	1,184,300	184,229	151,590	(32,639)	7.91%	2.93%	0.03%
Pakistan Oilfields Limited	204,100	96,320	-	-	300,420	164,653	127,625	(37,028)	6.66%	2.46%	0.11%
Pakistan Petroleum Limited	867,500	148,125	-	(97,000)	918,625	171,233	137,481	(33,752)	7.17%	2.66%	0.04%
						701,958	581,048	(120,910)	30.32%	11.22%	0.29%
Oil and gas marketing companies											
Attock Petroleum Limited	99,350	-	7,090	(80,900)	25,540	12,557	11,020	(1,537)	0.58%	0.21%	0.03%
Pakistan State Oil Company Limited	6.1.1 304,320	23,000	57,864	(179,800)	205,384	53,898	46,300	(7,598)	2.42%	0.89%	0.05%
Sui Northern Gas Pipelines Limited	6,000	-	-	(6,000)	-	-	-	-	-	-	-
						66,455	57,320	(9,135)	3.00%	1.10%	0.08%
Fertilizer											
Engro Fertilizers Limited	2,671,000	2,050,000	-	(3,292,000)	1,429,000	112,233	98,672	(13,561)	5.15%	1.91%	0.11%
Engro Corporation Limited	655,700	156,500	-	(205,500)	606,700	188,483	176,598	(11,885)	9.22%	3.41%	0.12%
Fauji Fertilizer Company Limited	118,000	808,500	-	(59,500)	867,000	85,482	80,501	(4,981)	4.20%	1.55%	0.07%
						386,198	355,771	(30,427)	18.57%	6.87%	0.30%
Chemical											
ICI Pakistan Limited	43,800	-	-	(13,700)	30,100	24,125	23,911	(214)	1.25%	0.46%	0.03%
Engro Polymer & Chemicals Limited	2,054,000	814,890	-	(739,000)	2,129,890	66,578	79,104	12,526	4.13%	1.53%	0.23%
						90,703	103,015	12,312	5.38%	1.99%	0.26%
Glass and ceramics											
Tariq Glass Industries Limited	251,500	-	-	(169,000)	82,500	8,841	7,193	(1,648)	0.38%	0.14%	0.11%

Name of the investee company	Note	As at 01 July 2018	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at 31 December 2018	Cost / carrying value	Market value	Appreciation / (diminution)	As percentage of total investments	As percentage of net assets	Paid up capital of investee company (with face value of investment)
----- (Number of shares) -----						----- (Rupees in '000) -----			----- (%) -----			
Unless stated otherwise, the holdings are in ordinary shares of Rs. 10 each.												
Cable and electrical goods												
Pak Elektron Limited		700	-	-	-	700	25	17	(8)	0.00%	0.00%	0.00%
Pharmaceuticals												
The Searle Company Limited	6.1.1	2,213	-	331	-	2,544	751	625	(126)	0.03%	0.01%	0.00%
Highnoon Laboratories Limited	6.1.1	181	-	-	-	181	74	63	(11)	0.00%	0.00%	0.00%
							825	688	(137)	0.04%	0.01%	0.00%
Automobile parts and accessories												
Agriauto Industries Limited		200	-	-	-	200	59	44	(15)	0.00%	0.00%	0.00%
Thal Limited		133,200	-	-	(5,000)	128,200	61,219	54,826	(6,393)	2.86%	1.06%	0.32%
							61,278	54,870	(6,408)	2.86%	1.06%	0.32%
Automobile assembler												
Honda Atlas Cars (Pakistan) Limited		159,750	2,000	-	(65,600)	96,150	30,287	16,974	(13,313)	0.89%	0.33%	0.07%
Millat Tractors Limited		27,780	-	-	(27,780)	-	-	-	-	-	-	-
							30,287	16,974	(13,313)	0.89%	0.33%	0.07%
Engineering												
Amreli Steels Limited		497,200	-	-	(483,000)	14,200	1,002	680	(322)	0.04%	0.01%	0.00%
Mughal Iron & Steel Industries Limited		144,000	-	-	(144,000)	-	-	-	-	-	-	-
International Steels Limited		675,500	-	-	(154,000)	521,500	53,037	34,299	(18,738)	1.79%	0.66%	0.12%
International Industries Limited		-	100,000	-	-	100,000	14,440	15,405	965	0.80%	0.30%	0.08%
							68,479	50,384	(18,095)	2.63%	0.97%	0.20%
Food and personal care products												
Shezan International Limited		1,000	-	100	-	1,100	570	509	(61)	0.03%	0.01%	0.01%
Al-Shaheer Corporation Limited		50,000	-	-	-	50,000	1,363	1,197	(166)	0.06%	0.02%	0.04%
							1,933	1,706	(227)	0.09%	0.03%	0.05%
Commercial banks												
Meezan Bank Limited		572,510	150,000	57,251	(85,000)	694,761	53,093	64,189	11,096	3.35%	1.24%	0.06%
Textile composite												
Nishat Mills Limited		851,100	42,500	-	(119,900)	773,700	108,667	97,896	(10,771)	5.11%	10.771	0.22%

Name of the investee company	Note	As at 1 July 2018	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at 31 December 2018	Cost / carrying value	Market value	Appreciation / (diminution)	As percentage of total investments	As percentage of net assets	Paid up capital of investee company (with face value of investment)
----- (Number of shares) -----						----- (Rupees in '000) -----			----- (%) -----			
Unless stated otherwise, the holdings are in ordinary shares of Rs. 10 each.												
Power generation and distribution												
The Hub Power Company Limited	6.1.2	2,303,400	526,000	-	(70,000)	2,759,400	253,975	236,729	(17,246)	12.35%	4.57%	0.24%
Lalipur Power Limited		1,061,500	-	-	-	1,061,500	20,391	17,525	(2,866)	0.91%	0.34%	0.28%
Pakgen Power Limited		1,580,000	-	-	-	1,580,000	30,463	26,923	(3,540)	1.41%	0.52%	0.42%
Saif Power Limited		322,000	1,429,500	-	-	1,751,500	46,340	44,980	(1,360)	2.35%	0.87%	0.45%
K-Electric Limited		5,294,500	-	-	(274,000)	5,020,500	28,516	29,822	1,306	1.56%	0.58%	0.05%
							379,685	355,979	(23,706)	18.58%	6.88%	1.44%
Paper and board												
Packages Limited		3,300	-	-	-	3,300	1,616	1,277	(339)	0.07%	0.02%	0.00%
Technology and communication												
Avanceon Limited	6.1.1	123,907	-	-	(118,950)	4,957	328	410	82	0.02%	0.01%	0.00%
Total equity securities as on 31 December 2018							2,149,012	1,916,220	(232,792)			
Total equity securities as on 30 June 2018							2,598,027	2,441,611	(156,416)			

- 6.1.1** The Finance Act, 2015 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. Certain investee companies of the Fund, in pursuance of the aforesaid amendment, withheld shares equivalent to 5% of bonus entitlement of the Fund having fair market value of Rs.1.545 (2018: Rs.1.679) million at year end. Such shares have not been deposited by the investee company in CDC account in Income Tax department. The Fund has included the shares withheld in its investments and recorded them at fair market value at year end. Furthermore, the Finance Act 2018 has brought an amendment in the Income Tax Ordinance 2001, whereby the 5% withholding tax on bonus shares has been withdrawn. Therefore, the bonus shares received during the period ended 31 December 2018, are not liable to withholding of Income Tax.
- 6.1.2** These include shares pledged with National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs 21.447 million (30 June 2018: Rs 23.04 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated 23 October 2007 issued by the Securities and Exchange Commission of Pakistan.

6.2 Sukuk certificates classified as 'at fair value through profit or loss'

Name of Investee Company	As at 01 July 2018	Purchased during the period	Sold / matured during the period	As at 31 December 2018	Carrying Value as at 31 December 2018	Market value as at 31 December 2018	Market value as at 30 June 2018	As percentage of total investments	As percentage of net assets
	(Number of certificates)				(Rupees in '000)			%	
Quoted									
Chemical									
Engro Corporation Limited - (11.07.14) - 5 years (Certificates of Rs.5,000 each)	1,000	-	-	1,000	5,422	5,183	5,423	4.36%	0.10%
Unquoted									
Ghani Gases Limited - (02.02.17) - 6 years (Certificates of Rs.70,833 each)	750	-	-	750	53,658 59,080	51,730 56,913	59,971 65,394	43.50% 47.86%	1.00% 1.10%
Electricity									
WAPDA Sukuk III - (14.10.13) - 8 years (Certificates of Rs.2,143 each)	2,000	-	2,000	-	-	-	5,223	-	-
Cement									
Javedan Corporation Limited - (4.10.2018) - 5 years (Certificates of Rs.100,000 each)	-	350	-	350	35,000	35,000	-	29.43%	0.68%
Fertilizer									
Dawood Hercules Corporation Limited - (16.11.2017) - 5 years (Certificates of Rs.100,000 each)	270	-	-	270	27,054	27,001	27,054	22.71%	0.52%
					121.134	118.914	97.671	100%	2.30%

6.2.1 As at 31 December 2018 the cost of investment amounted to Rs 121.134 million (30 June 2018: 98.05 million)

6.2.2 Significant terms and conditions of sukuk certificates outstanding as at 31 December 2018 are as follows:

Name of security	Remaining principal / certificate	Mark-up rate (per annum)	Issue date	Maturity date
Engro Corporation Limited	5,000	13.50%	11 July 2014	11 July 2019
Dawood Hercules Corporation Limited	100,000	KIBOR 3M + 1.00%	16 November 2017	16 November 2022
Ghani Gases Limited	70,833	KIBOR 3M + 1.00%	2 February 2017	2 February 2023
Javedan Corporation Limited	100,000	KIBOR 6M + 1.75%	4 October 2018	4 October 2026

7 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 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). The management is confident that the same shall be refunded after filing Income Tax Return for Tax year 2019.

8 PAYABLE TO THE MANAGEMENT COMPANY

8.1 As per regulation 61 of amended Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 2% of average annual net assets in case of Asset Allocation Scheme. The Management Company has charged remuneration at the rate of 2 % per annum of the average daily net assets of the Fund with effect from 12th August 2018. Previously it was charged at the rate of 1 % per annum. The remuneration is paid to the Management Company on monthly basis in arrears.

8.2 Sindh Sales Tax has been charged at 13% (30 June 2018: 13%) on the management fee charged during the period.

8.3 As a result of amendments in NBFC Regulations vide statutory notification (SRO No. 1160 / (I) dated 25 November 2015), the Management Company may charge fee and expenses related to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) upto a maximum of 0.1% per annum of the average annual net assets or the actual cost whichever is lower. Accordingly, the management company has charged 0.1% per annum of the average net assets being lower.

8.4 Securities and Exchange Commission of Pakistan (SECP) vide a circular No.40 SCD/PRDD/ Circular/361/2016 dated 30 December 2016, allowed the Asset Management Companies to charge selling and marketing expenses to open end equity, asset allocation and index funds, initially for three years (from 1 January 2017 till 31 December 2019). Maximum cap of selling and marketing expenses shall be 0.4% per annum of net assets of fund or actual expenses whichever is lower. Accordingly, the management company has charged 0.4% per annum of the average net assets being lower.

8.5 As per amended NBFC Regulations dated November 25, 2015, the management company is entitled to charge shariah advisory fee from the Fund. Accordingly, the management company has charged Rs.0.175 (31 December 2017: Rs.0.158) million as shariah advisory fee.

9 ACCRUED EXPENSES AND OTHER PAYABLES

	Note	31 December 2018 (Unaudited) (Rupees in '000)	30 June 2018 (Audited)
Provision for Sindh Workers' Welfare Fund	9.1	24,246	24,246
Provision for indirect taxes and duties	9.2	15,834	15,834
Brokerage payable		913	796
Charity payable		1,285	1,787
Auditors' remuneration payable		250	275
Withholding tax and zakat deducted at source		2,023	3,702
Other payables		1,260	4,729
		45,811	51,369

- 9.1 There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 18.1 to the annual audited financial statements for the year ended 30 June 2018. The Management Company, based on an opinion obtained by Mutual Fund Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay Sindh Workers' Welfare Fund (SWWF) under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis.

Had the SWWF not been provided for, the net assets value per unit would have been higher by Rs. 0.54 per unit (30 June 2018: Rs. 0.44 per unit).

- 9.2 There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 18.2 to the annual audited financial statements for the year ended 30 June 2018. As a matter of abundant caution, the Management Company has maintained full provision for Federal Excise Duty (FED) till 30 June 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Rs. 0.10 per unit (30 June 2018: Rs. 0.08 per unit).

10	FINANCIAL INCOME	Half year ended		Quarter ended	
		31 December 2018	31 December 2017	31 December 2018	31 December 2017
		----- (Unaudited) -----			
		----- (Rupees in '000) -----			
	Profits on:				
	- Bank balances calculated using the effective interest method	136,839	124,289	69,789	60,739
	- Term deposit receipts using the effective interest method	1,479	25,526	928	12,181
	- Sukuks	5,082	4,460	3,049	1,907
		<u>143,400</u>	<u>154,275</u>	<u>73,766</u>	<u>74,827</u>

11 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 the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund has incurred net loss during the period and therefore no provision has been made in these condensed interim financial information.

12 EARNINGS PER UNIT

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

13 TOTAL EXPENSE RATIO

In the current year, Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/18/2016 dated 20 July 2016, requires that collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the period ended 31 December 2018 is 1.43% which include 0.17% representing government levy, Workers' Welfare Fund and SECP fee.

14. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations and the Trust Deed respectively.

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 are as follows:

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
----- (Transactions during the year ended 31 December 2018) -----						
----- (Rupees in '000) -----						
Units issued	-	-	-	-	-	-
Units redeemed	-	221,410	-	-	-	-
Profit on savings accounts	-	89,354	-	-	-	-
Bank charges	-	85	-	-	-	-
Remuneration	52,068	-	3,480	-	-	-
Sindh Sales tax on remuneration	6,769	-	452	-	-	-
Allocation of expenses relating to the Fund	2,976	-	-	-	-	-
Selling and marketing expense	11,905	-	-	-	-	-
CDS expense	-	-	72	-	-	-
Shariah advisory fee	175	-	-	-	-	-
----- (Balances held as at 31 December 2018) -----						
Units held (Number of units in '000)	-	-	-	-	1	-
Units held (Amount in '000)	-	-	-	-	104	-
Bank balances *	-	1,794,492	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable **	10,246	-	608	-	-	-
Sales load and other payable	3,155	2	-	-	-	-
Selling and marketing expense payable	5,576	-	-	-	-	-
Allocated expenses	454	-	-	-	-	-
Shariah advisory fee payable	29	-	-	-	-	-
Profit receivable	-	16,060	-	-	-	-

* These carry profit rate of 6.3% to 9.25% per annum.

** This balance is inclusive of Sindh Sales Tax payable

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
----- (Transactions during the year ended 31 December 2017) -----						
----- (Rupees in '000) -----						
Profit on savings accounts	-	92,702	-	-	-	-
Bank charges	-	138	-	-	-	-
Units issued	-	-	-	-	6	-
Units redeemed	-	-	-	-	1	-
Dividend received	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Remuneration	41,305	-	4,635	-	-	-
Sales tax on remuneration	5,370	-	603	-	-	-
Shariah advisory fee	161	-	-	-	-	-
CDS expense	-	-	123	-	-	-
Allocation of expenses relating to the Fund	4,131	-	-	-	-	-
----- (Balances held as at 30 June 2018) -----						
Units held (Number of units in '000)	-	1,883	-	-	34	50
Units held (Amount in '000)	-	220,681	-	-	3,985	5,861
Bank balances *	-	2,599,364	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable **	6,146	-	707	-	-	-
Sales load and other payable	1,468	463	-	-	-	-
Selling & Marketing Expense Payable	6,891	-	-	-	-	-
Allocated expenses	1,120	-	-	-	-	-
Profit receivable	-	13,825	-	-	-	-
Investments	-	-	-	-	-	-
Shariah advisory fee payable	25	-	-	-	-	-

* These carry profit rate of 5.5% to 6.2% per annum.

** This balance is inclusive of Sindh Sales Tax payable

15 CONTINGENCY

As at 31 December 2018, there is no contingency.

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 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 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.

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 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 (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).

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

On-balance sheet financial instruments		Carrying amount				Fair value			
		At fair value through profit or loss	At fair value through Other Comprehensive Income	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
31 December 2018	Note								
(Rupees in '000)									
Financial assets measured at fair value									
Quoted equity securities		1,916,220	-	-	1,916,220	1,916,220	-	-	1,916,220
Sukuk Certificates		118,914	-	-	118,914	-	118,914	-	118,914
		<u>2,035,134</u>	<u>-</u>	<u>-</u>	<u>2,035,134</u>	<u>1,916,220</u>	<u>118,914</u>	<u>-</u>	<u>2,035,134</u>
Financial assets not measured at fair value									
	16.1								
Bank balances		-	-	2,882,451	2,882,451				
Term deposit receipt		-	-	290,000	290,000				
Profits receivable		-	-	28,763	28,763				
Deposits, prepayments & other receivables		-	-	2,689	2,689				
		<u>-</u>	<u>-</u>	<u>3,203,903</u>	<u>3,203,903</u>				
Financial liabilities not measured at fair value									
	16.1								
Payable to the Management Company		-	-	19,460	19,460				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	608	608				
Accrued expenses and other payables		-	-	3,725	3,725				
		<u>-</u>	<u>-</u>	<u>23,793</u>	<u>23,793</u>				
On-balance sheet financial instruments									
		Carrying amount				Fair value			
		Fair value through profit and loss	Available for sale	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
30 June 2018	Note								
(Rupees in '000)									
Financial assets measured at fair value									
Quoted equity securities		1,691,162	750,449	-	-	2,441,611	2,441,611	-	-
Government securities		97,671	-	-	-	97,671	-	97,671	-
		<u>1,788,833</u>	<u>750,449</u>	<u>-</u>	<u>-</u>	<u>2,539,282</u>	<u>2,441,611</u>	<u>97,671</u>	<u>-</u>
Financial assets not measured at fair value									
	16.1								
Bank balances		-	-	3,646,368	-	3,646,368			
Term deposit receipt		-	-	300,000	-	300,000			
Dividend receivable		-	-	8,691	-	8,691			
Profits receivable		-	-	24,134	-	24,134			
Deposits, prepayments & other receivables		-	-	9,551	-	9,551			
		<u>-</u>	<u>-</u>	<u>3,988,744</u>	<u>-</u>	<u>3,988,744</u>			
Financial liabilities not measured at fair value									
	16.1								
Payable to the Management Company		-	-	-	15,650	15,650			
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	707	707			
Accrued expenses and other payables		-	-	-	7,587	7,587			
		<u>-</u>	<u>-</u>	<u>-</u>	<u>23,944</u>	<u>23,944</u>			

16.1 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.

17 GENERAL

17.1 This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.

17.2 Prior year's figures have been rearranged / reclassified wherever necessary for better presentation and comparison. However, there were no material reclassifications to report.

17.3 This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended 31 December 2018 and 31 December 2017 in this condensed interim financial information have not been reviewed by the auditors.

17.4 This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on February 27, 2019.

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

ASSF

Al-Ameen Shariah Stock Fund

INVESTMENT OBJECTIVE

ASSF is an open-end Equity Fund, investing primarily in Shariah compliant equities. 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	Deloitte Yousuf Adil & Co., Chartered Accountants
Bankers	Al-Baraka Islamic Banking Bank Alfalah Limited Dubai Islamic Bank Limited Habib Metropolitan Bank Limited Meezan Bank Limited United Bank Limited Bank Islami Pakistan Limited MCB Bank Limited National Bank of Pakistan Limited Allied Bank Limited
Management Co. Rating	AM 1 (JCR-VIS)

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) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



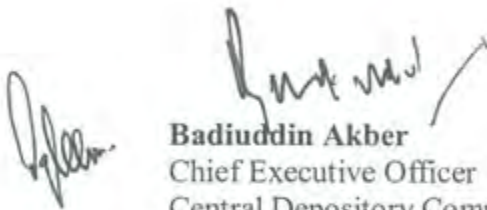
TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN SHARIAH STOCK 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 Al-Ameen Shariah Stock 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, 2018 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 26, 2019

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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AL AMEEN SHARIAH STOCK FUND** (here-in-after referred to as the "Fund") as at December 31, 2018, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unitholders' funds, condensed interim statement of cash flows and notes to the accounts (here-in-after referred to as the 'condensed interim financial information') for the half year ended December 31, 2018. 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. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2018.

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 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 of and for the half year ended December 31, 2018 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Deloitte Yousuf Adil
Chartered Accountants

Engagement Partner:
Nadeem Yousuf Adil

Date: February 27, 2019
Place: Karachi

**AL-AMEEN SHARIAH STOCK FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2018**

	(Un-audited) December 31, 2018	(Audited) June 30, 2018
Note	----- (Rupees in '000) -----	
4	689,122	645,299
5	6,212,762	6,315,913
	16,061	37,066
	41,980	49,761
6	3,229	3,218
	6,963,154	7,051,257
7	23,623	22,742
	768	762
	3,498	7,235
	55,313	4,956
8	132,376	136,418
	215,578	172,113
	6,747,576	6,879,144
	6,747,576	6,879,144
9		
	----- (Number of units) -----	
10	54,908,550	51,231,359
	----- (Rupees) -----	
	122.89	134.28
	100	100

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN SHARIAH STOCK FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

		Half year ended		Quarter ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Note		(Rupees in '000)			
INCOME					
Loss on sale of investments - net		(44,207)	(287,523)	(52,910)	(215,550)
Financial income		35,015	31,359	17,581	14,058
Dividend income		185,443	212,953	104,175	148,126
Unrealised loss on re-measurement of investments classified as financial assets at fair value through profit or loss - net	5.1	(672,771)	(1,096,654)	(564,727)	(225,308)
Total loss		(496,520)	(1,139,865)	(495,881)	(278,674)
EXPENSES					
Remuneration of UBL Fund Managers Limited					
- Management Company		73,636	80,442	36,487	37,365
Sindh sales tax on remuneration of Management Company		9,573	10,457	4,744	4,857
Allocated expenses		3,682	4,022	1,825	1,868
Remuneration of Central Depository Company of Pakistan Limited - Trustee		4,730	5,115	2,346	2,396
Annual fee - Securities and Exchange Commission of Pakistan		3,498	3,821	1,733	1,775
Auditors' remuneration		338	291	180	140
Brokerage and settlement charges		7,736	3,793	3,173	1,618
Listing fee		14	14	7	7
Legal and professional charges		82	43	38	13
Charity expense		2,712	2,467	1,905	2,467
Shariah advisor fee		175	169	98	84
Selling and marketing expenses		14,727	16,088	7,297	7,473
Printing expense		10	17	5	17
Bank charges		78	189	50	51
Total expenses		120,991	126,928	59,888	60,131
Net operating loss for the period		(617,511)	(1,266,793)	(555,769)	(338,805)
Provision for Sindh Workers' Welfare Fund (SWWF)	8.2	-	-	-	-
Net loss for the period before taxation		(617,511)	(1,266,793)	(555,769)	(338,805)
Taxation	11	-	-	-	-
Net loss for the period after taxation		(617,511)	(1,266,793)	(555,769)	(338,805)
Allocation of net income for the period					
- Net loss for the period after taxation		-	-	-	-
- Income already paid on units redeemed		-	-	-	-
Net loss for the period after taxation		-	-	-	-
Accounting income for the period available for distribution :					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		-	-	-	-
		-	-	-	-
		-	-	-	-
Earnings per unit	12				

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

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN SHARIAH STOCK FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

		Half year ended		Quarter ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Note		(Rupees in '000)			
Net loss for the period after taxation		(617,511)	(1,266,793)	(555,769)	(338,805)
Items that may be reclassified to income statement					
-Unrealised gain on re-measurement of investments classified as 'Available-for-sale' - net	3.2	-	19,600	-	15,577
Items that will not be reclassified to income statement					
		-	-	-	-
Total comprehensive income for the period		(617,511)	(1,247,193)	(555,769)	(323,228)

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN SHARIAH STOCK FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

		Half year ended				
		December 31, 2018			December 31, 2017	
		Capital value	Undistributed income	Unrealised gain / (loss) on re-measurement of investments classified as 'fair value through other comprehensive income' - net	Total	Total
Note -----(Rupees. in '000)-----						
Net assets at beginning of the period		4,710,901	2,168,845	(602)	6,879,144	8,780,768
Transfer of unrealised diminution of investment classified as available for sale - net to undistributed income upon adoption of IFRS 9	3.2	-	(602)	602	-	-
Amount received on issuance of 17,136,279 units (2017: 20,407,794 units)						
- Capital value		2,301,060	-	-	2,301,060	3,127,699
- Element of loss		(40,913)	-	-	(40,913)	(231,765)
Total amount received on issuance of units		2,260,147	-	-	2,260,147	2,895,934
Amount paid on redemption of 13,459,088 units (2017: 21,809,300 units)						
- Capital value		(1,807,286)	-	-	(1,807,286)	(3,342,493)
- Element of income		33,082	-	-	33,082	319,845
Total amount paid on redemption of units		(1,774,204)	-	-	(1,774,204)	(3,022,648)
Total comprehensive income for the period		-	(617,511)	-	(617,511)	(1,247,193)
Distribution during period Rs. Nil (2017: Rs. Nil)		-	-	-	-	-
Net loss for the period less distribution		-	(617,511)	-	(617,511)	(1,247,193)
Net assets at end of the period		5,196,844	1,550,732	-	6,747,576	7,406,861
Refund / adjustment on units as element of income		-	-	-	-	-
Undistributed income brought forward comprising of:						
- Realised		-	2,915,472	-	2,915,472	2,721,267
- Unrealised		-	(746,627)	(602)	(747,229)	593,616
		-	2,168,845	(602)	2,168,243	3,314,883
Accounting income available for distribution						
- Related to capital gain		-	-	-	-	-
- Excluding capital gain		-	-	-	-	-
Net loss for the period after taxation		-	(617,511)	-	(617,511)	(1,266,793)
Transfer of unrealised diminution of investment classified as available for sale - net to undistributed income upon adoption of IFRS 9	3.2	-	(602)	602	-	-
Distribution during period Rs. Nil (2017: Rs. Nil)		-	-	-	-	-
Undistributed income carried forward - net		-	1,550,732	-	1,550,732	2,048,090
Undistributed income carried forward comprising of:						
- Realised		-	2,223,503	-	2,223,503	3,144,744
- Unrealised		-	(672,771)	-	(672,771)	(1,096,654)
		-	1,550,732	-	1,550,732	2,048,090
----- (Rupees) -----						
Net assets value per unit at the beginning of the period					134.28	153.26
Net assets value per unit at the end of the period					122.89	132.52

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

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN SHARIAH STOCK FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

		Half year ended	
		December 31,	December 31,
		2018	2017
		----- (Rupees in '000) -----	
Note			
CASH FLOWS FROM OPERATING ACTIVITIES			
	Net loss for the period before taxation	(617,511)	(1,266,793)
	Adjustments for:		
	Loss on sale of investments - net	44,207	287,523
	Financial income	(35,015)	(31,359)
	Dividend income	(185,443)	(212,953)
	Unrealised loss on re-measurement of investments classified as financial assets at fair value through profit or loss - net	672,771	1,096,654
5.1		496,520	1,139,865
		(120,991)	(126,928)
Decrease / (increase) in assets			
	Investments - Net	(613,827)	(71,399)
	Security deposits, advances and other receivables	7,781	(11,547)
		(606,046)	(82,946)
(Decrease) / increase in liabilities			
	Payable to UBL Fund Managers Limited - Management Company	881	(6,436)
	Payable to Central Depository Company of Pakistan Limited - Trustee	6	(130)
	Annual Fee Payable to the Securities and Exchange Commission of Pakistan	(3,737)	(2,786)
	Payable against purchase of investments	50,357	(3,241)
	Accrued expenses and other liabilities	(4,042)	(53,298)
		43,465	(65,891)
		(683,572)	(275,765)
	Profit on bank deposits received	33,304	30,903
	Dividend received	208,159	206,177
	Advance tax deducted	(11)	(24)
	Net cash used in operating activities	(442,120)	(38,709)
CASH FLOWS FROM FINANCING ACTIVITIES			
	Receipts from issuance of units	2,260,147	2,895,934
	Payments against redemption of units	(1,774,204)	(3,022,648)
	Net cash generated from / (used in) financing activities	485,943	(126,714)
	Net increase / (decrease) in cash and cash equivalents during the period	43,823	(165,423)
	Cash and cash equivalents at the beginning of the period	645,299	1,211,102
	Cash and cash equivalents at the end of the period	689,122	1,045,679

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN SHARIAH STOCK FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

Al-Ameen Shariah Stock 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 September 11, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 16, 2006 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from November 16, 2006.

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

The Fund is an open ended mutual fund categorised as Shariah Compliant Equity 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 unitholders.

The investment objective of the Fund is to achieve long term capital growth by investing primarily in shariah compliant equity securities. 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. The Fund invests in securities approved by the Shariah Advisory Board.

JCR - VIS Credit Rating Company has re-affirmed management quality rating of AM1 (stable outlook) to the management company as on December 27, 2018.

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

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

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

The comparative statement of asset 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, 2018, whereas the comparative 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 unaudited condensed interim financial information for the period ended December 31, 2017.

In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at December 31, 2018.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, 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, 2018 except as disclosed in note 3.2.

The preparation of this condensed interim financial information in conformity with accounting and reporting standards 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.

The significant estimates, judgments 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 published audited financial statements as at and for the year ended June 30, 2018.

3.2 Impact of initial application of IFRS 9 Financial Instruments

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

Additionally, the Fund adopted consequential amendments to IFRS 7 Financial Instruments: Disclosures that are applied to the disclosures for the half year ended December 31, 2018.

IFRS 9 introduced new requirements for:

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

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

Classification and measurement of financial assets and financial liabilities

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Financial assets

Bank balances	LR	AC	645,299	645,299	-
Investments	HFT/AFS	FVTPL	6,315,913	6,315,913	-
Dividend and profit receivable	LR	AC	37,066	37,066	-
Security deposits, advances and other receivables	LR	AC	49,761	49,761	-
- "LR" is loans and receivables - "AC" is amortised cost - "HFT" is held for trading - "FVTPL" is fair value through profit or loss - "OFL" is other financial liabilities					

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

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

Impairment of financial assets

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

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

Transition

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

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

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

		(Unaudited) December 31, 2018	(Audited) June 30, 2018
Note		-----Rupees in '000-----	
4. BANK BALANCES			
- Profit and loss sharing accounts	4.1	637,204	599,718
- Current accounts		51,918	45,581
		689,122	645,299

4.1 Profit rates on these profit and loss sharing accounts range between 5.5% to 10.5% (June 30, 2018: 5.6% to 6.2%) per annum.

		(Unaudited) December 31, 2018	(Audited) June 30, 2018
Note		-----Rupees in '000-----	
5. INVESTMENTS - NET			
Equity securities			
At fair value through profit or loss			
- Equity securities	5.1	6,212,762	3,859,755
- Letter of rights		-	18,474
Available for sale	3.2		
- Equity securities	5.2	-	2,437,684
		6,212,762	6,315,913

5.1 Equity Securities - At fair value through profit or loss

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

Ordinary Shares of Rs. 10 each unless indicated otherwise)											
Name of Investee Company		As at July 1, 2018	Purchased/ bonus / Transfer In received during the period Refer (Note 3.2)	Sold during the period	As at December 31, 2018	Total carrying value as at December 31, 2018	Total market value as at December 31, 2018	Appreciation/ (diminution) as at December 31, 2018	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											
Attock Petroleum Limited		97,100	3,100	81,600	18,600	9,145	8,026	(1,119)	0.12	0.13	0.02
Pakistan State Oil Company Limited		367,312	752,342	570,400	549,254	141,225	123,818	(17,407)	1.83	1.99	0.14
Sui Northern Gas Pipelines Limited		242,300	229,000	471,300	-	-	-	0.00	0.00	0.00	0.00
						150,369	131,844	(18,525)	1.95	2.12	
OIL AND GAS EXPLORATION COMPANIES											
Oil & Gas Development Company Limited		1,906,600	2,237,121	296,000	3,847,721	594,923	492,508	(102,415)	7.30	7.93	0.09
Pakistan Petroleum Limited		1,398,100	1,838,579	190,000	3,046,679	555,841	455,966	(99,875)	6.76	7.34	0.07
Pakistan Oilfields Limited		9,900	874,470	5,000	879,370	463,226	373,574	(89,652)	5.54	6.01	0.31
Mari Petroleum Company Limited		265,720	181,486	-	447,206	610,002	552,684	(57,318)	8.19	8.90	0.37
						2,223,993	1,874,732	(349,261)	27.78	30.18	
FERTILIZER											
Engro Corporation Limited		1,162,135	1,468,300	488,900	2,141,535	671,913	623,358	(48,555)	9.24	10.03	0.41
Engro Fertilizers Limited		2,896,000	1,585,120	722,500	3,758,620	282,809	259,533	(23,275)	3.85	4.18	0.28
Fauji Fertilizer Company Limited		-	3,203,500	143,000	3,060,500	299,533	284,167	(15,366)	4.21	4.57	0.24
						1,254,254	1,167,058	(87,196)	0.17	0.19	
CHEMICALS											
I.C.I Pakistan Limited		136,750	15,117	120,850	31,017	24,307	24,639	332	0.37	0.40	0.03
Engro Polymer & Chemicals Limited		3,076,000	5,058,972	2,188,000	5,946,972	184,846	220,871	36,025	3.27	3.56	0.65
Engro Polymer and Chemicals Limited (Right 1)		1,692,550	938,000	2,630,550	-	-	-	0.00	0.00	0.00	0.00
Lotte Chemicals Pakistan Limited		-	4,628,500	4,158,000	470,500	5,731	7,947	2,216	0.12	0.13	0.03
Sitara Chemical Industries Limited		-	91,900	-	91,900	32,793	27,570	(5,223)	0.41	0.44	0.43
						247,678	281,027	33,349	0.04	0.05	
CEMENT											
Cherat Cement Company Limited		694,200	550,400	1,030,700	213,900	20,209	14,898	(5,311)	0.22	0.24	0.12
D.G. Khan Cement Company Limited		5.1.1 39,207	1,239,900	1,279,107	-	-	-	-	0.00	0.00	0.00
Fauji Cement Company Limited		38,500	75,000	113,500	-	-	-	-	0.00	0.00	0.00
Kohat Cement Company Limited		1,002,707	2,292,502	121,300	3,173,909	297,928	269,592	(28,336)	4.00	4.34	1.58
Lucky Cement Limited		5.1.1 422,634	374,950	222,150	575,434	279,087	250,124	(28,963)	3.71	4.03	0.18
Attock Cement Pakistan Limited		-	304,900	304,900	-	-	-	-	0.00	0.00	0.00
Maple Leaf Cement Factory		-	206,500	193,000	13,500	610	549	(61)	0.01	0.01	0.00
Pioneer Cement Limited		1,003,356	711,500	1,469,500	245,356	11,106	10,283	(823)	0.15	0.17	0.11
						608,941	545,446	(63,494)	8.08	8.78	
AUTOMOBILE ASSEMBLER											
Honda Atlas Cars (Pakistan) Limited		307,500	154,200	265,000	196,700	55,470	34,725	(20,745)	0.51	0.56	0.14
Millat Tractors Limited		63,020	14,980	78,000	-	-	-	-	0.00	0.00	0.00
Pak Suzuki Motor Company Limited		6,050	67,500	73,500	50	11	9	(2)	0.00	0.00	0.00
						55,481	34,734	(20,747)	0.51	0.56	
PAPER AND BOARD											
Century Paper and Board Mills		1,062,000	939,062	-	2,001,062	126,901	110,679	(16,222)	1.64	1.78	1.36
Packages Limited		22,763	69,250	6,000	86,013	35,112	33,272	(1,840)	0.49	0.54	0.10
						162,013	143,951	(18,062)	2.13	2.32	
COMMERICAL BANKS											
Meezan Bank Limited		397,000	3,583,382	333,000	3,647,382	286,568	336,982	50,414	4.99	5.42	0.31
						286,568	336,982	50,414	4.99	5.42	
TEXTILE COMPOSITE											
Nishat Mills Limited		1,563,000	1,255,422	357,000	2,461,422	345,235	311,444	(33,791)	4.62	5.01	0.70
Kohinoor Textile Mills Limited		-	1,373,100	-	1,373,100	74,509	61,899	(12,610)	0.92	1.00	0.46
						419,744	373,343	(46,401)	5.53	6.01	
POWER GENERATION AND DISTRIBUTION											
The Hub Power Company Limited		3,443,628	3,539,588	440,000	6,543,216	603,156	561,343	(41,813)	8.32	9.04	0.57
Saif Power Limited		-	1,902,000	-	1,902,000	50,304	48,843	(1,461)	0.72	0.79	0.49
Lalpur Power Limited		-	1,465,500	-	1,465,500	28,152	24,195	(3,957)	0.36	0.39	0.39
PakGen Power Limited		-	2,334,000	-	2,334,000	44,383	39,771	(4,612)	0.59	0.64	0.63
K-Electric Limited (Face value of Rs. 3.5 per share)		8,804,236	8,735,500	7,988,000	9,551,736	54,017	56,737	2,720	0.84	0.91	0.03
						780,012	730,889	(49,123)	10.83	11.76	
AUTOMOBILE PARTS AND ACCESSORIES											
Thal Limited (Face Value Rs. 5 per share)		370,050	83,800	20,300	433,550	204,105	185,412	(18,693)	2.75	2.98	0.54
						204,105	185,412	(18,693)	2.75	2.98	
GLASS & CERAMICS											
Tariq Glass Industries Limited		1,383,900	300,000	1,010,700	673,200	72,140	58,696	(13,444)	0.87	0.94	0.92
						72,140	58,696	(13,444)	0.87	0.94	
ENGINEERING											
Amreli Steels Limited		96,500	1,077,700	1,149,000	25,200	1,778	1,207	(571)	0.02	0.02	0.01
International Steels Limited		972,000	938,263	552,100	1,358,163	137,067	89,326	(47,741)	1.32	1.44	0.31
Ittefaq Iron Industries Limited		350,000	176,000	526,000	-	-	-	-	0.00	0.00	0.00
Mughal Iron & Steel Industries Limited		191,000	-	191,000	-	-	-	-	0.00	0.00	0.00
International Industries Limited		-	290,000	-	290,000	41,876	44,675	2,799	0.66	0.72	0.24
						180,721	135,208	(45,513)	2.00	2.18	
FOOD AND PERSONAL CARE PRODUCTS											
Al Shaheer Corporation		2,133,000	1,542,500	-	3,675,500	101,087	87,955	(13,132)	1.30	1.42	2.59
						101,087	87,955	(13,132)	1.30	1.42	
PHARMACEUTICALS											
The Searle Company Limited		5.1.1 & 5.1.2 96,929	7,789	45,000	59,718	17,631	14,666	(2,965)	0.22	0.24	0.03
						17,631	14,666	(2,965)	0.22	0.24	
TECHNOLOGY & COMMUNICATION											
Systems Limited		-	875,000	-	875,000	98,339	96,136	(2,203)	1.42	1.55	0.78
						98,339	96,136	(2,203)	1.42	1.55	
MISCELLINIOUS											
Synthetic Products Enterprises Limited		-	514,500	75,000	439,500	22,458	14,683	(7,775)	0.22	0.24	0.52
						22,458	14,683	(7,775)	0.22	0.24	
Total December 31, 2018 (Un-Audited)						6,885,534	6,212,762	(672,771)			
Total June 30, 2018 (Audited)						4,621,407	3,859,755	(761,652)			

- 5.1.1** These equity securities include 0.24 million shares (June 30, 2018: 0.35 million shares) pledged with National Clearing Company of Pakistan Limited having market value of Rs. 103.73 million (June 30, 2018: Rs. 139.73 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.
- 5.1.2** The Finance Act, 2014 had brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. An investee company of the Fund, in pursuance of the aforesaid amendment, withheld shares equivalent to 5% of bonus entitlement of the Fund having fair market value of Rs. 16.46 million (2018: Rs. 19.74 million) at period end. Such shares have not been deposited by the investee company in CDC account of Income Tax department. The Fund has included in its investments the withheld shares and recorded them at fair market value at period end. However, through Finance Act 2018, the tax on bonus is withdrawn.

5.2 Equity Securities - Available for sale

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

Name of Investee Company	As at July 1, 2018	Purchased/ bonus received during the year	Transferred to Fair value through P&L Refer (Note 3.2)	As at December 31, 2018	Total carrying value as at December 31, 2018	Total market value as at December 31, 2018	Unrealised gain / (loss) as at December 31, 2018	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			%		
OIL AND GAS MARKETING COMPANIES										
Pakistan State Oil Company Limited	325,800	-	325,800	-	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	229,000	-	229,000	-	-	-	-	-	-	-
OIL AND GAS EXPLORATION COMPANIES										
Oil and Gas Development Company Limited	1,251,900	-	1,251,900	-	-	-	-	-	-	-
Pakistan Petroleum Limited	745,400	-	745,400	-	-	-	-	-	-	-
Pakistan Oilfields Limited	398,300	-	398,300	-	-	-	-	-	-	-
Mari Petroleum Company Limited	43,960	-	43,960	-	-	-	-	-	-	-
FERTILIZER										
Engro Corporation Limited	881,100	-	881,100	-	-	-	-	-	-	-
Engro Fertilizers Limited	1,105,500	-	1,105,500	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited	847,000	-	847,000	-	-	-	-	-	-	-
CHEMICALS										
I.C.I Pakistan Limited	300	-	300	-	-	-	-	-	-	-
Lotte Chemical Pakistan Limited	2,991,000	-	2,991,000	-	-	-	-	-	-	-
Engro Polymer and Chemicals Limited	1,097,000	-	1,097,000	-	-	-	-	-	-	-
CEMENT										
Cherat Cement Company Limited	514,700	-	514,700	-	-	-	-	-	-	-
D.G. Khan Cement Company Limited	541,700	-	541,700	-	-	-	-	-	-	-
Fauji Cement Company Limited	75,000	-	75,000	-	-	-	-	-	-	-
Kohat Cement Company Limited	889,400	-	889,400	-	-	-	-	-	-	-
Lucky Cement Limited	69,950	-	69,950	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	110,000	-	110,000	-	-	-	-	-	-	-
Attock Cement (Pakistan) Limited	304,900	-	304,900	-	-	-	-	-	-	-
Pioneer Cement Limited	411,500	-	411,500	-	-	-	-	-	-	-
AUTOMOBILE ASSEMBLER										
Honda Atlas Cars (Pakistan) Limited	44,500	-	44,500	-	-	-	-	-	-	-
Millat Tractors Limited	14,980	-	14,980	-	-	-	-	-	-	-
PAPER AND BOARD										
Century Paper and Board Mills	3,500	-	3,500	-	-	-	-	-	-	-
TEXTILE COMPOSITE										
Nishat Mills Limited	413,000	-	413,000	-	-	-	-	-	-	-
Kohinoor Textile Mills Limited	1,123,100	-	1,123,100	-	-	-	-	-	-	-
COMMERCIAL BANKS										
Meezan Bank Limited	1,197,020	-	1,197,020	-	-	-	-	-	-	-
POWER GENERATION AND DISTRIBUTION										
The Hub Power Company Limited	2,172,000	-	2,172,000	-	-	-	-	-	-	-
Saif Power Limited	1,350,000	-	1,350,000	-	-	-	-	-	-	-
Lalpir Power Limited	1,465,500	-	1,465,500	-	-	-	-	-	-	-
PAKGEN Power Limited	2,104,000	-	2,104,000	-	-	-	-	-	-	-
K-Electric Limited (Face value of Rs. 3.5 per share)	3,800,000	-	3,800,000	-	-	-	-	-	-	-
AUTOMOBILE PARTS AND ACCESSORIES										
Thal Limited (Face Value Rs. 5 per share)	7,500	-	7,500	-	-	-	-	-	-	-
GLASS AND CERAMICS										
Tariq Glass Industries Limited	300,000	-	300,000	-	-	-	-	-	-	-
ENGINEERING										
Amrel Steels Limited	1,077,700	-	1,077,700	-	-	-	-	-	-	-
International Steels Limited	592,200	-	592,200	-	-	-	-	-	-	-
Ittefaq Iron Industries Limited	176,000	-	176,000	-	-	-	-	-	-	-
FOOD AND PERSONAL CARE PRODUCTS										
Al Shaheer Corporation	265,000	-	265,000	-	-	-	-	-	-	-
MISCELLANEOUS										
Synthetic Products Enterprises Limited	514,500	-	514,500	-	-	-	-	-	-	-
Total December 31, 2018 (Un-Audited)										
Total June 30, 2018 (Audited)					2,508,112	2,437,684	(70,428)			

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 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). During the year, prior to receiving tax exemption certificate(s) from CIR various withholding agents had deducted advance tax under section 150, 150A and 151 of ITO 2001. The Management Company has filed refund application and is confident that the same shall be refunded.

	(Unaudited) December 31, 2018	(Audited) June 30, 2018
Note	-----Rupees in '000-----	

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

Management fee (including Sindh Sales Tax there against)		13,450	13,377
Allocated expenses	7.1	595	1,203
Sales load and conversion charges		2,235	839
Shariah advisor fee		29	25
Selling and marketing expenses	7.2	7,297	7,281
Other payables		17	17
		<u>23,623</u>	<u>22,742</u>

7.1 Allocated expenses

As per regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.

7.2 Selling and marketing expenses

SECP vide Circular No. 40 of 2016 dated December 30, 2016, prescribed certain conditions on Asset Management Companies (AMCs) for charging of selling and marketing expenses to certain collective investment schemes managed by them. Pursuant to the circular, the AMCs are allowed to charge selling and marketing expenses for an initial period of three years (from January 01, 2017 till December 31, 2019) at a maximum cap of 0.4% per annum of net assets of the Fund or actual expenses, whichever is lower. Accordingly, the Management Company has charged 0.4% of daily net assets of the Fund, being the lower amount.

	(Unaudited) December 31, 2018	(Audited) June 30, 2018
Note	-----Rupees in '000-----	

8. ACCRUED EXPENSES AND OTHER LIABILITIES

Auditor's remuneration		322	286
Sales load payable		175	402
Tax deduction at source		137	137
Zakat deducted at source		1,044	2,675
Commission payable		3,106	2,822
Capital gain tax payable		1,123	848
Charity payable		3,412	4,117
Provision for indirect duties and taxes	8.1	59,585	59,585
Provision for Sindh Workers' Welfare Fund	8.2	63,333	63,333
Sindh sales tax payable		68	68
Others		71	2,145
		<u>132,376</u>	<u>136,418</u>

8.1 Provision for indirect taxes and duties

This includes provision for federal excise duty (FED) as at December 31, 2018 amounting to Rs. 54.504 million (June 30, 2018: Rs. 54.504 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.2 to the annual audited financial statements for the year ended June 30, 2018. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 54,504 million till June 30, 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Rs. 0.99 (June 30, 2018: Rs. 1.06).

8.2 Provision For Sindh Workers' Welfare Fund

This represents provision for Sindh Workers' Welfare Fund (SWWF) as at December 31, 2018. The Management Company, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis. Had the SWWF not been provided for, the net assets value per unit would have been higher by Rs. 1.15 (June 30, 2018: Rs. 1.24). The details regarding this provision are disclosed in note 13.3 to the annual audited financial statements for the year ended June 30, 2018.

As disclosed in note 13.3 to the annual financial statements for the year ended June 30, 2018, the Provision for Workers' Welfare Fund (WWF) held in the books of accounts till June 30, 2015 was reversed on January 12, 2017. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.3 to the annual audited financial statements for the year ended June 30, 2018.

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2018 and June 30, 2018.

	(Unaudited) December 31, 2018	(Audited) June 30, 2018
	-----Rupees in '000-----	
10. NUMBER OF UNITS IN ISSUE		
Total units in issue at the beginning of the period	51,231,359	57,291,914
Units issued during the period	17,136,279	36,989,570
Units redeemed during the period	(13,459,088)	(43,050,125)
Total units in issue at the end of the period	54,908,550	51,231,359

11. TAXATION

According to Regulation 63 of Non-Banking Finance Companies and Notified Entities Regulations, 2008, Management Company is required to distribute, by way of dividend, more than 90 percent of accounting income received or derived from sources other than capital gains (both realised and unrealised) during the year. Since the Fund has incurred net loss during the period ended December 31, 2018, no provision for taxation has been made in these financial statements as the management believes that the Fund will qualify for exemption under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

12. 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 the cumulative weighted average number of outstanding units for calculating EPU is not practicable.

13. TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP the Total Expense Ratio of the Fund is 1.66% as on December 31, 2018 (June 30, 2018: 3.15%) and this includes 0.2% (June 30, 2018: 0.37%) representing government levy, worker's welfare fund and SECP fee.

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

	Un-Audited As at December 31, 2018			
	Fair Value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
ASSETS				
Investment in securities - financial assets at fair value through profit or loss				
- Equity securities	6,212,762	-	-	6,212,762
	6,212,762	-	-	6,212,762
	Audited As at June 30, 2018			
	Fair Value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
ASSETS				
Investment in securities - financial assets at fair value through profit or loss - held for trading				
- Equity securities	3,859,755	-	-	3,859,755
- Letter of right	18,474	-	-	18,474
Available for sale				
- Equity securities	2,437,684	-	-	2,437,684
	6,315,913	-	-	6,315,913

14.1 The Fund has not disclosed the fair values for other financial assets and financial liabilities, as their estimated fair value is considered not significantly different from the carrying value as the items are short term in nature.

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

15. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 15.1** Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, the Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of the Management Company.
- 15.2** Transactions with the connected persons are in the normal course of business, at agreed / contracted rates.
- 15.3** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 15.4** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.
- 15.5** Details of transactions with related parties / connected persons during the period and balances held with them at the half year ended December 31, 2018 are as follows:

Management Company	Associated Companies and others * & **	Trustee	Funds under Common Management	Directors and Key Executives***	Other Connected persons / related parties
Half year ended December 31, 2018					
(Units in '000)					

Transactions during the period

Units Issued	311	-	-	-	22	-
Units Redeemed	311	-	-	-	21	-
(Rupees in '000)						
Profit on PLS accounts	-	28,043	-	-	-	-
Bank and other charges	-	64	-	-	-	-
Value of units issued	40,000	-	-	-	2,928	-
Value of units redeemed	41,678	-	-	-	2,737	-
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-
Remuneration (Including sales tax)	83,209	-	4,730	-	-	-
Shariah advisor fee	175	-	-	-	-	-
Selling and marketing expenses	14,727	-	-	-	-	-
Allocated expense	3,682	-	-	-	-	-
CDS expense	-	-	202	-	-	-

Management Company	Associated Companies and others * & **	Trustee	Funds under Common Management	Directors and Key Executives***	Other Connected persons / related parties
As at December 31, 2018					
(Units in '000)					

Balance held

Units held	-	-	-	-	178	9,229
(Rupees in '000)						
Value of units held	-	-	-	-	21,920	1,134,176
Bank balances	-	634,758	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable	-	5,278	-	-	-	-
Remuneration payable (Including sales tax)	13,450	-	768	-	-	-
Sales load payable	2,086	174	-	-	-	-
Shariah advisor fees	29	-	-	-	-	-
Selling and marketing expenses payable	7,297	-	-	-	-	-
Allocated Expenses Payable	595	-	-	-	-	-
Conversion Charges and Other Payables	166	-	-	-	-	-

Management Company	Associated Companies and others * & **	Trustee	Funds under Common Management	Directors and Key Executives***	Other Connected persons / related parties

----- Half year ended December 31, 2017 -----

Transactions during the period

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

Units Issued	-	-	-	-	45	1,179
Units Redeemed	-	-	-	-	61	1,813

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

Profit on PLS accounts	-	24,422	-	-	-	-
Bank and other charges	-	171	-	-	-	-
Value of units issued	-	-	-	-	6,409	-
Value of units redeemed	-	-	-	-	8,734	-
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-
Remuneration (Including sales tax)	90,899	-	5,115	-	-	-
Shariah advisor fee	169	-	-	-	-	-
Selling and marketing expenses	16,088	-	-	-	-	-
Allocated expense	4,022	-	-	-	-	-
CDS expense	-	-	248	-	-	-

Management Company	Associated Companies and others * & **	Trustee	Funds under Common Management	Directors and Key Executives***	Other Connected persons / related parties

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

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

Balances held

Units held	-	1,525	-	-	184	9,229

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

Units held (Rupees in '000)	-	233,717	-	-	28,244	1,414,494
Bank balances	-	348,031	-	-	-	-
Deposits	-	-	100	-	-	-
Profit Receivable	-	2,590	-	-	-	-
Remuneration payable (Including sales tax)	13,377	-	762	-	-	-
Sales load payable	706	393	-	-	-	-
Allocated expense payable	1,203	-	-	-	-	-
Shariah Advisor fees	25	-	-	-	-	-
Selling and Marketing expenses payable	7,281	-	-	-	-	-
Other payable	150	-	-	-	-	-

* This represents 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 exist as at December 31, 2018.

*** These include transactions and balances in relation to those directors and key executives that exist as at December 31, 2018.

16. GENERAL

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

16.2 This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2018 have not been reviewed by auditors.

17. DATE OF AUTHORISATION FOR ISSUE

17.1 This condensed interim financial information was authorized for issue by the Board of Directors of the Management Company on February 27, 2019.

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AIDEF

Al-Ameen Islamic Dedicated Equity Fund

INVESTMENT OBJECTIVE

The investment objective of the Fund is to provide other 'Fund of Funds' schemes an avenue for investing in Shariah compliant Equities.

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	Deloitte Yousuf Adil & Co., Chartered Accountants
Bankers	Bank Alfalah Limited Faysal Bank Limited Bank Islami Pakistan Limited Allied Bank Limited Habib Metropolitan Bank Limited National Bank of Pakistan United Bank Limited Dubai Islamic Bank
Management Co. Rating	AM 1 (JCR-VIS)

**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) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



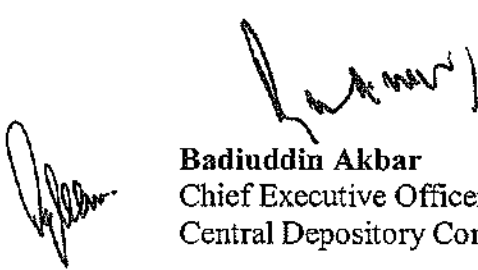
TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC DEDICATED EQUITY 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 Al-Ameen Islamic Dedicated Equity 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, 2018 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 Akbar
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 22, 2019

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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AL AMEEN ISLAMIC DEDICATED EQUITY FUND** (here-in-after referred to as the "Fund") as at December 31, 2018, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unitholders' funds, condensed interim statement of cash flows and notes to the accounts (here-in-after referred to as the 'condensed interim financial information') for the half year ended December 31, 2018. 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. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2018.

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 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, 2018 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Deloitte Yousuf Adil
Chartered Accountants

Engagement Partner:
Nadeem Yousuf Adil

Date: February 27, 2019
Place: Karachi

AL-AMEEN ISLAMIC DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2018

		(Un-audited) December 31, 2018	(Audited) June 30, 2018
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	1,074,930	979,428
Investments - net	5	7,093,467	10,265,243
Dividend and profit receivable		7,767	46,533
Prepayments, deposits and other receivables		46,172	66,441
Advance income tax	6	2,168	2,168
Preliminary expenses and floatation costs		442	553
Total assets		8,224,946	11,360,366
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	7	24,458	35,278
Payable to Central Depository Company of Pakistan Limited - Trustee		855	1,174
Annual fee payable to the Securities and Exchange Commission of Pakistan		4,442	11,292
Payable against purchase of investment		149,690	29,336
Accrued expenses and other liabilities	8	86,580	86,647
Total liabilities		266,025	163,727
Net Assets		7,958,921	11,196,639
Unit Holders' Fund (As Per Statement Attached)		7,958,921	11,196,639
CONTINGENCIES AND COMMITMENTS			
	9	----- (Number of units) -----	
Number of Units in Issue	10	75,004,707	96,571,467
		----- (Rupees) -----	
Net Asset Value Per Unit		106.11	115.94
Face Value per Unit		100	100

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

For UBL Fund Managers Limited
 (Management Company)

SD
 Chief Executive Officer

SD
 Chief Financial Officer

SD
 Director

AL-AMEEN ISLAMIC DEDICATED EQUITY FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

		Half year ended		Quarter ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Note		(Rupees in '000)			
INCOME					
	Loss on sale of investments - net	(77,217)	(415,144)	(78,170)	(317,566)
	Profit on bank deposits	43,047	48,567	22,671	23,288
	Dividend income	235,390	325,366	129,809	230,993
	Unrealised loss on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(708,545)	(1,594,262)	(525,286)	(320,221)
5.1					
	Total loss	(507,325)	(1,635,473)	(450,976)	(383,506)
EXPENSES					
	Remuneration of UBL Fund Managers Limited - Management Company	93,544	120,539	43,043	58,513
	Sindh sales tax on remuneration of Management Company	12,161	15,670	5,596	7,607
	Allocated expenses	4,677	6,027	2,152	2,926
	Shariah advisor fee	175	169	98	84
	Remuneration of Central Depository Company of Pakistan Limited - Trustee	5,857	7,380	2,719	3,591
	Annual fee - Securities and Exchange Commission of Pakistan	4,443	5,726	2,044	2,780
	Listing fee	14	14	7	7
	Auditors' remuneration	211	180	115	85
	Brokerage and settlement charges	12,251	4,426	7,074	1,819
	Charity expense	3,465	3,745	2,376	3,745
	Selling and marketing expenses	18,709	24,108	8,609	11,703
	Legal and professional charges	82	43	38	43
	Bank and other charges	25	112	8	63
	Amortization of preliminary expenses	111	111	56	56
	Total expenses	155,725	188,250	73,935	93,022
	Net operating loss for the period	(663,050)	(1,823,723)	(524,911)	(476,528)
8.2	Provision for Sindh Workers' Welfare Fund (SWWF)	-	-	-	-
	Net loss for the period before taxation	(663,050)	(1,823,723)	(524,911)	(476,528)
11	Taxation	-	-	-	-
	Net loss for the period after taxation	(663,050)	(1,823,723)	(524,911)	(476,528)
Allocation of net income for the period					
	- Net loss for the period after taxation	-	-	-	-
	- Income already paid on units redeemed	-	-	-	-
	Net loss for the period after taxation	-	-	-	-
Accounting income for the period available for distribution :					
	- Relating to capital gains	-	-	-	-
	- Excluding capital gains	-	-	-	-
		-	-	-	-
		-	-	-	-
	Earnings per unit				
12					

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

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN ISLAMIC DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

		Half year ended		Quarter ended	
		December 31,	December 31,	December 31,	December 31,
		2018	2017	2018	2017
Note		(Rupees in '000)			
Net loss for the period after taxation		(663,050)	(1,823,723)	(524,911)	(476,528)
Other comprehensive income					
Items that may be reclassified subsequently to income statement					
Unrealised loss on re-measurement of investments classified as 'available for sale - net'	3.2	-	(541)	-	(1,989)
Items that will not be reclassified subsequently to income statement		-	-	-	-
Total comprehensive income for the period		(663,050)	(1,824,264)	(524,911)	(478,517)

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN ISLAMIC DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

Half year ended

	December 31, 2018				December 31, 2017
	Capital value	Undistributed income	Unrealised gain / (loss) on re-measurement of investments classified as 'available for sale' net	Total	Total
Note	(Rupees. in '000)				
Net assets at beginning of the period	10,097,362	1,077,083	22,194	11,196,639	11,735,475
Transfer of unrealised diminution of investment classified as available for sale - net to undistributed income upon adoption of IFRS 9	3.2	-	22,194	(22,194)	-
Amount received on issuance of 21,024,136 units (2017: 53,968,420 units)					
- Capital value	2,437,538	-	-	2,437,538	7,216,657
- Element of loss	(80,792)	-	-	(80,792)	(686,380)
Total amount received on issuance of units	2,356,746	-	-	2,356,746	6,530,277
Amount paid on redemption of 42,590,896 units (2017: 40,560,050 units)					
- Capital value	(4,937,988)	-	-	(4,937,988)	(5,423,690)
- Element of income	6,574	-	-	6,574	581,823
Total amount paid on redemption of units	(4,931,414)	-	-	(4,931,414)	(4,841,867)
Total comprehensive loss for the period	-	(663,050)	-	(663,050)	(1,824,264)
Distribution during the period Rs. Nil per unit (2017: Rs.Nil)	-	-	-	-	-
Net loss for the period less distribution	-	(663,050)	-	(663,050)	(1,824,264)
Net assets at end of the period	7,522,694	436,227	-	7,958,921	11,599,621
Undistributed income brought forward comprising of:					
- Realised	-	2,165,657	-	2,165,657	1,880,241
- Unrealised	-	(1,088,574)	22,194	(1,066,380)	877,652
	-	1,077,083	22,194	1,099,277	2,757,893
Accounting income available for distribution					
- Related to capital gain	-	-	-	-	-
- Excluding capital gain	-	-	-	-	-
Net loss for the period after taxation	-	(663,050)	-	(663,050)	(1,823,723)
Transfer of unrealised diminution of investment classified as available for sale - net to undistributed income upon adoption of IFRS 9	3.2	-	22,194	(22,194)	-
Distribution during the period Rs. Nil per unit (2017: Rs.Nil)	-	-	-	-	-
Undistributed income carried forward - net	-	436,227	-	436,227	934,170
Undistributed income carried forward comprising of:					
- Realised	-	1,144,772	-	1,144,772	2,528,432
- Unrealised	-	(708,545)	-	(708,545)	(1,594,262)
	-	436,227	-	436,227	934,170
					------(Rupees)-----
Net assets value per unit at the beginning of the period				115.94	133.72
Net assets value per unit at the end of the period				106.11	114.66

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

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

**AL-AMEEN ISLAMIC DEDICATED EQUITY FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018**

Note	Half year ended	
	December 31, 2018	December 31, 2017
	------(Rupees in '000)-----	

CASH FLOWS FROM OPERATING ACTIVITIES

Net loss for the period before taxation (663,050) (1,823,723)

Adjustments for:

Dividend income	(235,390)	(325,366)
Profit on bank deposits	(43,047)	(48,567)
Loss on sale of investments - net	77,217	415,144
Unrealised loss on re-measurement of investments classified as financial assets at fair value through profit or loss - net	708,545	1,594,262
Amortization of preliminary expense	111	111
	507,436	1,635,584
	(155,614)	(188,139)

Decrease / (increase) in assets

Investments - net	2,386,014	(365,372)
Advance income tax	-	592
Prepayments, deposits and other receivables	20,269	(19,293)
	2,406,283	(384,073)

(Decrease) / increase in liabilities

Payable to UBL Fund Managers Limited - Management Company	(10,820)	(7,729)
Payable to Central Depository Company of Pakistan Limited - Trustee	(319)	(144)
Annual fee payable to the Securities and Exchange Commission of Pakistan	(6,850)	(4,288)
Payable against purchase of investment	120,354	(4,059)
Accrued expenses and other liabilities	(67)	(783,579)
	102,298	(799,799)
	2,352,967	(1,372,011)
Profit on bank deposit received	40,802	51,676
Dividend income received	276,401	290,704

Net cash generated from / (used in) operating activities 2,670,170 (1,029,631)

CASH FLOWS FROM FINANCING ACTIVITIES

Net receipts from issuance of units	2,356,746	6,530,277
Net payments against redemption of units	(4,931,414)	(4,841,867)
Net cash (used in) / generated from financing activities	(2,574,668)	1,688,410
Net increase in cash and cash equivalents during the period	95,502	658,779
Cash and cash equivalents at the beginning of the period	979,428	884,816
Cash and cash equivalents at the end of the period	1,074,930	1,543,595

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN ISLAMIC DEDICATED EQUITY FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

Al-Ameen Islamic 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 October 10, 2015 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 20, 2015 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from January 5, 2016.

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 categorised as Shariah Compliant Equity 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 unitholders.

The investment objective of the Fund is to provide other 'Fund of Funds' schemes an avenue for investing in Shariah Compliant Equities. The Fund seeks to maximize total returns and outperform its benchmark by investing in a combination of securities offering superior risk adjusted returns. The Fund invests in securities approved by the Shariah Advisory Board.

JCR - VIS Credit Rating Company has reaffirmed management quality rating of AM1 (stable outlook) to the management company as on December 27, 2018.

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

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

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

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

2.1.3 The comparative statement of asset 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, 2018, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended December 31, 2017.

2.1.4 In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at December 31, 2018.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, 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, 2018 except as disclosed in note 3.2.

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.2 Impact of initial application of IFRS 9 Financial Instruments

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

Additionally, the Fund adopted consequential amendments to IFRS 7 Financial Instruments: Disclosures that are applied to the disclosures for the half year ended December 31, 2018.

IFRS 9 introduced new requirements for:

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

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

Classification and measurement of financial assets and financial liabilities

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Financial assets

Bank balances	LR	AC	979,428	979,428	-
Investments	HFT/AFS	FVTPL	10,265,243	10,265,243	-
Dividend and profit receivable	LR	AC	46,533	46,533	-
Security deposits, advances and other receivables	LR	AC	66,441	66,441	-

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

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

Impairment of financial assets

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

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated 21 November 2017 has deferred the applicability of above impairment requirements in relation to debt securities for mutual funds.

Transition

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

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

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

Note	(Un-audited) December 31, 2018	(Audited) June 30, 2018
	-----Rupees in '000-----	
4.	BANK BALANCES	
	In local currency:	
- Profit and loss sharing accounts	4.1 987,244	886,012
- Current account	87,686	93,416
	<u>1,074,930</u>	<u>979,428</u>

- 4.1 Profit rate on these profit and loss sharing accounts is 5.50% to 10.5% (June 30, 2018: 4% to 6.20%) per annum.

Note	(Un-audited) December 31, 2018	(Audited) June 30, 2018
	-----Rupees in '000-----	

5. INVESTMENTS - NET

Equity Securities

At fair value through profit or loss

- equity securities	5.1 7,093,467	6,047,618
- letter of rights	-	21,440
Available for sale	3.2	
- equity securities	5.2 -	4,196,185
	<u>7,093,467</u>	<u>10,265,243</u>

5.1 Equity securities - At fair value through profit and loss

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

Ordinary Shares of Rs. 10 each unless indicated otherwise											
Name of Investee Company	As at July 1, 2018	Purchased / Transferred in / bonus received during the period (Refer Note 3.2)	Sold during the period	As at December 31, 2018	Total carrying value as at December 31, 2018	Total market value as at December 31, 2018	Appreciation / (diminution) as at December 31, 2018	Market value as a percentage of net assets	Market value as a percentage of total investments	Investment as a percentage of paid up capital of investee company	
Quoted investments	Note	Number of shares			Rupees in '000			%			
OIL & GAS MARKETING COMPANIES											
Pakistan State Oils Limited	5.1.2	556,247	989,462	912,434	633,275	162,999	142,759	(20,240)	1.79	2.01	
Attock Petroleum Limited		176,000	9,070	163,350	21,720	10,679	9,372	(1,307)	0.12	0.13	
Sui Northern Gas Pipelines Co. Ltd		601,100	430,000	1,031,100	-	-	-	-	-	0.00	
						173,678	152,131	(21,547)	1.91	2.14	
OIL & GAS EXPLORATION COMPANIES											
Pakistan Petroleum Limited	2,591,400	1,878,625	1,029,295	3,440,730	626,535	514,940	(111,596)	6.47	7.26	0.15	
Pakistan Oilfields Limited	24,650	1,208,510	199,750	1,033,410	536,185	439,013	(97,172)	5.52	6.19	0.36	
Mari Petroleum Company Limited	424,331	185,379	72,055	537,655	733,811	664,466	(69,345)	8.35	9.37	0.44	
Oil and Gas Development Co. Limited	3,033,500	3,103,100	1,877,641	4,258,959	659,190	545,147	(114,044)	6.85	7.69	0.10	
					2,555,722	2,163,566	(392,156)	27.18	30.50		
ENGINEERING											
Amreli Steels Limited	789,000	1,007,600	1,796,510	90	6	4	(2)	0.00	0.00	0.00	
Mughal Iron And Steel Industries Limited	577,942	-	577,900	42	3	2	(1)	0.00	0.00	0.00	
International Steels	1,511,900	1,290,700	1,421,025	1,381,575	140,052	90,866	(49,186)	1.14	1.28	0.32	
Ittefaq Iron Industries Limited	-	1,444,000	1,444,000	-	-	-	-	-	-	0.00	
International Industries Limited	-	290,000	-	290,000	41,876	44,675	2,799	0.56	0.63	0.24	
					181,937	135,547	(46,390)	1.70	1.91		
FERTILIZER											
Engro Corporation	1,648,765	2,532,000	1,643,200	2,537,565	787,915	738,634	(49,281)	9.28	10.41	0.48	
Engro Fertilizer Limited	4,692,000	2,293,000	2,482,239	4,502,761	335,372	310,916	(24,457)	3.91	4.38	0.34	
Fauji Fertilizer Company Limited	-	4,097,500	535,500	3,562,000	345,121	330,732	(14,389)	4.16	4.66	0.28	
					1,468,408	1,380,282	(88,126)	17.34	19.46		
CHEMICALS											
Engro Polymer and Chemicals Limited	1,133,500	10,077,798	4,102,844	7,108,454	228,084	264,008	35,924	3.32	3.72	0.78	
Lotte Chemical Pakistan Ltd	-	50,000	-	50,000	540	845	305	0.01	0.01	0.00	
Sitara Chemicals industries	-	158,750	114,000	44,750	14,356	13,425	(931)	0.17	0.19	0.21	
ICI Pakistan Limited	190,616	42,400	203,106	29,910	23,054	23,760	706	0.30	0.33	0.03	
					266,034	302,037	36,003	3.79	4.26		
CEMENT											
Fauji Cement Co. Limited	665,000	150,000	815,000	-	-	-	-	-	-	0.00	
Pioneer Cement Limited	1,013,744	1,523,200	2,534,000	2,944	136	123	(13)	0.00	0.00	0.00	
D.G.Khan Cement Co. Limited	5.1.1	44,893	1,340,300	1,385,193	-	-	-	-	-	0.00	
Maple Leaf Cement Factory Limited	-	200,000	20,000	180,000	8,843	7,317	(1,526)	0.09	0.10	0.03	
Cherat Cement Company Limited	1,376,158	762,200	1,948,900	189,458	18,242	13,196	(5,047)	0.17	0.19	0.11	
Lucky Cement Company Limited	741,716	448,800	513,106	677,410	328,888	294,450	(34,439)	3.70	4.15	0.21	
Kohat Cement Company Limited	1,360,693	3,035,757	711,500	3,684,950	344,529	313,000	(31,529)	3.93	4.41	1.83	
Attock Cement Company Limited	37,100	467,400	504,500	-	-	-	-	-	-	0.00	
					700,639	628,086	(72,554)	7.89	8.85		
PAPER AND BOARD											
Packages Limited	55,487	94,850	55,150	95,187	36,726	36,820	94	0.46	0.52	0.11	
Century Paper and Board Mills Limited	1,479,000	951,300	705,645	1,724,655	105,918	95,391	(10,527)	1.20	1.34	1.17	
Cherat Packaging Limited	178,100	32,841	210,941	-	-	-	-	-	-	0.00	
					142,644	132,211	(10,433)	1.66	1.86		
AUTOMOBILE ACCESSORIES											
Thal Limited (Face value of Rs. 5 per share)	627,000	11,600	255,634	382,966	182,024	163,779	(18,245)	2.06	2.31	0.47	
					182,024	163,779	(18,245)	2.06	2.31		
TEXTILE COMPOSITE											
Kohinoor Textile Mills Limited	-	2,098,900	265,000	1,833,900	98,148	82,672	(15,476)	1.04	1.17	0.61	
Nishat Mills Limited	2,319,300	2,156,800	1,471,443	3,004,657	419,473	380,179	(39,294)	4.78	5.36	0.85	
					517,621	462,851	(54,770)	5.82	6.53		
FOOD AND PERSONAL CARE PRODUCTS											
Al-Shaheer Corporation Limited	2,599,500	2,352,000	1,505,243	3,446,257	92,471	82,469	(10,002)	1.04	1.16	2.42	
					92,471	82,469	(10,002)	1.04	1.16		
POWER GENERATION AND DISTRIBUTION											
Hub Power Company Limited	5.1.1	5,551,772	5,100,300	3,078,177	7,573,895	693,002	649,764	(43,238)	8.16	9.16	
Lalpir Power Limited	-	2,711,500	-	2,711,500	51,965	44,767	(7,198)	0.56	0.63	0.71	
Saif Power Limited	-	2,609,000	-	2,609,000	69,102	66,999	(2,103)	0.84	0.94	0.68	
Pakgen Power Limited	-	3,414,500	-	3,414,500	65,757	58,183	(7,574)	0.73	0.82	0.92	
K Electric Limited (Face value of Rs.3.5 per share)	14,876,264	9,536,500	11,806,500	12,606,264	70,851	74,881	4,030	0.94	1.06	0.13	
					950,677	894,595	(56,083)	11.24	12.61		
AUTOMOBILE ASSEMBLER											
Millat Tractors Limited	87,300	29,440	116,740	-	-	-	-	-	-	0.00	
Honda Atlas Cars (Pakistan) Limited	305,050	363,400	503,500	164,950	46,563	29,120	(17,443)	0.37	0.41	0.12	
					46,563	29,120	(17,443)	0.37	0.41		
TECHNOLOGY & COMMUNICATION											
Systems Limited	-	1,035,000	-	1,035,000	111,686	113,715	2,030	1.43	1.60	0.93	
					111,686	113,715	2,030	1.43	1.60		
CABLE & ELECTRICAL GOODS											
Pak Electron Limited	900	-	-	900	32	22	(10)	0.00	0.00	0.00	
					32	22	(10)	0.00	0.00		
GLASS & CERAMICS											
Tariq Glass Industries Limited	2,307,924	78,000	1,608,000	777,924	83,362	67,827	(15,535)	0.85	0.96	1.06	
					83,362	67,827	(15,535)	0.85	0.96		
COMMERCIAL BANKS											
Meezan Bank Limited	565,000	4,146,035	582,646	4,128,389	323,937	381,422	57,484	4.79	5.38	0.35	
					323,937	381,422	57,484	4.79	5.38		
PHARMACEUTICALS											
The Searle Company Limited	5.1.2	103,479	2,021	90,000	15,500	4,576	3,807	(769)	0.05	0.05	0.01
					4,576	3,807	(769)	0.05	0.05		
As at December 31, 2018 (un-audited)											
					7,802,012	7,093,467	(708,545)				
As at June 30, 2018 (audited)											
					7,157,632	6,047,618	(1,110,014)				

5.1.1 The above equity securities include 2.1 million shares (June 30, 2018: 1.57 million shares) pledged with National Clearing Company of Pakistan Limited having market value of Rs. 180.159 million (June 30, 2018: Rs. 146.254 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.

5.1.2 The Finance Act, 2014 had brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemptions available to mutual funds under clause 99 of Part I of and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. An investee company of the Fund, in pursuance of the aforesaid amendment, withheld shares equivalent to 5% of bonus entitlement of the Fund having fair market value of Rs. 6.24 million (June 30, 2018: Rs. 7.439 million) at year end. Such shares have not been deposited by the investee company in CDC account of Income Tax department. The Fund has included in its investments the withheld shares and recorded them at fair market value at period end. However through Finance Act, 2018 the tax on bonus shares is withdrawn.

5.2 Equity securities - Available for sale

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

Ordinary Shares of Rs. 10 each unless indicated otherwise										
Name of Investee Company	As at July 1, 2018	Purchased / bonus received during the period	Transfer out during the period (Refer Note 3.2)	As at December 31, 2018	Total carrying value as at December 31, 2018	Total market value as at December 31, 2018	Appreciation/ (diminution) as at December 31, 2018	Market value as a percentage of net assets	Market value as a percentage of total investments	Investment as a percentage of paid-up capital of investee company
Quoted investments	Note	-----Number of shares-----			-----Rupees in '000-----			-----%-----		
OIL & GAS MARKETING COMPANIES										
Pakistan State Oil Company Limited		438,900	-	438,900	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited		430,000	-	430,000	-	-	-	-	-	-
OIL & GAS EXPLORATION COMPANIES										
Oil and Gas Development Company Limited		2,528,100	-	2,528,100	-	-	-	-	-	-
Pakistan Oilfields Limited		619,600	-	619,600	-	-	-	-	-	-
Pakistan Petroleum Limited		686,800	-	686,800	-	-	-	-	-	-
Attock Petroleum Limited		2,050	-	2,050	-	-	-	-	-	-
Mari Petroleum Company Limited		91,580	-	91,580	-	-	-	-	-	-
ENGINEERING										
Amreli Steels Limited		1,007,600	-	1,007,600	-	-	-	-	-	-
Ittefaq Iron Industries Limited		1,444,000	-	1,444,000	-	-	-	-	-	-
International Steels Limited		1,152,700	-	1,152,700	-	-	-	-	-	-
FERTILIZER										
Engro Corporation Limited		1,698,000	-	1,698,000	-	-	-	-	-	-
Fauji Fertilizer Company Limited		1,570,500	-	1,570,500	-	-	-	-	-	-
Engro Fertilizers Limited		1,307,500	-	1,307,500	-	-	-	-	-	-
CHEMICALS										
I.C.I Pakistan Limited		25,400	-	25,400	-	-	-	-	-	-
Sitara Chemical Industries Limited		114,750	-	114,750	-	-	-	-	-	-
Engro Polymer and Chemicals Limited		5,437,000	-	5,437,000	-	-	-	-	-	-
CEMENT										
Cherat Cement Company Limited		751,200	-	751,200	-	-	-	-	-	-
Attock Cement (Pakistan) Limited		467,400	-	467,400	-	-	-	-	-	-
DG Khan Cement Company Limited		859,200	-	859,200	-	-	-	-	-	-
Fauji Cement Company Limited		150,000	-	150,000	-	-	-	-	-	-
Kohat Cement Company Limited		1,578,000	-	1,578,000	-	-	-	-	-	-
Lucky Cement Limited		78,800	-	78,800	-	-	-	-	-	-
Maple Leaf Cement Factory Limited		175,000	-	175,000	-	-	-	-	-	-
Pioneer Cement Limited		1,423,200	-	1,423,200	-	-	-	-	-	-
PAPER AND BOARD										
Cherat Packaging Limited		32,841	-	32,841	-	-	-	-	-	-
Century Paper and Board Mills Limited		499,800	-	499,800	-	-	-	-	-	-
AUTOMOBILE ACCESSORIES										
Honda Atlas Cars (Pakistan) Limited		251,100	-	251,100	-	-	-	-	-	-
Millat Tractors Limited		29,440	-	29,440	-	-	-	-	-	-
Thal Limited (Face value of Rs.5 per share)		1,600	-	1,600	-	-	-	-	-	-
TEXTILE COMPOSITE										
Nishat Mills Limited		880,800	-	880,800	-	-	-	-	-	-
Kohinoor Textile Mills Limited		1,898,900	-	1,898,900	-	-	-	-	-	-
FOOD AND PERSONAL CARE PRODUCTS										
Al-Shaheer Corporation		1,938,000	-	1,938,000	-	-	-	-	-	-
POWER GENERATION AND DISTRIBUTION										
The Hub Power Company Limited		3,671,300	-	3,671,300	-	-	-	-	-	-
Lalpur Power Limited		2,671,500	-	2,671,500	-	-	-	-	-	-
Pakgen Power Limited		3,374,500	-	3,374,500	-	-	-	-	-	-
Saif Power Limited		2,229,000	-	2,229,000	-	-	-	-	-	-
K-Electric Limited (Face value of Rs. 3.5 per share)		6,415,000	-	6,415,000	-	-	-	-	-	-
GLASS AND CERAMICS										
Tariq Glass Industries Limited		78,000	-	78,000	-	-	-	-	-	-
COMMERCIAL BANKS										
Meezan Bank Limited		1,822,000	-	1,822,000	-	-	-	-	-	-
TECHNOLOGY AND COMMUNICATION										
Systems Limited		12,000	-	12,000	-	-	-	-	-	-
Total December 31, 2018 (un-audited)										
Total June 30, 2018 (audited)					4,359,593	4,196,185	(163,408)			

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 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). During the year, prior to receiving tax exemption certificate(s) from CIR various withholding agents had deducted advance tax under section 150, 150A and 151 of ITO 2001. The Management Company has filed refund application and is confident that the same shall be refunded.

	(Un-audited) December 31, 2018	(Audited) June 30, 2018
Note	-----Rupees in '000-----	

7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

Management fee (including Sindh Sales Tax there against)		15,136	21,628
Allocated expenses	7.1	669	1,942
Other payable		17	16
Shariah advisor fee		30	28
Selling and marketing expenses	7.2	8,606	11,664
		24,458	35,278

7.1 Allocated expenses

As per regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.

7.2 Selling and marketing expenses

SECP vide Circular No. 40 of 2016 dated December 30, 2016, prescribed certain conditions on Asset Management Companies (AMCs) for charging of selling and marketing expenses to certain collective investment schemes managed by them. Pursuant to the circular, the AMCs are allowed to charge selling and marketing expenses for an initial period of three years (from January 01, 2017 till December 31, 2019) at a maximum cap of 0.4% per annum of net assets of the Fund or actual expenses, whichever is lower. Accordingly, the Management Company has charged 0.4% of daily net assets of the Fund, being the lower amount.

8. ACCRUED EXPENSES AND OTHER LIABILITIES

	(Un-audited) December 31, 2018	(Audited) June 30, 2018
Note	-----Rupees in '000-----	

Auditors remuneration		194	201
Commission payable		6,668	5,129
Charity payable		4,763	6,421
Provision for indirect taxes and duties	8.1	10,650	10,650
Provision for Sindh Workers' Welfare Fund	8.2	64,137	64,137
Other payables		168	109
		86,580	86,647

8.1 Provision for indirect taxes and duties

This includes provision for federal excise duty (FED) as at December 31, 2018 amounting to Rs. 10.650 million (June 30, 2018: Rs. 10.650 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements for the year ended June 30, 2018. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 10.650 million till June 30, 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Re. 0.14 (June 30, 2018: Re.0.11).

8.2 Provision for Workers' Welfare Fund (WWF)

This represents provision for Sindh Workers' Welfare Fund (SWWF) as at December 31, 2018. The Management Company, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re. 0.86 (June 30, 2018: Re. 0.66). The details regarding this provision are disclosed in note 14.3 to the annual audited financial statements for the year ended June 30, 2018.

Further, as disclosed in note 14.3 to the annual financial statements for the year ended June 30, 2018, the Provision for Workers' Welfare Fund (WWF) held in the books of accounts till June 30, 2015 was reversed on January 12, 2017. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.3 to the annual audited financial statements for the year ended June 30, 2018.

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2018 and June 30, 2018.

10. NUMBER OF UNITS IN ISSUE

	(Un-audited) December 31, 2018	(Audited) June 30, 2018
	-----Units in '000-----	
Total units in issue at the beginning of the period	96,571,467	87,759,932
Units issued during the period	21,024,136	127,399,357
Units redeemed during the period	(42,590,896)	(118,587,822)
Total units in issue at the end of the period	75,004,707	96,571,467

11. TAXATION

According to Regulation 63 of Non-Banking Finance Companies and Notified Entities Regulations, 2008, Management Company is required to distribute, by way of dividend, more than 90 percent of accounting income received or derived from sources other than capital gains (both realised and unrealised) during the year. Since the Fund has incurred net loss during the half year ended December 31, 2018, no provision for taxation has been made in this condensed interim financial information as the management believes that the Fund will qualify for exemption under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

12. 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 the cumulative weighted average number of outstanding units for calculating EPU is not practicable.

13. TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the Total Expense Ratio of the Fund is 1.68% as on December 31, 2018 (June 30, 2018: 3.12) and this includes 0.20% (June 30, 2018: 0.372) representing government levy, worker's welfare fund and SECP fee.

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

As at December 31, 2018 (un-audited)				
Fair Value				
ASSETS	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Investment in securities - financial assets at fair value through profit or loss				
- Equity securities	7,093,467	-	-	7,093,467

As at June 30, 2018 (audited)				
Fair Value				
ASSETS	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Investment in securities - financial assets at fair value through profit or loss				
- Equity securities	6,047,618	-	-	6,047,618
- Letter of rights	21,440	-	-	21,440
Available for sale				
- Equity securities	4,196,185	-	-	4,196,185
	10,265,243	-	-	10,265,243

14.1 The Fund has not disclosed the fair values for other financial assets and financial liabilities, as their estimated fair value is considered not significantly different from the carrying value as the items are short term in nature.

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

15. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 15.1** Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, the Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of the Management Company.
- 15.2** Transactions with the connected persons are carried out in the normal course of business, at agreed / contracted rates.
- 15.3** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 15.4** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.
- 15.5** Details of transactions with related parties / connected persons during the period and balances held with them at the half year ended December 31, 2018 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, 2018						
(Units in '000)						
Units issued	-	-	-	21,024	-	-
Units redeemed	-	-	-	42,591	-	-
(Rupees in '000)						
Value of units issued	-	-	-	2,356,745	-	-
Value of units redeemed	-	-	-	4,931,414	-	-
Profit on PLS accounts	-	43,028	-	-	-	-
Bank and other charges	-	3	-	-	-	-
Remuneration (inclusive of SST)	105,705	-	5,857	-	-	-
Shariah advisor fee	175	-	-	-	-	-
Selling and marketing expenses	18,709	-	-	-	-	-
Allocated expense	4,677	-	-	-	-	-
CDS expense	-	-	318	-	-	-
As at December 31, 2018						
(Units in '000)						
Balances held						
Units held	-	-	-	75,005	-	-
(Rupees in '000)						
Value of units held	-	-	-	7,958,921	-	-
Bank balances	-	987,108	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable	-	7,767	-	-	-	-
Remuneration payable	15,136	-	855	-	-	-
Allocated expense payable	669	-	-	-	-	-
Shariah advisor fee payable	30	-	-	-	-	-
Selling and marketing expenses payable	8,606	-	-	-	-	-
Other payables	17	-	-	-	-	-

	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, 2017						
(Units in '000)						
Units issued	-	-	-	53,968	-	-
Units redeemed	-	-	-	40,555	-	-
(Rupees in '000)						
Value of units issued	-	-	-	6,530,278	-	-
Value of units redeemed	-	-	-	4,841,166	-	-
Profit on PLS accounts	-	48,610	-	-	-	-
Bank and other charges	-	3	-	-	-	-
Remuneration (inclusive of SST)	136,209	-	7,380	-	-	-
Shariah advisor fee	169	-	-	-	-	-
Selling and marketing expenses	24,108	-	-	-	-	-
Allocated expense	6,027	-	-	-	-	-
CDS expense	-	-	345	-	-	-
As at June 30, 2018						
(Units in '000)						
Balances held						
Units held	-	-	-	96,571	-	-
(Rupees in '000)						
Value of units held	-	-	-	11,196,639	-	-
Bank balances	-	884,952	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable	-	5,522	-	-	-	-
Remuneration payable	21,628	-	1,174	-	-	-
Allocated expense payable	1,942	-	-	-	-	-
Shariah advisor fee payable	28	-	-	-	-	-
Other payable	16	-	-	-	-	-
Selling and marketing expense	11,664	-	-	-	-	-

* This represents 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 exist as at half year end.

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

16. GENERAL

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

16.2 This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2018 have not been reviewed by auditors.

17. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on February 27, 2019 by the Board of Directors of the Management Company.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AIFPF

Al-Ameen Islamic Financial Planning Fund
Al-Ameen Islamic Active Allocation Plan - V - VI

INVESTMENT OBJECTIVE

AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds 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 Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	Deloitte Yousuf Adil & Co., Chartered Accountants
Bankers	United Bank Limited
Management Co. Rating	AM 1 (JCR-VIS)

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahr-e-Faisal
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Email: info@cdcpak.com



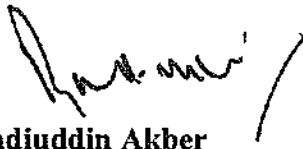
TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC FINANCIAL PLANNING 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 Al-Ameen Islamic Financial Planning 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, 2018 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 22, 2019

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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND** (here-in-after referred to as the "Fund") as at December 31, 2018, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unitholders' fund, condensed interim statement of cash flows and notes to the accounts (here-in-after referred to as the 'condensed interim financial information') for the half year ended December 31, 2018. 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. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2018.

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 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, 2018 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

We draw attention to note 1.6 to the condensed interim financial information, which states that Al-Ameen Islamic **Active Allocation Plan-V (AIACTAP-V)** has matured on August 14, 2018. Further, Al-Ameen Islamic Active Allocation Plan-VI (AIACTAP-VI) was due to mature on November 20, 2018, however, the Management Company decided to extend the maturity of the Plan by a further 12 months and the same has been approved by SECP and now the plan will mature on November 20, 2019. Accordingly, the condensed interim financial information of AIACTAP-V, AIACTAP-VI and the Fund have been prepared on a basis other than going concern. However, no adjustments are required as the assets and liabilities are stated at the values at which they are expected to be realised or settled. Our conclusion is not qualified in respect of this matter.


Chartered Accountants

Engagement Partner:

Nadeem Yousuf Adil

Date: February 27, 2019

Place: Karachi

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT AUGUST 14, 2018 AND DECEMBER 31, 2018 (Continued)

		----- Un-audited -----		
		August 14, 2018	December 31, 2018	
		AICTAP- V	AICTAP- VI	Total
		----- (Rupees in '000) -----		
		Note		
ASSETS				
Bank balances	4	24,556	15,020	39,576
Investments	5	1,728,451	657,032	2,385,483
Profit receivable on bank deposits		73	146	219
Prepayments and other receivables		-	2	2
Total assets		1,753,080	672,200	2,425,280
LIABILITIES				
Payable to UBL Fund Managers Limited - Management Company	6	396	92	488
Payable to Central Depository Company of Pakistan Limited - Trustee		61	69	130
Payable to Securities and Exchange Commission of Pakistan		1,589	667	2,256
Accrued expenses and other liabilities	7	7,687	4,096	11,783
Total liabilities		9,733	4,924	14,657
Net Assets		1,743,347	667,276	2,410,623
Unitholders' Fund (as per statement attached)		1,743,347	667,276	2,410,623
CONTINGENCIES AND COMMITMENTS				
		8		
			----- (Number of units) -----	
Number of Units in Issue	11	16,829,955	7,259,665	
			----- (Rupees) -----	
Net Assets Value Per Unit		103.59	91.92	
Face Value Per Unit		100	100	

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
 (Management Company)

SD
 Chief Executive Officer

SD
 Chief Financial Officer

SD
 Director

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT AUGUST 14, 2018 AND DECEMBER 31, 2018

		September 27, 2017	December 22, 2017	March 29, 2018	-----June 30, 2018-----		
		AICTAP-II	AICTAP-III	AICTAP-IV	AICTAP-V	AICTAP-VI	Total
	Note	----- (Rupees in '000) -----					
ASSETS							
Bank balances	4	46,943	3,940	12,259	24,654	14,213	102,009
Investments	5	2,577,152	1,559,268	1,412,034	1,734,065	2,058,213	9,340,732
Profit receivable on bank deposits		191	15	55	126	69	456
Prepayments and other receivables		-	-	-	-	724	724
Total assets		2,624,286	1,563,223	1,424,348	1,758,845	2,073,219	9,443,921
LIABILITIES							
Payable to UBL Fund Managers Limited - Management Company	6	657	98	350	312	370	1,787
Payable to Central Depository Company of Pakistan Limited - Trustee		183	96	97	134	160	670
Payable to Securities and Exchange Commission of Pakistan		484	580	793	1,430	1,657	4,944
Accrued expenses and other liabilities	7	47,642	22,409	20,398	7,582	4,604	102,635
Total liabilities		48,966	23,183	21,638	9,458	6,791	110,036
Net Assets		2,575,320	1,540,040	1,402,710	1,749,387	2,066,428	9,333,885
Unitholders' Fund (as per statement attached)		2,575,320	1,540,040	1,402,710	1,749,387	2,066,428	9,333,885
CONTINGENCIES AND COMMITMENTS							
	8	----- (Number of units) -----					
Number of Units in Issue		25,738,255	15,188,422	13,799,302	16,841,789	21,647,012	
		----- (Rupees) -----					
Net Assets Value Per Unit		100.06	101.40	101.65	103.87	95.46	
Face Value Per Unit		100	100	100	100	100	

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED AUGUST 14, 2018 AND HALF YEAR ENDED DECEMBER 31, 2018 (Continued)

	For the period ended August 14, 2018	For the half year ended December 31, 2018	For the half year ended December 31, 2018
	AICTAP- V	AICTAP- VI	Total
Note	------(Rupees in '000)-----		
INCOME			
Profit on bank deposits	201	569	770
(Loss) / gain on sale of investments - net	(5,171)	27,620	22,449
Unrealised gain on re-measurement of investments classified as financial assets at fair value through profit or loss - net	5.1	591	(33,049)
Back end load income	24	417	441
Dividend Income	297	164	461
Total loss	(4,058)	(4,279)	(8,337)
EXPENSES			
Allocated expenses	212	889	1,101
Remuneration to Central Depository Company of Pakistan Limited - Trustee	195	873	1,068
Annual fee to Securities and Exchange Commission of Pakistan	159	667	826
Auditors' remuneration	47	124	171
Bank charges	50	2	52
Listing and supervisory fee	14	13	27
Legal and professional charges	70	50	120
Shariah advisory fee	25	147	172
Printing expenses	-	-	-
Total expenses	772	2,765	3,537
Net operating loss for the period	(4,830)	(7,044)	(11,874)
Provision for Sindh Workers' Welfare Fund (SWWF)	7.2	-	-
Net loss for the period before taxation	(4,830)	(7,044)	(11,874)
Taxation	9	-	-
Net loss for the period after taxation	(4,830)	(7,044)	(11,874)
Allocation of net income for the period:			
- Net loss for the period after taxation	-	-	-
- Income already paid on units redeemed	-	-	-
Net loss for the year after taxation	-	-	-
Accounting income for the period available for distribution			
-Relating to capital gains	-	-	-
-Excluding capital gains	-	-	-
Earnings per unit	10		

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED AUGUST 14, 2018 AND HALF YEAR ENDED DECEMBER 31, 2018

		For the period ended September 27, 2017	For the period year ended December 22, 2017	For the half ended December 31, 2017			For the half year ended December 31, 2017
		AlACTAP- II	AlACTAP- III	AlACTAP- IV	AlACTAP- V	AlACTAP- VI	Total
Note -----(Rupees in '000)-----							
INCOME							
Profit on bank deposits		649	127	419	777	476	2,448
Loss on sale of investments - net		(180,227)	(193,153)	(70,858)	(66,436)	(15,453)	(526,127)
Unrealised gain on re-measurement of investments classified as financial assets at fair value through profit or loss - net	5.1	12,545	5,843	(87,213)	(180,172)	(252,834)	(501,831)
Back end load income		605	297	323	5,472	2,727	9,424
Total loss		(166,428)	(186,886)	(157,329)	(240,359)	(265,084)	(1,016,086)
EXPENSES							
Allocated expenses		646	774	722	1,001	1,133	4,276
Remuneration to Central Depository Company of Pakistan Limited - Trustee		616	791	754	991	1,103	4,255
Annual fee to Securities and Exchange Commission of Pakistan		484	580	541	751	850	3,206
Auditors' remuneration		59	49	62	73	73	316
Bank charges		1	51	2	8	21	83
Listing fee		5	5	3	3	3	19
Legal and professional charges		-	34	31	31	31	127
Shariah advisory fee		11	38	38	38	38	163
Printing expenses		-	4	-	-	-	4
Total expenses		1,822	2,326	2,153	2,896	3,252	12,449
Net operating loss for the period		(168,250)	(189,212)	(159,482)	(243,255)	(268,336)	(1,028,535)
Provision for Sindh Workers' Welfare Fund (SWWF)	7.2	-	-	-	-	-	-
Net loss for the period before taxation		(168,250)	(189,212)	(159,482)	(243,255)	(268,336)	(1,028,535)
Taxation	9	-	-	-	-	-	-
Net loss for the period after taxation		(168,250)	(189,212)	(159,482)	(243,255)	(268,336)	(1,028,535)
Allocation of net income for the period:							
- Net loss for the period after taxation		-	-	-	-	-	-
- Income already paid on units redeemed		-	-	-	-	-	-
Net loss for the year after taxation		-	-	-	-	-	-
Accounting income for the period available for distribution							
-Relating to capital gains		-	-	-	-	-	-
-Excluding capital gains		-	-	-	-	-	-
Earnings per unit	10	-	-	-	-	-	-

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

**AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2018**

	For the quarter ended December 31, 2018	For the period year ended December 22, 2017	For the quarter ended December 31, 2017			For the quarter ended December 31, 2017
	AICTAP- VI	AICTAP- III	AICTAP- IV	AICTAP- V	AICTAP- VI	Total
Note -----(Rupees in '000)-----						
INCOME						
Profit on bank deposits	324	34	186	373	226	819
Gain / (loss) on sale of investments - net	29,813	(159,006)	(47,349)	(36,144)	(6,299)	(248,798)
Unrealised gain on re-measurement of investments classified as financial assets at fair value through profit or loss - net	5.1 (18,564)	116,361	19,421	(17,567)	(58,405)	59,810
Back end load income	32	82	241	790	1,784	2,897
Total Income / (loss)	11,605	(42,529)	(27,501)	(52,548)	(62,694)	(185,272)
EXPENSES						
Allocated expenses	374	360	345	456	543	1,704
Remuneration to Central Depository Company of Pakistan Limited - Trustee	382	365	367	458	531	1,721
Annual fee to Securities and Exchange Commission of Pakistan	281	266	261	342	407	1,276
Auditors' remuneration	93	33	51	36	36	156
Bank charges	2	51	2	4	5	62
Listing and supervisory fee	4	2	1	2	2	7
Legal and professional charges	15	28	25	25	25	103
Shariah advisory fee	91	21	21	21	21	84
Printing expenses	-	4	-	-	-	4
Total expenses	1,242	1,130	1,073	1,344	1,570	5,117
Net operating income / (loss) for the period	10,363	(43,659)	(28,574)	(53,892)	(64,264)	(190,389)
Provision for Sindh Workers' Welfare Fund (SWWF)	7.2 -	-	-	-	-	-
Net income / (loss) for the period before taxation	10,363	(43,659)	(28,574)	(53,892)	(64,264)	(190,389)
Taxation	9 -	-	-	-	-	-
Net income / (loss) for the period after taxation	10,363	(43,659)	(28,574)	(53,892)	(64,264)	(190,389)
Allocation of net income for the period:						
- Net loss for the period after taxation	-	-	-	-	-	-
- Income already paid on units redeemed	-	-	-	-	-	-
Net loss for the year after taxation	-	-	-	-	-	-
Accounting income for the period available for distribution						
-Relating to capital gains	-	-	-	-	-	-
-Excluding capital gains	-	-	-	-	-	-
	-	-	-	-	-	-
Earnings per unit	10					

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

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

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED AUGUST 14, 2018 AND HALF YEAR ENDED DECEMBER 31, 2018

	For the period ended August 14, 2018	For the half year ended December 31, 2018	For the half year ended December 31, 2018
	AlACTAP- V	AlACTAP- VI	Total
	------(Rupees in '000)-----		
Net loss for the period after taxation	(4,830)	(7,044)	(11,874)
Other comprehensive income for the period			
Items that may be reclassified subsequently to income statement	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-
Total comprehensive loss for the period	(4,830)	(7,044)	(11,874)

	For the period ended September 27, 2017	For the period ended December 22, 2017	For the half year ended December 31, 2017			For the half year ended December 31, 2017
	AlACTAP- II	AlACTAP- III	AlACTAP- IV	AlACTAP- V	AlACTAP- VI	Total
	------(Rupees in '000)-----					
Net loss for the period after taxation	(168,250)	(189,212)	(159,482)	(243,255)	(268,336)	(1,028,535)
Other comprehensive income for the period						
Items that may be reclassified subsequently to income statement	-	-	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-	-	-
Total comprehensive loss for the period	(168,250)	(189,212)	(159,482)	(243,255)	(268,336)	(1,028,535)

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2018

	For the Quarter ended December 31, 2018	For the quarter ended December 22, 2017	For the quarter ended December 31, 2017			For the period ended December 31, 2017
	AIACTAP- VI	AIACTAP- III	AIACTAP- IV	AIACTAP- V	AIACTAP- VI	Total
	(Rupees in '000)					
Net income / (loss) for the period after taxation	10,363	(43,659)	(28,574)	(53,892)	(64,264)	(190,389)
Other comprehensive income for the period						
Items that may be reclassified subsequently to income statement	-	-	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-	-	-
Total comprehensive income / loss for the period	10,363	(43,659)	(28,574)	(53,892)	(64,264)	(190,389)

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND
STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE PERIOD ENDED AUGUST 14, 2018 AND HALF YEAR ENDED DECEMBER 31, 2018 (Continued)

	For the period ended August 14, 2018			For the half year ended December 31, 2018			For the half year ended December 31, 2018
	AIACTAP-V			AIACTAP-VI			TOTAL
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	
	(Rupees in '000)						
Net assets at beginning of the period	1,673,955	75,432	1,749,387	2,173,796	(107,368)	2,066,428	3,815,815
Amount received on issue of units:							
- AIACTAP-V : 9861							
- AIACTAP-VI : 371,994							
Capital value of units	1,024	-	1,024	35,511	-	35,511	36,535
Element of (loss) / income	(5)	-	(5)	465	-	465	460
Total amount received on issuance of units	1,019	-	1,019	35,976	-	35,976	36,995
Amount paid on redemption of units:							
- AIACTAP-V : 21,695							
- AIACTAP-VI : 14,759,341							
Capital value of units	(2,253)	-	(2,253)	(1,408,930)	-	(1,408,930)	(1,411,183)
Element of income / (loss)	24	-	24	(19,154)	-	(19,154)	(19,130)
Total amount paid on redemption of units	(2,229)	-	(2,229)	(1,428,084)	-	(1,428,084)	(1,430,313)
Total comprehensive loss for the period	-	(4,830)	(4,830)	-	(7,044)	(7,044)	(11,874)
Distribution during the period Rs. Nil per unit	-	-	-	-	-	-	-
Net loss for the period less distribution	-	(4,830)	(4,830)	-	(7,044)	(7,044)	(11,874)
Net assets at end of the period	1,672,745	70,602	1,743,347	781,688	(114,412)	667,276	2,410,623
Undistributed income brought forward comprising of:							
- Realised	-	129,425	129,425	-	57,116	57,116	186,541
- Unrealised	-	(53,993)	(53,993)	-	(164,484)	(164,484)	(218,477)
Undistributed income brought forward - Net	-	75,432	75,432	-	(107,368)	(107,368)	(31,936)
Accounting income for the period available for distribution							
- Relating to capital gains	-	-	-	-	-	-	-
- Excluding capital gains	-	-	-	-	-	-	-
Net loss for the period after taxation	-	(4,830)	(4,830)	-	(7,044)	(7,044)	(11,874)
Distributions during the period	-	-	-	-	-	-	-
Undistributed income carried forward - net	-	70,602	70,602	-	(114,412)	(114,412)	(43,810)
Undistributed income carried forward - net comprising of:							
- Realised	-	70,011	70,011	-	(81,363)	(81,363)	(11,352)
- Unrealised	-	591	591	-	(33,049)	(33,049)	(32,458)
	-	70,602	70,602	-	(114,412)	(114,412)	(43,810)
	(Rupees)			(Rupees)			
Net assets value per unit at beginning of the period			103.87			95.46	
Net assets value per unit at end of the period			103.59			91.92	

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE PERIOD ENDED AUGUST 14, 2018 AND HALF YEAR ENDED DECEMBER 31, 2018

	For the period ended September 27, 2017	For the period ended December 22, 2017	For the half year ended December 31, 2017			For the half year ended December 31, 2017
	AICTAP- II	AICTAP- III	AICTAP- IV	AICTAP- V	AICTAP- VI	Total
(Rupees in '000)						
Net assets at beginning of the period	2,792,045	1,733,389	1,540,270	2,255,482	2,427,354	10,748,540
Issue of units						
- AICTAP-II : 5,226,245 (Bonus units: 4,387,809)	696,029					
Capital value of units issued	(611,235)					
Element of loss						
- AICTAP-III : 1,824,695 (Bonus units: 1,470,596)		233,031				
Capital value of units issued		(193,142)				
Element of loss						
- AICTAP-IV : 263,915			33,277			
Capital value of units issued			(72)			
Element of loss						
- AICTAP-V : 394,898				44,647		
Capital value of units issued				(51)		
Element of loss						
- AICTAP-VI : 566,405					47,746	
Capital value of units issued					10,618	
Element of income						260,848
Redemption of units						
- AICTAP-II : 452,494						
Capital value of units redeemed	(60,263)					
Element of income	8,082					
- AICTAP-III : 209,164						
Capital value of units redeemed		(26,712)				
Element of income		2,984				
- AICTAP-IV : 241,426						
Capital value of units redeemed			(30,441)			
Element of income			1,550			
- AICTAP-V : 2,522,174						
Capital value of units redeemed				(285,155)		
Element of income				23,543		
- AICTAP-VI : 1,039,640						
Capital value of units redeemed					(109,700)	
Element of income					10,902	
	32,613	16,161	4,314	(217,016)	(40,434)	(204,362)
	2,824,658	1,749,550	1,544,584	2,038,466	2,386,920	10,544,178
Loss on sale of investments - net	(180,227)	(193,153)	(70,858)	(66,436)	(15,453)	(526,127)
Unrealised gain on re-measurement of investments as financial assets 'at fair value through profit or loss' - net	12,545	5,843	(87,213)	(180,172)	(252,834)	(501,831)
Net other (loss) / income for the period	(568)	(1,902)	(1,411)	3,353	(49)	(577)
	(168,250)	(189,212)	(159,482)	(243,255)	(268,336)	(1,028,535)
Al-Ameen Islamic Active Allocation Plan - II @ Rs. 25.0428 per unit						
- Cash	(81,088)	-	-	-	-	(81,088)
Al-Ameen Islamic Active Allocation Plan - III @ Rs. 12.4695 per unit						
- Cash	-	(20,298)	-	-	-	(20,298)
Net assets at end of the period	2,575,320	1,560,338	1,385,102	1,795,211	2,118,584	9,434,555
(Rupees)						
Net assets value per unit at beginning of the period	133.18	127.71	126.09	113.06	105.52	
Net assets value per unit at end of the period	100.06	101.40	113.18	100.73	94.05	
Undistributed income brought forward comprising of:						
- Realised	324,639	128,161	98,377	31,708	28,948	611,833
- Unrealised	397,946	253,275	224,258	228,815	97,973	1,202,267
Undistributed income brought forward - Net	722,585	381,436	322,635	260,523	126,921	1,814,100
Loss for the period after taxation	(168,250)	(189,212)	(159,482)	(243,255)	(268,336)	(1,028,535)
Accounting loss for the period available for distribution	-	-	-	-	-	-
- Relating to capital gains	-	-	-	-	-	-
- Excluding capital gains	-	-	-	-	-	-
Al-Ameen Islamic Active Allocation Plan - II @ Rs. 25.0428 per unit						
- Cash	81,088	-	-	-	-	81,088
- Bonus	438,781	-	-	-	-	438,781
	519,869	-	-	-	-	519,869
Al-Ameen Islamic Active Allocation Plan - III @ Rs. 12.4695 per unit						
- Cash	-	20,298	-	-	-	20,298
- Bonus	-	149,097	-	-	-	149,097
	-	169,395	-	-	-	169,395
Undistributed income carried forward - net	34,466	22,829	163,153	17,268	(141,415)	96,301
Undistributed income carried forward - net comprising of:						
- Realised	21,921	16,986	250,366	197,440	111,419	598,132
- Unrealised	12,545	5,843	(87,213)	(180,172)	(252,834)	(501,831)
	34,466	22,829	163,153	17,268	(141,415)	96,301

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED AUGUST 14, 2018 AND HALF YEAR ENDED DECEMBER 31, 2018 (Continued)

For the Period ended August 14, 2018	For the half year ended December 31, 2018	For the Half year ended December 31, 2018
AICTAP- V	AICTAP- VI	Total
------(Rupees in '000)-----		

CASH FLOWS FROM OPERATING ACTIVITIES

Net loss for the period before taxation	(4,830)	(7,044)	(11,874)
Adjustments for:			
Loss / (gain) on sale of investments - net	5,171	(27,620)	(22,449)
Profit on bank deposits	(201)	(569)	(770)
Unrealised (gain) / loss on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(591)	33,049	32,458
	4,379	4,860	9,239
Decrease in assets:			
Investments	1,034	1,395,752	1,396,786
Prepayments and other receivables	-	722	722
	1,034	1,396,474	1,397,508
Increase / (decrease) in liabilities			
Payable to UBL Fund Managers Limited - Management Company	84	(278)	(194)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(73)	(91)	(164)
Payable to the Securities and Exchange Commission of Pakistan	159	(990)	(831)
Accrued expenses and other liabilities	105	(508)	(403)
	275	(1,867)	(1,592)
Profit on bank deposit received	254	492	746
Net cash generated from operating activities	1,112	1,392,915	1,394,027

CASH FLOWS FROM FINANCING ACTIVITIES

Receipts from issuance of units	1,019	35,976	36,995
Payments against redemption of units	(2,229)	(1,428,084)	(1,430,313)
Net cash used in financing activities	(1,210)	(1,392,108)	(1,393,318)
Net (decrease) / increase in cash and cash equivalents during the period	(98)	807	709
Cash and cash equivalents at the beginning of the period	24,654	14,213	38,867
Cash and cash equivalents at the end of the period	24,556	15,020	39,576

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED AUGUST 14, 2018 AND HALF YEAR ENDED DECEMBER 31, 2018

	For the period ended September 27, 2017	For the period ended December 22, 2017	For the Half year ended December 31, 2017			For the Half year ended December 31, 2017
	AIACTAP- II	AIACTAP- III	AIACTAP- IV	AIACTAP- V	AIACTAP- VI	Total
Note -----(Rupees in '000)-----						
CASH FLOWS FROM OPERATING ACTIVITIES						
Net loss for the period before taxation	(168,250)	(189,212)	(159,482)	(243,255)	(268,336)	(1,028,535)
Adjustments for non-cash charges and other items:						
Loss on sale of investments - net	180,227	193,153	70,858	66,436	15,453	526,127
Profit on bank deposits	(649)	(127)	(419)	(777)	(476)	(2,448)
Unrealised gain on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(12,545)	(5,843)	87,213	180,172	252,834	501,831
	167,033	187,183	157,652	245,831	267,811	1,025,510
Decrease / (increase) in assets:						
Investments	30,426	18,793	16,885	262,054	92,941	421,099
Prepayments and other receivables	-	-	(1)	(2)	(727)	(730)
	30,426	18,793	16,884	262,052	92,214	420,369
(Decrease) / increase in liabilities						
Payable to UBL Fund Managers Limited - Management Company	143	(212)	(161)	(257)	(261)	(748)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(44)	(53)	(12)	(37)	(26)	(172)
Payable to the Securities and Exchange Commission of Pakistan	(1,693)	(727)	(621)	(761)	(333)	(4,135)
Accrued expenses and other liabilities	17,740	(14,822)	(24,199)	(49,802)	(54,382)	(125,465)
	16,146	(15,814)	(24,993)	(50,857)	(55,002)	(130,520)
Profit on bank deposit received	980	150	437	765	488	2,820
Net cash generated from / (used in) operating activities	46,335	1,100	(9,502)	214,536	37,175	289,644
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts from issuance of units	84,794	39,889	33,205	44,596	58,364	260,848
Payments against redemption of units	(52,181)	(23,728)	(28,891)	(261,612)	(98,798)	(465,210)
Cash dividend paid	(81,088)	(20,298)	-	-	-	(101,386)
Net cash (used in) / generated from financing activities	(48,475)	(4,137)	4,314	(217,016)	(40,434)	(305,748)
Net increase / (decrease) in cash and cash equivalents during the period	(2,140)	(3,037)	(5,188)	(2,480)	(3,259)	(16,104)
Cash and cash equivalents at the beginning of the period	49,083	6,977	17,764	27,555	18,138	119,517
Cash and cash equivalents at the end of the period	46,943	3,940	12,576	25,075	14,879	103,413

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND
NOTES TO THE FINANCIAL INFORMATION
FOR THE PERIOD ENDED AUGUST 14, 2018 AND HALF YEAR ENDED DECEMBER 31, 2018 (UN-AUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Al-Ameen Islamic Financial Planning Fund (the "Fund"), was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on December 16, 2014 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 11, 2014 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from June 24, 2015.
- 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 shariah compliant fund of fund scheme and is listed on Pakistan Stock Exchange Limited. The units of the allocation plans of the Fund are initially offered to public (IPO). Subsequent to the Initial Public Offering, the offer of Units of the Allocation Plans at the Initial Offer Price is discontinued. The Units of the Allocation Plans could then be purchased at their Offer price and redeemed at the Redemption Price, which shall be calculated on the basis of Net Asset Value (NAV) of each Allocation Plan. The units are transferable and can be redeemed by surrendering them to the Fund at the option of unit holder. The Fund consists of multiple plans and aims to generate return for investors in line with their risk tolerance level. The duration of the Fund is perpetual, however, the allocation plans have a standard time frame of two years. Each Allocation Plan announces separate NAVs which rank pari passu inter se according to its number of Units. Units are offered for public subscription on a continuous basis.
- 1.4** The Fund mainly makes investments in designated authorised investments approved by the Shariah Advisory Board and offers Shariah Compliant returns to the investors. Under Circular 07 dated March 6, 2009 issued by the SECP, the Fund is categorised as a Shariah Compliant Fund of Funds.
- 1.5** The Fund has six plans out of which four have matured. The details of the commencement and maturity dates are given below:

	Commencement Date	Maturity Date
Al-Ameen Islamic Active Allocation Plan - I (AIACTAP-I)	23-Jun-15	22-Jun-17
Al-Ameen Islamic Active Allocation Plan - II (AIACTAP-II)	28-Sep-15	26-Sep-17
Al-Ameen Islamic Active Allocation Plan - III (AIACTAP-III)	23-Dec-15	21-Dec-17
Al-Ameen Islamic Active Allocation Plan - IV (AIACTAP-IV)	29-Mar-16	28-Mar-18
Al-Ameen Islamic Active Allocation Plan - V (AIACTAP-V)	15-Aug-16	14-Aug-18
Al-Ameen Islamic Active Allocation Plan - VI (AIACTAP-VI)	21-Nov-16	20-Nov-19

- 1.6** During the period, Al-Ameen Islamic Active Allocation Plan-V (AIACTAP-V) has been matured on August 14, 2018. Therefore, AIACTAP-V has not been prepared on a going concern basis. However, no adjustments are required in this condensed interim financial information as the assets and liabilities are stated at values at which they are expected to be realised or settled. Subsequent to the maturity, maturity proceeds have been paid by the Management Company based on net asset value from August 20, 2018.

Further, the duration of the Al-Ameen Islamic Active Allocation Plan-VI (AIACTAP-VI) was twenty four months starting from the first day of subscription period, i.e. November 22, 2016 and the plan shall was due to mature on November 20, 2018. However, before its maturity, on October 17, 2018 Management Company has extended the maturity of AIACTAP-VI for further 12 months beginning from November 21, 2018 till November 20, 2019 with the approval of SECP. Accordingly, the financial information of said plan and the fund is prepared on a basis other than going concern. However, no adjustments are required in this condensed financial information as the assets and liabilities are stated at values at which they are expected to be realised or settled.

- 1.7** All existing Islamic allocation plans have an objective to earn potentially high returns through active asset allocation between Islamic Equity scheme(s) and Islamic Income scheme(s). The Management Company actively manages the allocations, from time to time, based on the outlook for the asset-classes and may invest up to 100% in Islamic Equity, Islamic income and Islamic money market schemes. The un-invested amounts or funds, if any, shall be kept in cash and / or near cash instruments where near cash instruments include cash in Islamic Bank and / or Islamic Banking windows of conventional bank account (excluding TDRs) with rating not lower than AA- (AA minus) or any other rating allowed by the SECP from time to time.
- 1.8** Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.9** JCR - VIS Credit Rating Company has reaffirmed management quality rating of AM1(stable outlook) to the Management Company as at December 27, 2018.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

The comparative statement of asset 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, 2018, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unitholders' fund, condensed interim statement of cash flows are extracted from the unaudited condensed interim financial information for the half year ended December 31, 2017.

In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at December 31, 2018.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS 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, 2018, except as disclosed in paragraph 3.2.

The preparation of this condensed interim financial information in conformity with accounting and reporting 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.

The significant estimates, judgments and assumptions made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied to annual published audited financial statements as at and for the year ended June 30, 2018.

3.2 Impact of initial application of IFRS 9 Financial Instruments

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

Additionally, the Fund adopted consequential amendments to IFRS 7 Financial Instruments: Disclosures that are applied to the disclosures for the half year ended December 31, 2018.

IFRS 9 introduced new requirements for:

- The classification and measurement of financial assets and financial liabilities;
- Impairment of financial assets; and
- General hedge accounting

Classification and measurement of financial assets and financial liabilities

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

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

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

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

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

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

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

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

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

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

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

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

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9	Effect on July 01, 2018 on Retained Earnings
	Note			----- (Rupees in '000') -----		
Financial assets						
Investment in mutual funds	(a)	HFT	FVTPL	3,792,278	3,792,278	-
Bank balances	(b)	LR	AC	38,867	38,867	-
Profits receivable	(b)	LR	AC	195	195	-

- "LR" is loans and receivables

- "AC" is amortised cost

- "HFT" is held for trading

- "FVTPL" is fair value through profit or loss

(a) IAS 32 includes special exceptions that result in certain instruments that do not meet its definition of an equity instrument nevertheless being classified by the issuer as such. Referred to as "puttable instruments", examples include mutual fund units, REIT units, and investments in entities that have a limited life that provide for the distribution of assets to investors at the end of the life. Because equity classification for these instruments under IAS 32 is by exception rather than by definition, they do not qualify as equity investments from the holder's perspective under IFRS 9 and thus the option to classify and measure these assets at FVOCI is not available.

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

Impairment of financial assets

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

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

Transition

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

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

- The determination of the business model within which a financial asset is held.

- The revocation of previous designations of certain financial assets measured at FVTPL.

Note	Unaudited		Total
	August 14, 2018	December 31, 2018	
	AICTAP-V	AICTAP-VI	
	(Rupees in '000)		

4. BALANCES WITH BANKS

In local currency

- Profit and loss sharing accounts	4.1	24,553	13,578	38,131
- Current accounts		3	1,442	1,445
		24,556	15,020	39,576

(Audited)

June 30, 2018					
AIACTAP-II	AIACTAP-III	AIACTAP-IV	AIACTAP-V	AIACTAP-VI	Total
Note (Rupees in '000)					

In local currency

- Profit and loss sharing account 4.1	46,943	3,930	12,252	24,651	13,038	100,814
- Current accounts	-	10	7	3	1,175	1,195
	46,943	3,940	12,259	24,654	14,213	102,009

4.1 Profit rates on these profit and loss sharing accounts is ranging form 6.30% to 9.25% (June 30, 2018: 6.2%) per annum.

Note	Unaudited		Total
	August 14, 2018	December 31, 2018	
	AICTAP- V	AICTAP- VI	
	(Rupees in '000)		

5. INVESTMENTS

At fair value through profit or loss

- Units of Mutual Funds	5.1	1,728,451	657,032	2,385,483

(Audited)

June 30, 2018					
AIACTAP-II	AIACTAP-III	AIACTAP-IV	AIACTAP-V	AIACTAP-VI	Total
Note (Rupees in '000)					

At fair value through profit or loss

- Units of Mutual Funds	5.1	2,577,152	1,559,268	1,412,034	1,734,065	2,058,213	9,340,732

5.1 Units of Mutual Funds

Name of Investee Funds	As at July 01, 2018	Purchased during the period	Redeemed during the period	As at August 14, 2018 / December 31, 2018	Total carrying value as at August 14, 2018 / December 31, 2018	Total market value as at August 14, 2018 / December 31, 2018	Appreciation/ (diminution) as at August 14, 2018 / December 31, 2018	Market value as a percentage of net assets	Market value as a percentage of total value of Investment
----- Number of units ----- ----- (Rupees in '000) ----- ----- (%) -----									
AI-Ameen Islamic Active Allocation Plan - V									
AI Ameen Islamic Cash Fund	-	17,236,812	-	17,236,812	1,727,860	1,728,451	591	99.15	100
AI Ameen Islamic Sovereign Fund	8,284,793	8,874,959	17,159,752	-	-	-	-	-	-
AI Ameen Islamic Dedicated Equity Fund	7,531,683	-	7,531,683	-	-	-	-	-	-
					1,727,860	1,728,451	591	99.15	100
AI-Ameen Islamic Active Allocation Plan - VI									
AI Ameen Islamic Sovereign Fund	4,570,538	14,216,290	16,665,571	2,121,257	215,869	218,877	3,008	32.80	33
AI Ameen Islamic Dedicated Equity Fund	13,654,331	3,711,660	13,236,830	4,129,161	474,212	438,155	(36,057)	65.66	67
					690,081	657,032	(33,049)	98.46	100
Total investments in units of mutual funds									
AI Ameen Islamic Cash Fund	-	17,236,812	-	17,236,812	1,727,860	1,728,451	591	71.70	72
AI Ameen Islamic Sovereign Fund	12,855,331	23,091,249	33,825,323	2,121,257	215,869	218,877	3,008	9.08	9
AI Ameen Islamic Dedicated Equity Fund	21,186,014	3,711,660	20,768,513	4,129,161	474,212	438,155	(36,057)	18.18	19
					2,417,941	2,385,483	(32,458)	98.96	100

6. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

	Note	Unaudited		Total
		August 14, 2018	December 31, 2018	
		AI ACTAP-V	AI ACTAP-VI	
		----- (Rupees in '000) -----		
Sales load and conversion charges		1	1	2
Allocated expenses	6.1	358	61	419
Shariah Advisory fee		37	30	67
		396	92	488

		(Audited)					
		September 27, 2017	December 22, 2017	March 29, 2018	-----June 30, 2018-----		
		AIACTAP- II	AIACTAP- III	AIACTAP- IV	AIACTAP- V	AIACTAP- VI	Total
Note		(Rupees in '000)					
Sales load and conversion charges		-	-	-	-	1	1
Allocated expenses	6.1	646	93	336	299	356	1,730
Shariah Advisory fee		11	1	9	13	13	47
Other Payable		-	4	5	-	-	9
		657	98	350	312	370	1,787

- 6.1** As per regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.

7. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	Unaudited		Total
		August 14, 2018	December 31, 2018	
		AICTAP-V	AICTAP-VI	
		----- (Rupees in '000) -----		
Auditors' remuneration		172	108	280
Tax deduction at source		-	-	-
Provision for indirect taxes and duties	7.1	1,047	-	1,047
Provision for Sindh Workers' Welfare Fund	7.2	6,208	3,643	9,851
Capital Gain Tax Payable		1	-	1
Others		259	345	604
		7,687	4,096	11,783

		(Audited)					
		September 27, 2017	December 22, 2017	March 29, 2018	-----June 30, 2018-----		
		AICTAP- II	AICTAP- III	AICTAP- IV	AICTAP- V	AICTAP- VI	Total
Note		----- (Rupees in '000) -----					
Auditors' remuneration		98	54	76	101	101	430
Tax deduction at source		21,818	6,884	7,310	-	-	36,012
7.1	Provision for indirect taxes and duties	10,286	6,670	5,352	1,047	-	23,355
7.2	Provision for Sindh Workers' Welfare Fund	15,357	8,588	7,364	6,208	3,643	41,160
Capital Gain Tax Payable		32	1	57	27	-	117
Others		51	212	239	199	860	1,561
		47,642	22,409	20,398	7,582	4,604	102,635

7.1 Provision for indirect taxes and duties

This includes provision for federal excise duty (FED) as at December 31, 2018 amounting to Rs. Nil, Rs. Nil, Rs. Nil, Rs. 1.047 million and Rs. Nil (June 30, 2018: Rs. 10.286 million, Rs. 6.670 million, Rs. 5.352 million, Rs. 1.047 million and Rs. Nil) of AICTAP-II, AICTAP-III, AICTAP-IV, AICTAP-V and AICTAP-VI, respectively. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 9.1 to the annual audited financial statements for the year ended June 30, 2018. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 1.047 million till June 30, 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Rs. Nil, Rs. Nil, Rs. Nil, Rs. 0.06 and Rs. Nil (June 30, 2018: Rs. 0.40, Rs. 0.44, Rs. 0.39, Rs. 0.06 and Rs. Nil) of AICTAP-II, AICTAP-III, AICTAP-IV, AICTAP-V and AICTAP-VI respectively.

7.2 Provision for Sindh Workers' Welfare Fund (SWWF) and Workers' Welfare Fund (WWF)

This represents provision for Sindh Workers' Welfare Fund (SWWF) as at December 31, 2018. The Management Company, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis. Had the SWWF not been provided for, the net assets value per unit would have been higher by Rs. Nil, Rs. Nil, Rs. Nil, Rs. 0.37 and Rs. 0.50 (June 30, 2018: Rs. 0.60, Rs. 0.57, Rs. 0.53, Rs. 0.37 and Rs. 0.17 per unit) of AICTAP-II, AICTAP-III, AICTAP-IV, AICTAP-V and AICTAP-VI, respectively. The details regarding this provision are disclosed in note 9.2 to annual audited financial statements for the year ended June 30, 2018.

Further, as disclosed in note 9.2 to the annual financial statements for the year ended June 30, 2018, the Provision for Workers' Welfare Fund (WWF) held in the books of accounts till June 30, 2015 was reversed on January 12, 2017. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 9.2 to the annual audited financial statements for the year ended June 30, 2018.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2018 and June 30, 2018

9. TAXATION

According to Regulation 63 of Non-Banking Finance Companies and Notified Entities Regulations, 2008, Management Company is required to distribute, by way of dividend, more than 90 percent of accounting income received or derived from sources other than capital gains (both realised and unrealised) during the year. Since the Fund has incurred net loss during the period ended December 31, 2018, no provision for taxation has been made in this condensed interim financial information as the management believes that the Fund will qualify for exemption under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

10. EARNINGS PER UNIT

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

11. NUMBER OF UNITS IN ISSUE

Total units in issue at the beginning of the year
Units issued during the period
Units redeemed during the period

Total units in issue at the end of the period

Unaudited	
For the period ended August 14, 2018	For the period ended December 31, 2018
AICTAP-V	AICTAP-VI
----- (Number of units) -----	

16,841,789 21,647,012
9,861 371,994
(21,695) (14,759,341)

16,829,955 7,259,665

	(Audited)				
	For the period ended September 27, 2017	For the period ended December 22, 2017	For the period ended March 29, 2018	For the year ended June 30, 2018	
	AICTAP-II	AICTAP-III	AICTAP-IV	AICTAP-V	AICTAP-VI
----- (Number of units) -----					
Total units in issue at the beginning of the year	20,964,506	13,572,891	12,215,775	19,949,582	23,004,340
Units issued during the period	838,436	354,099	388,471	394,899	568,925
Bonus	4,387,809	1,470,596	1,620,723	-	-
Units redeemed during the period	(452,496)	(209,164)	(425,667)	(3,502,692)	(1,926,253)
Total units in issue at the end of the year / period	25,738,255	15,188,422	13,799,302	16,841,789	21,647,012

12. TOTAL EXPENSE RATIO

In accordance with directive 23 of 2016 dated July, 20 2016 issued by the Securities Exchange of Pakistan, the Total Expense Ratio of each plans including Government levies and SECP fee is as follows:

	Unaudited		Audited	
	For the period ended	For the period ended		
	August 14, 2018	December 31, 2018	For the year ended June 30, 2018	
	AICTAP-V	AICTAP-VI	AICTAP-V	AICTAP-VI
Total expense ratio	0.04%	0.16%	0.29%	0.28%
Government levy, SWWF and SECP fee	0.01%	0.04%	0.08%	0.09%

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

As at August 14, 2018 and December 31, 2018				
ASSETS	Fair Value			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			

AI-Ameen Islamic Active Allocation Plan - V				
Investment in mutual funds - financial assets at fair value through profit or loss	1,728,451	-	-	1,728,451
AI-Ameen Islamic Active Allocation Plan - VI				
Investment in mutual funds - financial assets at fair value through profit or loss	657,032	-	-	657,032
June 30, 2018				
ASSETS	Fair Value			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			

AI-Ameen Islamic Active Allocation Plan - V				
Investment in mutual funds - financial assets at fair value through profit or loss - held for trading	1,734,065			1,734,065
AI-Ameen Islamic Active Allocation Plan - VI				
Investment in mutual funds - financial assets at fair value through profit or loss - held for trading	2,058,213			2,058,213

13.1 The Fund has not disclosed the fair values for other financial assets and financial liabilities, as their estimated fair value is considered not significantly different from the carrying value as the items are short term in nature.

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

14. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 14.1** Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, the Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of the Management Company.
- 14.2** Transactions with the connected persons are in the normal course of business, at agreed / contracted rates.
- 14.3** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 14.4** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.
- 14.5** Details of transactions with related parties / connected persons and balances held with them including transactions and balances involving related parties at the half year / period end are as follows:

Particulars	Management Company	Associated Companies and others*	Trustee	Funds under Common Management	Directors and Key Executives**	Other connected persons/ related parties***
Al-Ameen Islamic Active Allocation Plan - V						
Transactions during the period	Period ended August 14, 2018					
	(Units in '000)					
Units issued	-	-	-	-	-	-
Units redeemed	-	1,023	-	-	-	-
	(Rupees in '000)					
Value of units redeemed	-	105,936	-	-	-	-
Profit on savings accounts	-	201	-	-	-	-
Dividend Received	-	-	-	25,286	-	-
Bank charges	-	50	-	-	-	-
Allocated expenses	212	-	-	-	-	-
Shariah advisor fees	25	-	-	-	-	-
Investment in mutual funds - purchase of units	-	-	-	2,595,606	-	-
Investment in mutual funds - redemption of units	-	-	-	2,596,667	-	-
Remuneration	-	-	195	-	-	-
Balances held - unsecured	As at August 14, 2018					
	(Units in '000)					
Units held	-	-	-	-	-	-
	(Rupees in '000)					
Value of units held	-	-	-	-	-	-
Bank balances	-	24,556	-	-	-	-
Investment in mutual funds - Units held	-	-	-	1,728,451	-	-
Profit receivable	-	73	-	-	-	-
Remuneration payable (Inclusive of SST)	-	-	61	-	-	-
Allocated expense payable	358	-	-	-	-	-
Shariah Advisor fee payable	37	-	-	-	-	-
Other payable	1	-	-	-	-	-
Transactions during the period	Half Year ended December 31, 2017					
	(Units in '000)					
Units issued	-	22	-	-	-	21
Units redeemed	-	-	-	-	-	-
	(Rupees in '000)					
Profit on PLS account	-	777	-	-	-	-
Bank charges	-	8	-	-	-	-
Allocated expenses	1,001	-	-	-	-	-
Shariah Advisor fee	38	-	-	-	-	-
Investment in mutual funds - purchase of units	-	2,501	-	662,266	2	-
Investment in mutual funds - redemption of units	-	-	-	924,320	-	-
Remuneration	-	-	991	-	-	-
Balances held - unsecured	(Units in '000)					
Units held	-	1,023	-	-	-	-
	(Rupees in '000)					
Value of units held	-	106,259	-	-	-	-
Bank balances	-	24,654	-	-	-	-
Investment in mutual funds - Units held	-	-	-	1,734,065	-	-
Profit receivable	-	126	-	-	-	-
Remuneration payable	-	-	134	-	-	-
Allocated expense payable	299	-	-	-	-	-
Shariah Advisor fee payable	13	-	-	-	-	-

Particulars	Management Company	Associated Companies and others*	Trustee	Funds under Common Management	Directors and Key Executives**	Other connected persons/ related parties***

Al-Ameen Islamic Active Allocation Plan - VI

Transactions during the period

	-----Half Year ended December 31, 2018 -----					
	----- (Units in '000) -----					
Units issued	-	-	-	-	-	-
Units redeemed	-	1,023	-	-	-	8
	----- (Rupees in '000) -----					
Value of units redeemed	-	99,273	-	-	-	792
Profit on savings accounts	-	569	-	-	-	-
Dividend Received	-	-	-	164	-	-
Bank charges	-	2	-	-	-	-
Allocated expenses	889	-	-	-	-	-
Shariah advisor fees	147	-	-	-	-	-
Investment in mutual funds - purchase of units	-	-	-	1,853,485	-	-
Investment in mutual funds - redemption of units	-	-	-	1,891,084	-	-
Remuneration	-	-	873	-	-	-
Listing fee	-	14	-	-	-	-

Balances held - unsecured

	----- As at December 31, 2018 -----					
	----- (Units in '000) -----					
Units held	-	-	-	-	-	-
	----- (Rupees in '000) -----					
Value of units held	-	-	-	-	-	-
Bank balances	-	15,020	-	-	-	-
Investment in mutual funds - Units held	-	-	-	657,032	-	-
Profit receivable	-	146	-	-	-	-
Remuneration payable	-	-	69	-	-	-
Allocated expense payable	61	-	-	-	-	-
Shariah Advisor fee payable	30	-	-	-	-	-
Other payable	1	-	-	-	-	-

Transactions during the period

	----- Half year ended December 31, 2017 -----					
	----- (Units in '000) -----					
Units issued	-	23	-	-	-	18
Units redeemed	-	-	-	-	-	-
	----- (Rupees in '000) -----					
Profit on PLS account	-	476	-	-	-	-
Bank charges	-	21	-	-	-	-
Allocated expenses	1,133	-	-	-	-	-
Shariah advisor fee	38	-	-	-	-	-
Investment in mutual funds - purchase of units	-	2,401	-	488,247	-	-
Investment in mutual funds - redemption of units	-	-	-	581,188	-	-
Remuneration	-	-	1,103	-	-	-

Balances held - unsecured

	----- As at June 30, 2018 -----					
	----- (Units in '000) -----					
Units held	-	1,023	-	-	-	-
	----- (Rupees in '000) -----					
Value of units held	-	97,656	-	-	-	-
Bank balances	-	14,213	-	-	-	-
Investment in mutual funds - Units held	-	-	-	2,058,213	-	-
Profit receivable	-	69	-	-	-	-
Remuneration payable	-	-	160	-	-	-
Allocated expense payable	356	-	-	-	-	-
Shariah Advisor fee payable	13	-	-	-	-	-
Other payable	1	-	-	-	-	-

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

** These includes transactions and balance in relation to those directors and key executives that existed as at year end. However, it does not include the transaction and balances whereby director and key executive has resigned from the management company during the year

*** This represents the person having 10% or more holding in each year.

15. GENERAL

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

15.2 This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures presented in condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2018 have not been reviewed.

16. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information were authorised for issue on February 27, 2019 by the Board of Directors of the Management Company.

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AIFPF-II

Al-Ameen Islamic Financial Planning Fund

Al-Ameen Islamic Active Allocation Plan - VII - X

Al-Ameen Islamic Active Principal Preservation Plan-I

INVESTMENT OBJECTIVE

AIFPF-II is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds 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 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
Bankers	United Bank Limited
Management Co. Rating	AM 1 (JCR-VIS)

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) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC FINANCIAL PLANNING 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 Al-Ameen Islamic Financial Planning 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, 2018 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 26, 2019

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT DECEMBER 31, 2018

		December 31, 2018 (Unaudited)					
	Note	AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	Total
		(Rupees in '000)					
ASSETS							
Bank balances	4	8,967	6,925	262	9,197	516	25,867
Investments	5	1,498,784	3,944,607	3,292,138	1,561,361	2,059,956	12,356,846
Profit receivable		81	36	22	33	10	182
Prepayments and other receivables		44	7	8	8	8	75
Preliminary expenses and floatation costs		299	-	-	-	-	299
TOTAL ASSETS		1,508,175	3,951,575	3,292,430	1,570,599	2,060,490	12,383,269
LIABILITIES							
Payable to UBL Fund Managers Limited - Management Company		137	352	294	143	181	1,107
Payable to Central Depository Company of Pakistan Limited - Trustee		114	299	250	120	152	935
Payable to Securities and Exchange Commission of Pakistan		606	1,587	1,326	634	788	4,941
Accrued expenses and other liabilities	6	85	115	300	162	883	1,545
TOTAL LIABILITIES		942	2,353	2,170	1,059	2,004	8,528
NET ASSETS		1,507,233	3,949,222	3,290,260	1,569,540	2,058,486	12,374,741
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)							
		1,507,233	3,949,222	3,290,260	1,569,540	2,058,486	12,374,741
CONTINGENCIES AND COMMITMENTS							
	7	(Number of Units)					
NUMBER OF UNITS IN ISSUE							
		17,578,176	46,111,177	34,901,651	16,220,008	20,095,027	
NET ASSETS VALUE PER UNIT							
		85.7446	85.6457	94.2723	96.7657	102.4376	

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT DECEMBER 31, 2018 (Continued)

Note	June 30, 2018 (Audited)						Total
	AICTAP-VII	AICTAP-VIII	AICTAP-IX	AIConAP	AICTAP-X	AIAPPP-I	
	(Rupees in '000)						
ASSETS							
Bank balances	4	10,508	4,920	300	510	6,012	22,566
Investments	5	1,640,279	4,325,375	3,613,340	-	1,713,790	13,443,686
Profit receivable		54	23	23	-	29	193
Prepayments and other receivables		761	-	-	-	-	761
Preliminary expenses and floatation costs		1,380	-	-	-	-	1,380
TOTAL ASSETS		1,652,982	4,330,318	3,613,663	510	1,719,831	13,468,586
LIABILITIES							
Payable to UBL Fund Managers Limited - Management Company		288	749	624	46	298	2,711
Payable to Central Depository Company of Pakistan Limited - Trustee		120	315	263	24	125	1,001
Payable to Securities and Exchange Commission of Pakistan		1,368	3,417	2,389	91	726	8,447
Accrued expenses and other liabilities	6	44	41	117	349	60	647
TOTAL LIABILITIES		1,820	4,522	3,393	510	1,209	12,806
NET ASSETS		1,651,162	4,325,796	3,610,270	-	1,718,622	13,455,780
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,651,162	4,325,796	3,610,270	-	1,718,622	13,455,780
CONTINGENCIES AND COMMITMENTS	7						
		(Number of Units)					
NUMBER OF UNITS IN ISSUE		18,317,023	48,011,863	36,428,630	-	16,906,117	21,404,780
		(Rupees)					
NET ASSETS VALUE PER UNIT		90.1436	90.0985	99.1053	-	101.6568	100.4416

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

Note	Half year ended December 31, 2018					TOTAL
	AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	
	-(Rupees in '000)					
INCOME						
Profit on bank balances	424	197	88	194	60	963
Capital gain on sale of investments - net	319	3,505	2,778	652	3,733	10,987
Unrealised (loss) / gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net	(77,017)	(209,517)	(172,056)	(80,505)	31,938	(507,157)
Dividend income	137	359	310	170	3,298	4,274
Other income	1,312	3,377	3,523	2,307	5,283	15,802
	(74,825)	(202,079)	(165,357)	(77,182)	44,312	(475,131)
EXPENSES						
Remuneration of Central Depository Company of Pakistan Limited - Trustee	703	1,839	1,537	735	913	5,727
Annual fee of Securities and Exchange Commission of Pakistan	606	1,587	1,326	634	788	4,941
Amortisation of preliminary expenses and floatation costs	1,080	-	-	-	-	1,080
Allocated expenses	809	2,116	1,768	846	1,051	6,590
Bank charges	6	8	8	9	3	34
Auditors' remuneration	68	55	52	53	53	281
Listing fee	17	3	3	3	3	29
Legal and professional charges	17	15	14	14	14	74
Shariah advisory fee	35	35	35	35	35	175
Other expenses	136	2	2	2	2	144
Total operating expenses	3,477	5,660	4,745	2,331	2,862	19,075
Operating (loss) / income for the period	(78,302)	(207,739)	(170,102)	(79,513)	41,450	(494,206)
Provision for Sindh Workers' Welfare Fund	-	-	-	-	(813)	(813)
Net (loss) / income for the period before taxation	(78,302)	(207,739)	(170,102)	(79,513)	40,637	(495,019)
Taxation	-	-	-	-	-	-
Net (loss) / income for the period after taxation	(78,302)	(207,739)	(170,102)	(79,513)	40,637	(495,019)
Allocation of net income for the period						
Income already paid on units redeemed	-	-	-	-	(874)	(874)
Net (loss) for the period / net income for the period available for distribution	(78,302)	(207,739)	(170,102)	(79,513)	39,763	(495,893)
Net income for the period available for distribution:						
Relating to capital gains	-	-	-	-	34,800	34,800
Excluding capital gains	-	-	-	-	4,963	4,963
Earnings per unit	-	-	-	-	39,763	39,763

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018 (Continued)

	For the half year ended December 31, 2017	For the half year ended December 31, 2017	For the period from August 31, 2017 to December 31, 2017	For the period from November 9, 2017 to December 31, 2017	For the period from December 15, 2017 to December 31, 2017	
Note	AICTAP-VII	AICTAP-VIII	AICTAP-IX	AIConAP	AICTAP-X	TOTAL
	(Rupees in '000)					
INCOME						
Profit on bank balances	634	676	2,850	8	1,262	5,430
Capital (loss) / gain on sale of investments - net	(26,570)	5,719	13,958	22	688	(6,183)
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - held for trading - net	(186,183)	(420,639)	(98,140)	447	24,728	(679,787)
Other income	14,482	10,195	4,589	-	46	29,312
	(197,637)	(404,049)	(76,743)	477	26,724	(651,228)
EXPENSES						
Remuneration of Central Depository Company of Pakistan Limited - Trustee	958	2,108	1,197	11	81	4,355
Annual fee of Securities and Exchange Commission of Pakistan	722	1,740	975	8	60	3,505
Amortisation of preliminary expenses and floatation costs	1,080	-	-	-	-	1,080
Allocated expenses	963	2,320	1,299	-	81	4,663
Bank charges	8	5	5	-	-	18
Auditors' remuneration	111	55	47	19	13	245
Listing fee	19	7	-	-	-	26
Legal and professional fees	64	54	14	-	10	142
Shariah advisory fee	55	55	40	13	6	169
Other expenses	134	-	-	-	-	134
Total operating expenses	4,114	6,344	3,577	51	251	14,337
Operating (loss) / income for the period	(201,751)	(410,393)	(80,320)	426	26,473	(665,565)
Provision for Sindh Workers' Welfare Fund	-	-	-	(8)	(519)	(527)
Net (loss) / income for the period before taxation	(201,751)	(410,393)	(80,320)	418	25,954	(666,092)
Taxation	-	-	-	-	-	-
Net (loss) / income for the period after taxation	(201,751)	(410,393)	(80,320)	418	25,954	(666,092)
Allocation of net income for the period						
Income already paid on units redeemed	(36)	-	-	-	-	(36)
Net (loss) for the period / net income for the period available for distribution	(201,715)	(410,393)	(80,320)	418	25,954	(666,056)
Net income for the period available for distribution:						
Relating to capital gains	-	-	-	469	25,416	25,885
Excluding capital gains	-	-	-	(51)	538	487
	-	-	-	418	25,954	26,372

Earnings per unit

9

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

Note	Quarter ended December 31, 2018					TOTAL
	AIACTAP-VII	AIACTAP-	AIACTAP-IX	AIACTAP-X	AIAPPP-I	
	(Rupees in '000)					
INCOME						
Profit on bank balances	228	101	47	93	28	497
Capital gain on sale of investments - net	2,149	6,997	6,140	1,556	1,775	18,617
Unrealised (loss) / gain on re-measurement of investments classified as financial assets at fair value through profit or loss - held for trading - net	(65,880)	(178,630)	(147,381)	(68,672)	14,824	(445,739)
Dividend income	-	-	-	-	936	936
Other income	851	1,989	1,495	1,013	1,469	6,817
	(62,652)	(169,543)	(139,699)	(66,010)	19,032	(418,872)
EXPENSES						
Remuneration of Central Depository Company of Pakistan Limited - Trustee	346	906	758	363	455	2,828
Annual fee of Securities and Exchange Commission of Pakistan	298	781	654	313	392	2,438
Amortisation of preliminary expenses and floatation costs	540	-	-	-	-	540
Allocated expenses	398	1,042	871	417	523	3,251
Bank charges	6	6	7	3	2	24
Auditors' remuneration	27	22	21	22	22	114
Listing fee	9	1	2	2	2	15
Legal and professional charges	7	7	6	6	6	32
Shariah advisory fee	22	22	22	22	22	110
Other expenses	67	1	1	1	1	71
Total operating expenses	1,720	2,788	2,342	1,149	1,425	9,424
Operating (loss) / income for the period	(64,372)	(172,331)	(142,041)	(67,159)	17,607	(428,296)
Provision for Sindh Workers' Welfare Fund	-	-	-	-	(345)	(345)
Net (loss) / income for the period before taxation	(64,372)	(172,331)	(142,041)	(67,159)	17,262	(428,641)
Taxation	-	-	-	-	-	-
Net (loss) / income for the period after taxation	(64,372)	(172,331)	(142,041)	(67,159)	17,262	(428,641)
Allocation of net income for the period						
Income already paid on units redeemed	-	-	-	-	-	-
Net (loss) for the period / net income for the period available for distribution	(64,372)	(172,331)	(142,041)	(67,159)	17,262	(428,641)
Net income for the period available for distribution:						
Relating to capital gains	-	-	-	-	16,599	16,599
Excluding capital gains	-	-	-	-	663	663
	-	-	-	-	17,262	17,262
Earnings per unit						

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018 (Continued)

	For the quarter ended December 31, 2017	For the quarter ended December 31, 2017	For the quarter ended December 31, 2017	For the period from November 09, 2017 to December 31, 2017	For the period from December 15, 2017 to December 31, 2017	
	AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIConAP	AIACTAP-X	TOTAL
Note	(Rupees in '000)					
INCOME						
Profit on bank balances	258	47	597	8	1,262	2,172
Capital (loss) / gain on sale of investments - net	(6,603)	11,502	12,065	22	688	17,674
Unrealised (appreciation) / diminution on re-measurement of investments classified as financial assets at fair value through profit or loss - held for trading - net	(45,057)	(140,137)	(87,923)	447	24,728	(247,942)
Other income	2,697	2,776	4,452	-	46	9,971
	(48,705)	(125,812)	(70,809)	477	26,724	(218,125)
EXPENSES						
Remuneration of Central Depository Company of Pakistan Limited - Trustee	435	1,005	889	11	81	2,421
Annual fee of Securities and Exchange Commission of Pakistan	322	827	725	8	60	1,942
Amortisation of preliminary expenses and floatation costs	540	-	-	-	-	540
Allocated expenses	430	1,103	964	-	81	2,578
Bank charges	6	4	5	-	-	15
Auditors' remuneration	33	31	43	19	13	139
Listing fee	9	4	-	-	-	13
Legal & professional fees	38	39	14	-	10	101
Shariah advisory fee	22	22	21	13	6	84
Other expenses	68	-	-	-	-	68
Total operating expenses	1,903	3,035	2,661	51	251	7,901
Operating (loss) / income for the period	(50,608)	(128,847)	(73,470)	426	26,473	(226,026)
Provision for Sindh Workers' Welfare Fund	6.1	-	-	(8)	(519)	(527)
Net (loss) / income for the period before taxation	(50,608)	(128,847)	(73,470)	418	25,954	(226,553)
Taxation	8	-	-	-	-	-
Net (loss) / income for the period after taxation	(50,608)	(128,847)	(73,470)	418	25,954	(226,553)
Allocation of net income for the period						
Income already paid on units redeemed	-	-	-	-	-	-
Net (loss) for the period / net income for the period available for distribution	(50,608)	(128,847)	(73,470)	418	25,954	(226,553)
Net income for the period available for distribution:						
Relating to capital gains	-	-	-	469	25,416	25,885
Excluding capital gains	-	-	-	(51)	538	487
	-	-	-	418	25,954	26,372
Earnings per unit						

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND- II
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Half year ended December 31, 2018				
	AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I
	(Rupees in '000)				
					TOTAL
Net (loss) / income for the period after taxation	(78,302)	(207,739)	(170,102)	(79,513)	40,637
Other comprehensive income					
Items that may be reclassified subsequently to income statement	-	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(78,302)</u>	<u>(207,739)</u>	<u>(170,102)</u>	<u>(79,513)</u>	<u>40,637</u>
	<u>(78,302)</u>	<u>(207,739)</u>	<u>(170,102)</u>	<u>(79,513)</u>	<u>40,637</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND- II
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018 (Continued)

	For the half year ended December 31, 2017	For the half year ended December 31, 2017	For the period from August 31, 2017 to December 31, 2017	For the period from November 09, 2017 to December 31, 2017	For the period from December 15, 2017 to December 31, 2017	
	AICTAP-VII	AICTAP-VIII	AICTAP-IX	AIconAP	AICTAP-X	TOTAL
	----- (Rupees in '000) -----					
Net (loss) / income for the period after taxation	(201,751)	(410,393)	(80,320)	418	25,954	(666,092)
Other comprehensive income for the period						
Items that may be reclassified subsequently to income statement	-	-	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(201,751)</u>	<u>(410,393)</u>	<u>(80,320)</u>	<u>418</u>	<u>25,954</u>	<u>(666,092)</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND- II
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Quarter ended December 31, 2018					TOTAL
	AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	
	------(Rupees in '000)-----					
Net (loss) / income for the period after taxation	(64,372)	(172,331)	(142,041)	(67,159)	17,262	(428,641)
Other comprehensive income						
Items that may be reclassified subsequently to income statement	-	-	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-	-	-
Total comprehensive income / (loss) for the period	<u>(64,372)</u>	<u>(172,331)</u>	<u>(142,041)</u>	<u>(67,159)</u>	<u>17,262</u>	<u>(428,641)</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND- II
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018 (Continued)

	For the quarter ended December 31, 2017	For the quarter ended December 31, 2017	For the quarter ended December 31, 2017	For the period from November 09, 2017 to December 31, 2017	For the period from December 15, 2017 to December 31, 2017	
	AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIConAP	AIACTAP-X	TOTAL
	----- (Rupees in '000) -----					
Net (loss) / income for the period after taxation	(50,608)	(128,847)	(73,470)	418	25,954	(226,553)
Other comprehensive income for the period						
Items that may be reclassified subsequently to income statement	-	-	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(50,608)</u>	<u>(128,847)</u>	<u>(73,470)</u>	<u>418</u>	<u>25,954</u>	<u>(226,553)</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

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DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND- II
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended December 31, 2018					
	AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	TOTAL
	(Rupees in '000)					
CASH FLOWS FROM OPERATING ACTIVITIES						
Net (loss) / income for the period before taxation	(78,302)	(207,739)	(170,102)	(79,513)	40,637	(495,019)
Adjustments for:						
Profit on bank balances	(424)	(197)	(88)	(194)	(60)	(963)
Unrealised loss / (gain) on re-measurement of investments						
classified as financial assets at fair value through profit or loss - net	77,017	209,517	172,056	80,505	(31,938)	507,157
Capital gain on sale of investments - net	(319)	(3,505)	(2,778)	(652)	(3,733)	(10,987)
Dividend income	(137)	(359)	(310)	(170)	(3,298)	(4,274)
Amortisation of preliminary expenses and floatation cost	1,080	-	-	-	-	1,080
	77,217	205,456	168,880	79,489	(39,029)	492,013
Cash (used in) / generated from operations before working capital changes	(1,085)	(2,283)	(1,222)	(24)	1,608	(3,006)
Working capital changes						
Decrease / (increase) in assets						
Investments-net	64,797	174,756	151,924	72,576	126,617	590,670
Other receivable	718	(7)	(8)	(8)	(8)	687
	65,515	174,749	151,916	72,568	126,609	591,357
(Decrease) / increase in liabilities						
Payable to UBL Fund Managers Limited - Management Company	(151)	(397)	(330)	(155)	(525)	(1,558)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(6)	(16)	(13)	(5)	(2)	(42)
Payable to the Securities and Exchange Commission of Pakistan	(762)	(1,830)	(1,063)	(92)	332	(3,415)
Accrued expenses and other liabilities	41	74	183	102	847	1,247
	(878)	(2,169)	(1,223)	(150)	652	(3,768)
Profit received on bank balances	397	184	89	190	114	974
Net cash generated from operating activities	63,949	170,481	149,560	72,584	128,983	585,557
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts from issuance of units	349	17,027	15,341	1,006	1,939	35,662
Payments against redemption of units	(65,976)	(185,862)	(165,249)	(69,953)	(134,020)	(621,060)
Dividend income	137	359	310	170	3,298	4,274
Dividend paid	-	-	-	(622)	-	(622)
Net cash used in financing activities	(65,490)	(168,476)	(149,598)	(69,399)	(128,783)	(581,746)
Net (decrease) / increase in cash and cash equivalents	(1,541)	2,005	(38)	3,185	200	3,811
Cash and cash equivalents at the beginning of the period	10,508	4,920	300	6,012	316	22,056
Cash and cash equivalents at the end of the period	8,967	6,925	262	9,197	516	25,867

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

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CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND- II
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (Continued)

	For the half year ended December 31, 2017	For the half year ended December 31, 2017	For the period from August 15, 2017 to December 31, 2017	For the period from November 15, 2017 to December 31, 2017	For the period from December 15, 2017 to December 31, 2017	TOTAL
	AICTAP-VII	AICTAP-VIII	AICTAP-IX	AIConAP	AICTAP-X	
	(Rupees in '000)					
CASH FLOWS FROM OPERATING ACTIVITIES						
Net (loss) / profit for the period before taxation	(201,751)	(410,393)	(80,320)	418	25,954	(666,092)
Adjustments						
Profit on bank balances	(634)	(676)	(2,850)	(8)	(1,262)	(5,430)
Unrealised diminution / (appreciation) on re-measurement of investments classified as financial assets at fair value through profit or loss - held for trading - net	186,183	420,639	98,140	(447)	(24,728)	679,787
Capital loss / (gain) on sale of investments - net	26,570	(5,719)	(13,958)	(22)	(688)	6,183
Amortisation of preliminary expenses and floatation cost	1,080	-	-	-	-	1,080
	213,199	414,244	81,332	(477)	(26,678)	681,620
(Increase) / decrease in assets:						
Investments-net	347,710	244,807	(3,840,413)	(99,979)	(1,708,571)	(5,056,446)
Formation cost	1	-	-	-	-	1
Other receivable	(448)	(105)	(368)	-	(49)	(970)
	347,263	244,702	(3,840,781)	(99,979)	(1,708,620)	(5,057,415)
Increase / (Decrease) in liabilities						
Payable to UBL Fund Managers Limited - Management Company	(562)	(10,672)	690	13	6,646	(3,885)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(40)	(44)	303	9	81	309
Payable to the Securities and Exchange Commission of Pakistan	98	1,406	975	8	60	2,547
Accrued expenses and other liabilities	(20,902)	(4,658)	4,888	46	26,603	5,977
	(21,406)	(13,968)	6,856	76	33,390	4,948
	337,305	234,585	(3,832,913)	(99,962)	(1,675,954)	(5,036,939)
Profit received on bank balances	730	1,017	2,765	-	836	5,348
Net cash generated from / (used in) operating activities	338,035	235,602	(3,830,148)	(99,962)	(1,675,118)	(5,031,591)
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts from issuance of units	23,230	13,287	4,195,461	105,000	1,720,805	6,057,783
Payments against redemption of units	(385,300)	(259,203)	(360,250)	(5,038)	(4,490)	(1,014,281)
Net cash (used in) / generated from financing activities	(362,070)	(245,916)	3,835,211	99,962	1,716,315	5,043,502
Net (decrease) / increase in cash and cash equivalents	(24,035)	(10,314)	5,063	-	41,197	11,911
Cash and cash equivalents at the beginning of the period	39,968	10,471	-	-	-	50,439
Cash and cash equivalents at the end of the period	15,933	157	5,063	-	41,197	62,350

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

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CHIEF EXECUTIVE OFFICER

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CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND-II
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	AIAC TAP-VII			AIAC TAP-VIII			AIAC TAP-IX			AIAC TAP-X			AIAPPP-I			For the half year ended December 31, 2018		
	For the half year ended December 31, 2018			For the half year ended December 31, 2018			For the half year ended December 31, 2018			For the half year ended December 31, 2018			For the half year ended December 31, 2018			For the half year ended December 31, 2018		
	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed loss	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	1,869,513	(218,351)	1,651,162	4,832,027	(506,231)	4,325,796	3,644,048	(33,778)	3,610,270	1,688,731	29,891	1,718,622	2,140,539	9,391	2,149,930	14,174,858	(719,078)	13,455,780
Issuance of 3,846, 192,371, 156,893, 10,136 and 19,207 units																		
- Capital value of units	347	-	347	17,332	-	17,332	15,549	-	15,549	1,030	-	1,030	1,929	-	1,929	36,187	-	36,187
- Element of income / (loss)	2	-	2	(305)	-	(305)	(208)	-	(208)	(24)	-	(24)	10	-	10	(525)	-	(525)
Due to net (loss incurred) / income earned																		
Total proceeds on issuance of units	349	-	349	17,027	-	17,027	15,341	-	15,341	1,006	-	1,006	1,939	-	1,939	35,662	-	35,662
Redemption of 742,694, 2,093,057, 1,683,872, 696,246 and 1,328,960 units																		
- Capital value of units	(66,949)	-	(66,949)	(188,581)	-	(188,581)	(166,881)	-	(166,881)	(70,752)	-	(70,752)	(133,483)	-	(133,483)	(626,646)	-	(626,646)
- Element of (income) / loss	973	-	973	2,719	-	2,719	1,632	-	1,632	799	-	799	337	(874)	(537)	6,460	(874)	5,586
Due to net (income earned) / loss incurred																		
Total payments on redemption of units	(65,976)	-	(65,976)	(185,862)	-	(185,862)	(165,249)	-	(165,249)	(69,953)	-	(69,953)	(133,146)	(874)	(134,020)	(620,186)	(874)	(621,060)
Total comprehensive (loss) / income for the period	-	(78,302)	(78,302)	-	(207,739)	(207,739)	-	(170,102)	(170,102)	-	(79,513)	(79,513)	-	40,637	40,637	-	(495,019)	(495,019)
Distribution during the period																		
Re. 0.0368 per unit declared on July 02, 2018 as cash dividend		-	-		-	-		-	-		(622)	(622)		-	-		(622)	(622)
Net (loss) / income for the period less distribution	-	(78,302)	(78,302)	-	(207,739)	(207,739)	-	(170,102)	(170,102)	-	(80,135)	(80,135)	-	40,637	40,637	-	(495,641)	(495,641)
Net assets at the end of the period	1,803,886	(296,653)	1,507,233	4,663,192	(713,970)	3,949,222	3,494,140	(203,880)	3,290,260	1,619,784	(50,244)	1,569,540	2,009,332	49,154	2,058,486	13,590,334	(1,215,593)	12,374,741
Undistributed (loss) / income brought forward comprises of:																		
Realised (loss) / gain		(100,047)			(235,536)			18,160			14,866			(4,400)			(306,957)	
Unrealised (loss) / gain		(118,304)			(270,695)			(51,938)			15,025			13,791			(412,121)	
Total undistributed (loss) / income brought forward		(218,351)			(506,231)			(33,778)			29,891			9,391			(719,078)	
Income available for distribution:																		
Relating to capital gains		-			-			-			-			34,800			34,800	
Excluding capital gains		-			-			-			-			4,963			4,963	
Net loss for the period		(78,302)			(207,739)			(170,102)			(79,513)			-			(535,656)	
Distribution during the period																		
Re. 0.0368 per unit declared on July 02, 2018 as cash dividend		-			-			-			(622)			-			(622)	
Undistributed (loss) / income carried forward		(296,653)			(713,970)			(203,880)			(50,244)			49,154			(1,215,593)	
Undistributed (loss) / income carried forward comprises of:																		
Realised (loss) / gain		(219,636)			(504,453)			(31,824)			30,261			17,216			(488,800)	
Unrealised (loss) / gain		(77,017)			(209,517)			(172,056)			(80,505)			31,938			(470,140)	
Total undistributed (loss) / income carried forward		(296,653)			(713,970)			(203,880)			(50,244)			49,154			(1,215,593)	
Net assets value per unit at the beginning of the period		(Rupees)			(Rupees)			(Rupees)			(Rupees)			(Rupees)			(Rupees)	
		90.1436			90.0985			99.1053			101.6568			100.4416				
Net assets value per unit at end of the period		85.7446			85.6457			94.2723			96.7657			102.4376				

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

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CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (Continued)

	For the half year ended December 31, 2017	For the half year ended December 31, 2017	For the period from August 15, 2017 to December 31, 2017	For the period from November 15, 2017 to December 31, 2017	For the period from December 15, 2017 to December 31, 2017	TOTAL
	AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIconAP	AIACTAP-X	
	----- (Rupees in '000) -----					
Net assets at beginning of the period (Rs. 98.0880 per unit and Rs. 96.8685 per unit)	2,250,469	4,994,943	-	-	-	7,245,412
Issuance of 236,469 , 137,953 , 41,955,194, 1,053,887 and 17,208,050 units						
Capital value of units	23,195	13,363	4,195,519	105,389	1,720,805	6,058,271
Element of income / (loss) - net	35	(76)	(58)	(389)	-	(488)
	23,230	13,287	4,195,461	105,000	1,720,805	6,057,783
Redemption of 4,194,055, 2,851,947, 3,647,476, 50,194 and 44,828 units						
Capital value of units	(411,387)	(276,263)	(364,748)	(5,019)	(4,483)	(1,061,900)
Element of (income) / loss - net	26,087	17,060	4,498	(19)	(7)	47,619
	(385,300)	(259,203)	(360,250)	(5,038)	(4,490)	(1,014,281)
Capital (loss) / gain on sale of investments - net	(26,570)	5,719	13,958	22	688	(6,183)
Unrealised diminution / (appreciation) on re-measurement of investments classified as financial assets at fair value through profit or loss - held for trading - net	(186,183)	(420,639)	(98,140)	447	24,728	(679,787)
Other income for the period	11,002	4,527	3,862	(51)	538	19,878
	(201,751)	(410,393)	(80,320)	418	25,954	(666,092)
Net assets at end of the period (Rs. 88.8374, 88.8151, 98.0192, 100.0099 and 101.5118 per unit)	1,686,648	4,338,634	3,754,891	100,379	1,742,269	11,622,821
Undistributed loss brought forward comprising of:						
Realised income	32,348	23,635	-	-	-	55,983
Unrealised loss	(76,216)	(185,111)	-	-	-	(261,327)
Undistributed loss brought forward	(43,868)	(161,476)	-	-	-	(205,344)
Net (loss) / income for the period available for distribution:						
Relating to capital gains	-	-	-	469	25,416	25,885
Excluding capital gains	-	-	-	(51)	538	487
	(201,715)	(410,393)	(80,320)	418	25,954	(666,056)
Distribution during the period						
Re. 0.598 per unit declared on December 28, 2017 as bonus dividend	-	-	-	(597)	-	(597)
Undistributed (loss) / income carried forward	(245,583)	(571,869)		(179)	25,954	(871,997)
Undistributed (loss) / income carried forward comprising of:						
Realised (loss) / income	(59,400)	(151,230)	17,820	(626)	1,226	(192,210)
Unrealised (loss) / income	(186,183)	(420,639)	(98,140)	447	24,728	(679,787)
	(245,583)	(571,869)	(80,320)	(179)	25,954	(871,997)

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

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DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND- II
NOTES TO AND FORMING PART OF CONDENSED
INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Al Ameen Islamic Financial Planning Fund - II (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 August 29, 2016 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under repealed Companies Ordinance, 1984 (now Companies Act, 2017) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 4th floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.
- 1.3 The Fund is an open ended shariah compliant fund of fund scheme and is listed on the Pakistan Stock Exchange Limited. The units of Al-Ameen Islamic Active Allocation Plan - VII, Al-Ameen Islamic Active Allocation Plan - VIII, Al-Ameen Islamic Active Allocation Plan - IX, Al-Ameen Islamic Active Allocation Plan - X and Al-Ameen Islamic Principal Preservation Plan-I of the Fund were initially offered to public on February 14, 2017, May 19, 2017, August 25, 2017, December 8, 2017, November 8, 2017 and March 19, 2018 respectively. Subsequent to the Initial Public Offering, the offer of Units of the Allocation Plans at the Initial Offer Price is discontinued. The Units of the Allocation Plans could then be purchased at their Offer price and redeemed at the Redemption Price, which shall be calculated on the basis of Net Asset Value (NAV) of each Allocation Plan. The units are transferable and can be redeemed by surrendering them to the Fund at the option of unit holder. The Fund consists of multiple plans and aims to generate return for investors in line with their risk tolerance level. The duration of the Fund is perpetual however the allocation plans have a standard time frame of two years except Al-Ameen Islamic Principal Preservation Plan-I (AIAPPP-I) having duration of two and a half years. Each Allocation Plan announces separate NAVs which rank pari passu inter se according to its number of Units. Units are offered for public subscription on a continuous basis.
- 1.4 The Fund mainly makes investments in designated authorised investments approved by the Shariah Advisory Board and offers Shariah Compliant returns to the investors. Under Circular 07 dated March 6, 2009 issued by the SECP, the Fund is categorised as Shariah Compliant Fund of Funds.

- 1.5 Al-Ameen Islamic Active Allocation Plan - VII (AIACTAP-VII) was due to mature on February 20, 2019. However, subsequent to the period end, the Management Company of the Fund, vide 10th supplement to the offering document of the Fund issued on January 28, 2019, has extended the duration of AIACTAP-VII by one year till February 20, 2020. Al-Ameen Islamic Active Allocation Plan - VIII (AIACTAP-VIII) is due to mature on May 29, 2019 unless the Management Company decides otherwise.
- 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 The brief description of the plans is as follows:

Al-Ameen Islamic Active Allocation Plan - VII (AIACTAP-VII)

An Islamic allocation plan with an objective to earn potentially high returns through active asset allocation between Islamic Equity scheme(s) and Islamic Income scheme(s). The Management Company actively manages the allocations, from time to time, based on the outlook for the asset-classes and may invest up to 100% in Islamic Equity, Islamic Income and Islamic Money Market schemes. The un-invested amounts or funds, if any, shall be kept in cash and/ or near cash instruments where near cash instruments include cash in Islamic Bank and/ or Islamic Banking windows of conventional bank account (excluding TDRs) with rating not lower than AA- (AA minus) or any other rating allowed by the SECP from time to time.

Al-Ameen Islamic Active Allocation Plan - VIII (AIACTAP-VIII)

An Islamic allocation plan with an objective to earn potentially high returns through active asset allocation between Islamic Equity scheme(s) and Islamic Income scheme(s). The Management Company actively manages the allocations, from time to time, based on the outlook for the asset-classes and may invest up to 100% in Islamic Equity, Islamic Income and Islamic Money Market schemes. The un-invested amounts or funds, if any, shall be kept in cash and/ or near cash instruments where near cash instruments include cash in Islamic Bank and/ or Islamic Banking windows of conventional bank account (excluding TDRs) with rating not lower than AA- (AA minus) or any other rating allowed by the SECP from time to time.

Al-Ameen Islamic Active Allocation Plan - IX (AIACTAP-IX)

An Islamic allocation plan with an objective to earn potentially high returns through active asset allocation between Islamic Equity scheme(s) and Islamic Income scheme(s). The Management Company actively manages the allocations, from time to time, based on the outlook for the asset-classes and may invest up to 95% in Islamic Equity, 95% in Islamic Income and 5% to 100% in Islamic Money Market schemes. The un-invested amounts or funds, if any, shall be kept in cash and/ or near cash instruments where near cash instruments include cash in Islamic Bank and/ or Islamic Banking windows of conventional bank account (excluding TDRs) with rating not lower than AA- (AA minus) or any other rating allowed by the SECP from time to time.

Al-Ameen Islamic Active Allocation Plan - X (AIACTAP-X)

An Islamic allocation plan with an objective to earn potentially high returns through active asset allocation between Islamic Equity scheme(s) and Islamic Income scheme(s). The Management Company actively manages the allocations, from time to time, based on the outlook for the asset-classes and may invest up to 95% in Islamic Equity, 95% in Islamic Income and 5% to 100% in Islamic Money Market schemes. The un-invested amounts or funds, if any, shall be kept in cash and/ or near cash instruments where near cash instruments include cash in Islamic Bank and/ or Islamic Banking windows of conventional bank account (excluding TDRs) with rating not lower than AA- (AA minus) or any other rating allowed by the SECP from time to time.

Al-Ameen Islamic Principal Preservation Plan-I (AIAPPP-I)

An Islamic Principal Preservation plan with an objective to earn a potentially high return through dynamic asset allocation between Islamic Equity, Islamic Sovereign Income and Islamic Money Market based collective investment schemes, while providing principal preservation of the initial investment value including front end load at completion of twenty four months and beyond till maturity of the plan. Investment segment of the Plan may invest upto 50% in Islamic Equity Scheme(s) category, 100% in Islamic Money Marker/Sovereign Income Scheme(s) and 10% in Cash in Islamic Windows Account.

- 1.8 JCR-VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as on December 27, 2018.

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 published audited financial statements of the Fund for the year ended June 30, 2018.
- 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, 2018, 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, 2017.
- 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, 2018 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, 2018.

2.2 Basis of measurement

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

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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

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

- 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, 2018 except as explained in note 3.6.

- 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 annual audited financial statements as at and for the year ended June 30, 2018.
- 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, 2018. 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 except as disclosed in note 3.6.
- 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, 2018.
- 3.6 IFRS 9 'Financial Instruments' was issued on July 24, 2017. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective for accounting periods beginning on or after July 1, 2018. A number of other new standards are effective from July 1, 2018 but they do not have a material effect on the Fund's condensed interim financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below:

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of IFRS 9 has not had a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

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

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

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

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

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

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

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

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

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

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see (ii) below). Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.

Debt investments at FVOCI These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

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

			<u>Al Ameen Islamic Active Allocation Plan - VII</u>		
		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Note				----- (Rupees in '000) -----	
Bank balances	(b)	Loans and receivables	Amortised cost	10,508	10,508
Investment in units of Mutual Funds	(a)	Held for trading	FVTPL	1,640,279	1,640,279
Profit receivable	(b)	Loans and receivables	Amortised cost	54	54
Other receivables	(b)	Loans and receivables	Amortised cost	575	575
				<u>1,651,416</u>	<u>1,651,416</u>

		<u>Al Ameen Islamic Active Allocation Plan - VIII</u>			
		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Note				----- (Rupees in '000) -----	
Bank balances	(b)	Loans and receivables	Amortised cost	4,920	4,920
Investment in units of Mutual Funds	(a)	Held for trading	FVTPL	4,325,375	4,325,375
Profit receivable	(b)	Loans and receivables	Amortised cost	23	23
				<u>4,330,318</u>	<u>4,330,318</u>

		<u>Al Ameen Islamic Active Allocation Plan - IX</u>			
		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Note				----- (Rupees in '000) -----	
Bank balances	(b)	Loans and receivables	Amortised cost	300	300
Investment in units of Mutual Funds	(a)	Held for trading	FVTPL	3,613,340	3,613,340
Profit receivable	(b)	Loans and receivables	Amortised cost	23	23
				<u>3,613,663</u>	<u>3,613,663</u>

Al Ameen Islamic Active Allocation Plan - X

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
	Note			----- (Rupees in '000) -----	
Bank balances	(b)	Loans and receivables	Amortised cost	6,012	6,012
Investment in units of Mutual Funds	(a)	Held for trading	FVTPL	1,713,790	1,713,790
Profit receivable	(b)	Loans and receivables	Amortised cost	29	29
				<u>1,719,831</u>	<u>1,719,831</u>

Al Ameen Islamic Active Allocation Plan - AIAPPP-1

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
	Note			----- (Rupees in '000) -----	
Bank balances	(b)	Loans and receivables	Amortised cost	316	316
Investment in units of Mutual Funds	(a)	Held for trading	FVTPL	2,150,902	2,150,902
Profit receivable	(b)	Loans and receivables	Amortised cost	64	64
				<u>2,151,282</u>	<u>2,151,282</u>

(a) These financial assets classified as 'held for trading' have been classified as fair value through profit and loss (FVTPL). Units of mutual funds are puttable instruments as per the definition given under International Accounting Standard 32 - Financial Instruments: Presentation (IAS -32) and do not meet the definition of equity instrument under IAS 32. Accordingly, such instruments are classified as FVTPL as they do not meet the contractual cash flow characteristics criterion.

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

ii. Impairment of financial assets

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

iii. Transition

The Fund has used the exemption not to restate comparative periods. Differences, if any, in the carrying amounts of financial assets resulting from the adoption of IFRS 9 are recognised in net assets attributable to unit holders as at July 1, 2018. Accordingly, the comparative information does not reflect the requirements of IFRS 9, but rather those of IAS 39.

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

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

4 BANK BALANCES

Note	AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPPP-I	Total	
	December 31, 2018 (Unaudited)						
----- (Rupees in '000) -----							
Cash at bank							
PLS accounts	4.1	8,880	3,558	248	3,451	516	16,653
Current accounts		87	3,367	14	5,746	-	9,214
		8,967	6,925	262	9,197	516	25,867

		AICTAP-VII	AICTAP-VIII	AICTAP-IX	AIConAP	AICTAP-X	AIAPPP-I	Total
		June 30, 2018 (Audited)						
		----- (Rupees in '000) -----						
Cash at bank								
PLS accounts	4.1	10,457	4,610	122	510	6,002	316	22,017
Current accounts		51	310	178	-	10	-	549
		10,508	4,920	300	510	6,012	316	22,566

- 4.1 Profit rate on these PLS accounts range between 6.30% to 9.25% per annum (June 30, 2018: 5.5% to 6.2% per annum). The balances in these accounts are held with a related party (United Bank Limited) (June 30, 2018: Rs. 22.49 million).

5 INVESTMENTS

5.1 Financial assets classified as at fair value through profit or loss

	AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPPP-I	Total	
	December 31, 2018 (Unaudited)						
	----- (Rupees in '000) -----						
Units of mutual funds	5.2	1,498,784	3,944,607	3,292,138	1,561,361	2,059,956	12,356,846

	AICTAP-VII	AICTAP-VIII	AICTAP-IX	AIConAP	AICTAP-X	AIAPPP-I	Total	
	June 30, 2018 (Audited)							
	----- (Rupees in '000) -----							
Units of mutual funds	5.2	1,640,279	4,325,375	3,613,340	0	1,713,790	2,150,902	13,443,686

5.2 Units of mutual funds

Units of mutual funds										December 31, 2018	
Name of investee funds	At the beginning of the period	Purchased during the period	Sold during the period	At the end of the period	Carrying value as at December 31, 2018	Market value as at December 31, 2018	Unrealised gain/(loss)	Market value as at June 30, 2018	Market value as percentage of net assets	Market value as percentage of investment	
	No. of holdings				(Rupees in '000)						
Al Ameen Islamic Active Allocation Plan - VII											
Al Ameen Islamic Sovereign Fund	3,830,633	2,512,908	1,700,958	4,642,583	469,349	479,035	9,686	397,945	31.78%	31.96%	
Al Ameen Islamic Cash Fund	-	-	-	-	-	-	-	-	0.00%	0.00%	
Al Ameen Islamic Dedicated Equity Fund	10,713,152	1,405,342	2,508,405	9,610,089	1,106,452	1,019,749	(86,703)	1,242,334	67.66%	68.04%	
Total	14,543,785	3,918,250	4,209,363	14,252,672	1,575,801	1,498,784	(77,017)	1,640,279	99.44%	100.00%	
Al Ameen Islamic Active Allocation Plan - VIII											
Al Ameen Islamic Sovereign Fund	10,022,144	6,321,183	4,858,693	11,484,634	1,161,620	1,185,017	23,397	1,041,150	30.01%	30.04%	
Al Ameen Islamic Cash Fund	-	-	-	-	-	-	-	-	0.00%	0.00%	
Al Ameen Islamic Dedicated Equity Fund	28,321,218	4,071,726	6,386,623	26,006,321	2,992,503	2,759,590	(232,913)	3,284,225	69.88%	69.96%	
Total	38,343,362	10,392,909	11,245,316	37,490,955	4,154,123	3,944,607	(209,516)	4,325,375	99.88%	100.00%	
Al Ameen Islamic Active Allocation Plan - IX											
Al Ameen Islamic Sovereign Fund	8,640,507	5,250,696	4,096,533	9,794,670	990,346	1,010,642	20,296	897,619	30.72%	30.70%	
Al Ameen Islamic Cash Fund	-	-	-	-	-	-	-	-	0.00%	0.00%	
Al Ameen Islamic Dedicated Equity Fund	23,418,772	3,389,854	5,307,852	21,500,774	2,473,848	2,281,496	(192,352)	2,715,721	69.34%	69.30%	
Total	32,059,279	8,640,550	9,404,385	31,295,444	3,464,194	3,292,138	(172,056)	3,613,340	100.06%	100.00%	
Al Ameen Islamic Active Allocation Plan - X											
Al Ameen Islamic Sovereign Fund	3,837,318	2,644,840	1,499,154	4,983,004	503,757	514,160	10,403	398,640	32.76%	32.93%	
Al Ameen Islamic Cash Fund	668,581	33,479	702,061	-	-	-	-	70,365	0.00%	0.00%	
Al Ameen Islamic Dedicated Equity Fund	10,734,294	1,185,456	2,050,950	9,868,800	1,138,109	1,047,201	(90,908)	1,244,785	66.72%	67.07%	
Total	15,240,193	3,863,775	4,252,165	14,851,804	1,641,866	1,561,361	(80,505)	1,713,790	99.48%	100.00%	
Al Ameen Islamic Active Principal Preservation Plan-I											
Al Ameen Islamic Sovereign Fund	-	19,483,151	2,214,224	17,268,927	1,733,790	1,781,856	48,066	-	86.56%	86.50%	
Al Ameen Islamic Cash Fund	18,587,661	3,005,506	21,018,082	575,085	57,682	57,662	(20)	1,956,257	2.80%	2.80%	
Al Ameen Islamic Dedicated Equity Fund	1,678,509	976,182	577,294	2,077,397	236,546	220,438	(16,108)	194,645	10.71%	10.70%	
Total	20,266,170	23,464,839	23,809,600	19,921,409	2,028,018	2,059,956	31,938	2,150,902	100.07%	100.00%	
Total investments in units of mutual funds											
Al Ameen Islamic Sovereign Fund	26,330,602	36,212,778	14,369,562	48,173,818	4,858,862	4,970,710	111,848	2,735,354	40.17%	40.23%	
Al Ameen Islamic Cash Fund	19,256,242	3,038,985	21,720,143	575,085	57,682	57,662	(20)	2,026,622	0.47%	0.47%	
Al Ameen Islamic Dedicated Equity Fund	74,865,945	11,028,560	16,831,124	69,063,381	7,947,458	7,328,474	(618,984)	8,681,710	59.22%	59.31%	
Total	120,452,789	50,280,323	52,920,829	117,812,284	12,864,002	12,356,846	(507,156)	13,443,686	99.86%	100.00%	

6 ACCRUED EXPENSES AND OTHER LIABILITIES

6.1 Provision for Sindh Workers' Welfare Fund (WWF)

Provision for Sindh Workers' Welfare Fund (SWWF) as at December 31, 2018 amounted to Rs. 0.813 million in Al-Ameen Islamic Principal Preservation Plan-I (AIAPPP-I). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.1 to the annual audited financial statements for the year ended June 30, 2018.

The Management Company, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis. Had the SWWF not been provided for, the net assets value per unit of AIAPPP-I would have been higher by Re. 0.0405.

7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2018 and June 30, 2018.

8 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 the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in the form of cash. 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. The Management Company intends to distribute by way of cash dividend at least 90% of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year ending June 30, 2019 to its unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

9 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 the cumulative weighted average number of outstanding units is not practicable.

10 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by Securities and Exchange Commission of Pakistan, the total expense ratio as on December 31, 2018 of AIACTAP-VII, AIACTAP-VIII, AIACTAP-IX, AIACTAP-X and AIAPPP-I is 0.22%, 0.13%, 0.14%, 0.14% and 0.18% respectively and this includes 0.04%, 0.04%, 0.04%, 0.04% and 0.08% respectively representing Government levy, Sindh Workers' Welfare Fund and SECP fee.

11 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 provision 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 period end are as follows:

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
----- (Rupees in '000) -----						
<u>Al Ameen Islamic Active Allocation Plan - VII</u>						
Transactions during the half year ended December 31, 2018						
Profit on bank balances	-	424	-	-	-	-
Bank charges	-	6	-	-	-	-
Allocated expenses	809	-	-	-	-	-
Purchase of securities	-	-	-	397,648	-	-
Sale of securities	-	-	-	462,447	-	-
Shariah advisory fee paid	34	-	-	-	-	-
Dividend received	-	-	-	137	-	-
Remuneration of Trustee	-	-	703	-	-	-
Transactions during the half year ended December 31, 2017						
Profit on bank balances	-	634	-	-	-	-
Bank charges	-	8	-	-	-	-
Allocated expenses	963	-	-	-	-	-
Purchase of securities	-	-	-	956,346	-	-
Sale of securities	-	-	-	1,304,055	-	-
Remuneration of Trustee	-	-	958	-	-	-
<u>Al Ameen Islamic Active Allocation Plan - VIII</u>						
Transactions during the half year ended December 31, 2018						
Profit on bank balances	-	197	-	-	-	-
Bank charges	-	8	-	-	-	-
Allocated expenses	2,116	-	-	-	-	-
Purchase of securities	-	-	-	1,058,550	-	-
Sale of securities	-	-	-	1,233,311	-	-
Shariah advisory fee paid	34	-	-	-	-	-
Dividend received	-	-	-	359	-	-
Remuneration of Trustee	-	-	1,839	-	-	-
Transactions during the half year ended December 31, 2017						
Profit on bank balances	-	676	-	-	-	-
Bank charges	-	5	-	-	-	-
Allocated expenses	2,320	-	-	-	-	-
Units issued	-	-	-	-	1	-
Purchase of securities	-	-	-	5,704,294	-	-
Sale of securities	-	-	-	5,949,017	-	-
Remuneration of Trustee	-	-	2,108	-	-	-
<u>Al Ameen Islamic Active Allocation Plan - IX</u>						
Transactions during the half year ended December 31, 2018						
Profit on bank balances	-	88	-	-	-	-
Bank charges	-	8	-	-	-	-
Allocated expenses	1,768	-	-	-	-	-
Purchase of securities	-	-	-	878,700	-	-
Sale of securities	-	-	-	1,030,628	-	-
Shariah advisory fee paid	34	-	-	-	-	-
Dividend received	-	-	-	-	-	-
Remuneration of Trustee	-	-	1,537	-	-	-

	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, 2017						
Profit on bank balances	-	2,850	-	-	-	-
Bank charges	-	5	-	-	-	-
Allocated expenses	1,299	-	-	-	-	-
Purchase of securities	-	-	-	6,266,487	-	-
Sale of securities	-	-	-	2,425,950	-	-
Remuneration of Trustee	-	-	1,197	-	-	-
<u>Al Ameen Islamic Active Allocation Plan - X</u>						
Transactions during the half year ended December 31, 2018						
Profit on bank balances	-	194	-	-	-	-
Bank charges	-	9	-	-	-	-
Allocated expenses	846	-	-	-	-	-
Purchase of securities	-	-	-	386,991	-	-
Sale of securities	-	-	-	459,569	-	-
Shariah advisory fee paid	34	-	-	-	-	-
Dividend received	-	-	-	170	-	-
Remuneration of Trustee	-	-	735	-	-	-
Transactions during the half year ended December 31, 2017						
Profit on bank balances	-	1,262	-	-	-	-
Bank charges	-	-	-	-	-	-
Allocated expenses	81	-	-	-	-	-
Purchase of securities	-	-	-	7,074,322	-	-
Sale of securities	-	-	-	5,365,722	-	-
Remuneration of Trustee	-	-	81	-	-	-
<u>Al Ameen Islamic Active Principal Preservation Plan-I</u>						
Transactions during the half year ended December 31, 2018						
Profit on bank balances	-	60	-	-	-	-
Bank charges	-	3	-	-	-	-
Allocated expenses	1,051	-	-	-	-	-
Purchase of securities	-	-	-	358,153	-	-
Sale of securities	-	-	-	2,401,208	-	-
Shariah advisory fee paid	34	-	-	-	-	-
Dividend received	-	-	-	3,298	-	-
Remuneration of Trustee	-	-	913	-	-	-
<u>Al Ameen Islamic Active Allocation Plan - VII</u>						
Balances held as at December 31, 2018						
Units held (in Units '000)	-	-	-	-	4	-
Units held (in Rupees '000)	-	-	-	-	343	-
Investment	-	-	-	1,498,784	-	-
Bank balances	-	8,967	-	-	-	-
Payable to Central Depository Company of Pakistan Limited	-	-	-	-	-	-
- Trustee	-	-	114	-	-	-
Allocated expenses payable	131	-	-	-	-	-
Shariah Advisor fee payable	6	-	-	-	-	-
Conversion charges payable	1	-	-	-	-	-
Profit receivable	-	81	-	-	-	-

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
----- (Rupees in '000) -----						
Balances held as at June 30, 2018						
Investment	-	-	-	1,640,279	-	-
Bank balances	-	10,508	-	-	-	-
Payable to Central Depository Company of Pakistan Limited						
- Trustee	-	-	120	-	-	-
Allocated expenses payable	284	-	-	-	-	-
Shariah Advisor fee payable	4	-	-	-	-	-
Profit receivable	-	54	-	-	-	-
<u>Al Ameen Islamic Active Allocation Plan - VIII</u>						
Balances held as at December 31, 2018						
Units held (in Units '000)	-	-	-	-	98	-
Units held (in Rupees '000)	-	-	-	-	8,393	-
Investment	-	-	-	3,944,607	-	-
Bank balances	-	6,925	-	-	-	-
Payable to Central Depository Company of Pakistan Limited						
- Trustee	-	-	299	-	-	-
Allocated expenses payable	343	-	-	-	-	-
Shariah Advisor fee payable	6	-	-	-	-	-
Conversion charges payable	2	-	-	-	-	-
Profit receivable	-	36	-	-	-	-
Balances held as at June 30, 2018						
Units held (in Units '000)	-	-	-	-	98	893
Units held (in Rupees '000)	-	-	-	-	8,830	80,458
Investment	-	-	-	4,325,375	-	-
Bank balances	-	4,920	-	-	-	-
Payable to Central Depository Company of Pakistan Limited						
- Trustee	-	-	315	-	-	-
Allocated expenses payable	743	-	-	-	-	-
Shariah Advisor fee payable	4	-	-	-	-	-
Conversion charges payable	2	-	-	-	-	-
Profit receivable	-	23	-	-	-	-
<u>Al Ameen Islamic Active Allocation Plan - IX</u>						
Balances held as at December 31, 2018						
Units held (in Units '000)	-	-	-	-	12	-
Units held (in Rupees '000)	-	-	-	-	1,131	-
Investment	-	-	-	3,292,138	-	-
Bank balances	-	262	-	-	-	-
Payable to Central Depository Company of Pakistan Limited						
- Trustee	-	-	250	-	-	-
Allocated expenses payable	287	-	-	-	-	-
Shariah Advisor fee payable	6	-	-	-	-	-
Conversion charges payable	1	-	-	-	-	-
Profit receivable	-	22	-	-	-	-
Balances held as at June 30, 2018						
Units held (in Units '000)	-	-	-	-	-	387
Units held (in Rupees '000)	-	-	-	-	-	38,354
Investment	-	-	-	3,613,340	-	-
Bank balances	-	300	-	-	-	-

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
	----- (Rupees in '000) -----					
Payable to Central Depository Company of Pakistan Limited						
- Trustee	-	-	263	-	-	-
Allocated expenses payable	619	-	-	-	-	-
Shariah Advisor fee payable	4	-	-	-	-	-
Conversion charges payable	1	-	-	-	-	-
Profit receivable	-	23	-	-	-	-
	<u>Al Ameen Islamic Active Allocation Plan - X</u>					
Balances held as at December 31, 2018						
Investment	-	-	-	1,561,361	-	-
Bank balances	-	9,197	-	-	-	-
Payable to Central Depository Company of Pakistan Limited						
- Trustee	-	-	120	-	-	-
Allocated expenses payable	137	-	-	-	-	-
Shariah Advisor fee payable	6	-	-	-	-	-
Profit receivable	-	33	-	-	-	-
Balances held as at June 30, 2018						
Investment	-	-	-	1,713,790	-	-
Bank balances	-	6,012	-	-	-	-
Payable to Central Depository Company of Pakistan Limited						
- Trustee	-	-	125	-	-	-
Allocated expenses payable	294	-	-	-	-	-
Shariah Advisor fee payable	4	-	-	-	-	-
Profit receivable	-	29	-	-	-	-
	<u>Al Ameen Islamic Active Allocation Plan - AIAPPP-1</u>					
Balances held as at December 31, 2018						
Units held (in Units '000)	-	-	-	-	2,975	-
Units held (in Rupees '000)	-	-	-	-	304,752	-
Investment	-	-	-	2,059,956	-	-
Bank balances	-	516	-	-	-	-
Payable to Central Depository Company of Pakistan Limited						
- Trustee	-	-	152	-	-	-
Allocated expenses payable	175	-	-	-	-	-
Shariah Advisor fee payable	6	-	-	-	-	-
Profit receivable	-	10	-	-	-	-
Balances held as at June 30, 2018						
Units held (in Units '000)	-	-	-	-	5	3,449
Units held (in Rupees '000)	-	-	-	-	502	346,423
Investment	-	-	-	2,150,902	-	-
Bank balances	-	316	-	-	-	-
Payable to Central Depository Company of Pakistan Limited						
- Trustee	-	-	154	-	-	-
Allocated expenses payable	361	-	-	-	-	-
Shariah Advisor fee payable	4	-	-	-	-	-
Sales load payable	341	-	-	-	-	-
Profit receivable	-	64	-	-	-	-

12 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 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).

Al Ameen Islamic Active Allocation - VII

Carrying Amount		Fair value		
----- As at December 31, 2018 -----		----- As at December 31, 2018 -----		
Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3

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

Financial assets measured at fair value

Investment in mutual funds

1,498,784	-	1,498,784	-	-

Financial assets not measured at fair value

Bank balances

Profit receivable

-	8,967	-	-	-
-	81	-	-	-
-	9,048	-	-	-
1,498,784	9,048	1,498,784	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited

Management Company

Payable to Central Depository Company

of Pakistan Limited - Trustee

Accrued expenses and other liabilities

-	137	-	-	-
-	101	-	-	-
-	85	-	-	-
-	323	-	-	-

Carrying Amount				Fair value		
----- As at June 30, 2018 -----				----- As at June 30, 2018 -----		
Fair value through profit or loss	Available for sale	Loans and receivables	Other financial liabilities	Level 1	Level 2	Level 3

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

Financial assets measured at fair value

Investment in mutual funds

1,640,279	-	-	-	1,640,279	-	-

Financial assets not measured at fair value

Bank balances

Profit receivable

Other receivable

-	-	10,508	-	-	-	-
-	-	54	-	-	-	-
-	-	575	-	-	-	-
-	-	11,137	-	-	-	-
1,640,279	-	11,137	-	1,640,279	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited

Management Company

Payable to Central Depository Company

of Pakistan Limited - Trustee

Accrued expenses and other liabilities

-	-	-	288	-	-	-
-	-	-	106	-	-	-
-	-	-	44	-	-	-
-	-	-	438	-	-	-

Al Ameen Islamic Active Allocation - VIII

Carrying Amount		Fair value		
----- As at December 31, 2018 -----		----- As at December 31, 2018 -----		
Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3

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

Financial assets measured at fair value

Investment in mutual funds

3,944,607 - 3,944,607 - -

Financial assets not measured at fair value

Bank balances

Profit receivable

-	6,925	-	-	-
-	36	-	-	-
-	6,961	-	-	-
3,944,607	6,961	3,944,607	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited
Management Company

- 352 - - -

Payable to Central Depository Company
of Pakistan Limited - Trustee

- 265 - - -

Accrued expenses and other liabilities

-	115	-	-	-
-	732	-	-	-

Carrying Amount				Fair value		
----- As at June 30, 2018 -----				----- As at June 30, 2018 -----		
Fair value through profit or loss	Available for sale	Loans and receivables	Other financial liabilities	Level 1	Level 2	Level 3

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

Financial assets measured at fair value

Investment in mutual funds

4,325,375 - - - 4,325,375 - -

Financial assets not measured at fair value

Bank balances

Profit receivable

-	-	4,920	-	-	-	-
-	-	23	-	-	-	-
-	-	4,943	-	-	-	-
4,325,375	-	4,943	-	4,325,375	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited
Management Company

- - - 749 - - -

Payable to Central Depository Company
of Pakistan Limited - Trustee

- - - 279 - - -

Accrued expenses and other liabilities

- - - 41 - - -

- - - 1,069 - - -

Al Ameen Islamic Active Allocation - IX

Carrying Amount		Fair value		
----- As at December 31, 2018 -----		----- As at December 31, 2018 -----		
Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3

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

Financial assets measured at fair value

Investment in mutual funds

3,292,138 - 3,292,138 - -

Financial assets not measured at fair value

Bank balances

Profit receivable

-	262	-	-	-
-	22	-	-	-
-	284	-	-	-
3,292,138	284	3,292,138	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited Management Company

Payable to Central Depository Company of Pakistan Limited - Trustee

Accrued expenses and other liabilities

-	294	-	-	-
-	221	-	-	-
-	300	-	-	-
-	815	-	-	-

Carrying Amount				Fair value		
----- As at June 30, 2018 -----				----- As at June 30, 2018 -----		
Fair value through profit or loss	Available for sale	Loans and receivables	Other financial liabilities	Level 1	Level 2	Level 3

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

Financial assets measured at fair value

Investment in mutual funds

3,613,340 - - - 3,613,340 - -

Financial assets not measured at fair value

Bank balances

Profit receivable

-	-	300	-	-	-	-
-	-	23	-	-	-	-
-	-	323	-	-	-	-
3,613,340	-	323	-	3,613,340	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited Management Company

Payable to Central Depository Company of Pakistan Limited - Trustee

Accrued expenses and other liabilities

-	-	-	624	-	-	-
-	-	-	233	-	-	-
-	-	-	117	-	-	-
-	-	-	974	-	-	-

Al Ameen Islamic Active Allocation - X

Carrying Amount		Fair value		
----- As at December 31, 2018 -----		----- As at December 31, 2018 -----		
Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3

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

Financial assets measured at fair value

Investment in mutual funds

1,561,361	-	1,561,361	-	-

Financial assets not measured at fair value

Bank balances

Profit receivable

-	9,197	-	-	-
-	33	-	-	-
-	9,230	-	-	-
1,561,361	9,230	1,561,361	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited
Management Company

Payable to Central Depository Company
of Pakistan Limited - Trustee

Accrued expenses and other liabilities

-	143	-	-	-
-	106	-	-	-
-	162	-	-	-
-	411	-	-	-

Carrying Amount				Fair value		
----- As at June 30, 2018 -----				----- As at June 30, 2018 -----		
Fair value through profit or loss	Available for sale	Loans and receivables	Other financial liabilities	Level 1	Level 2	Level 3

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

Financial assets measured at fair value

Investment in mutual funds

1,713,790	-	-	-	1,713,790	-	-

Financial assets not measured at fair value

Bank balances

Profit receivable

-	-	6,012	-	-	-	-
-	-	29	-	-	-	-
-	-	6,041	-	-	-	-
1,713,790	-	6,041	-	1,713,790	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited
Management Company

Payable to Central Depository Company
of Pakistan Limited - Trustee

Accrued expenses and other liabilities

-	-	-	298	-	-	-
-	-	-	111	-	-	-
-	-	-	60	-	-	-
-	-	-	469	-	-	-

Al-Ameen Islamic Active Principal Preservation Plan-I

Carrying Amount		Fair value		
----- As at December 31, 2018 -----		----- As at December 31, 2018 -----		
Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3

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

Financial assets measured at fair value

Investment in mutual funds

2,059,956 - 2,059,956 - -

Financial assets not measured at fair value

Bank balances

Profit receivable

-	516	-	-	-
-	10	-	-	-
-	526	-	-	-
2,059,956	526	2,059,956	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited
Management Company

Payable to Central Depository Company
of Pakistan Limited - Trustee

Accrued expenses and other liabilities

-	181	-	-	-
-	135	-	-	-
-	883	-	-	-
-	1,199	-	-	-

Carrying Amount				Fair value		
----- As at June 30, 2018 -----				----- As at June 30, 2018 -----		
Fair value through profit or loss	Available for sale	Loans and receivables	Other financial liabilities	Level 1	Level 2	Level 3

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

Financial assets measured at fair value

Investment in mutual funds

2,150,902 - - - 2,150,902 - -

Financial assets not measured at fair value

Bank balances

Profit receivable

-	-	316	-	-	-	-
-	-	64	-	-	-	-
-	-	380	-	-	-	-
2,150,902	-	380	-	2,150,902	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited
Management Company

Payable to Central Depository Company
of Pakistan Limited - Trustee

Accrued expenses and other liabilities

-	-	-	706	-	-	-
-	-	-	136	-	-	-
-	-	-	36	-	-	-
-	-	-	878	-	-	-

12.1 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.

12.2 Transfers during the period

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

13 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.

14 GENERAL

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

14.2 This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on February 27, 2019.

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

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AIFPF-III

Al-Ameen Islamic Financial Planning Fund

Al-Ameen Islamic Active Principal Preservation Plan-II

Al-Ameen Islamic Active Principal Preservation Plan-III

Al Ameen Islamic Active Principal Preservation Plan-IV

INVESTMENT OBJECTIVE

AIFPF-III is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds 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 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	KPMG Taseer Hadi and Co., Chartered Accountants
Bankers	United Bank Limited
Management Co. Rating	AM1 (JCR-VIS)

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) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND-III

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 Al-Ameen Islamic Financial Planning Fund-III (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, 2018 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 22, 2019



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

**Independent Auditors' Review Report to the unit holders of AI - Ameen Islamic
Financial Planning Fund III**

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AI - Ameen Islamic Financial Planning Fund III** ("the Fund") as at 31 December 2018 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the accounts for the six months period then ended (here-in-after referred to as the "interim financial information"). Management Company is responsible for the preparation and presentation of this 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 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 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 is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures for the three months period ended 31 December 2018 in the condensed interim financial information have not been reviewed and we do not express a conclusion on them.



KPMG Taseer Hadi & Co.

The engagement partner on the engagement resulting in this independent auditor's review report is Mazhar Saleem.

Date: 27 February 2019

Karachi


KPMG Taseer Hadi & Co.
Chartered Accountants

AI - Ameen Islamic Financial Planning Fund - III
Condensed Interim Statement of Assets and Liabilities
As at 31 December 2018

31 December 2018 (Unaudited)					30 June 2018 (Audited)	
	AIAPPP- II	AIAPPP- III	AIAPPP- IV	Total	AIAPPP- II	
Note	(Rupees in '000)					
Assets						
Bank balances	4	375	4,678	8,565	13,618	-
Investments	5	749,388	701,029	281,225	1,731,642	775,300
Prepayments and other receivables		42	-	1,790	1,832	-
Preliminary expenses and floatation cost	6	961	-	-	961	1,111
Total assets		750,766	705,707	291,580	1,748,053	776,411
Liabilities						
Payable to the Management Company	7	1,336	1,323	4,614	7,273	4,631
Payable to Central Depository Company of Pakistan Limited - Trustee		66	62	11	139	70
Payable to Securities and Exchange Commission of Pakistan		286	141	8	435	53
Accrued expenses and other payables	8	1,326	278	3,463	5,067	9,683
Total liabilities		3,014	1,804	8,096	12,914	14,437
Net assets		747,752	703,903	283,484	1,735,139	761,974
Unit holders' fund (as per the statement attached)		747,752	703,903	283,484	1,735,139	761,974
Contingency						
11						
(Number of units)						
Number of units in issue (face value of units is Rs. 100 each)		7,285,111	6,973,314	2,836,167		7,571,633
(Rupees)						
Net asset value per unit		102.6415	100.9425	99.9530		100.6354

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AI - Ameen Islamic Financial Planning Fund - III
Condensed Interim Income Statement (Unaudited)
For the half year and period ended 31 December 2018

	For the half year ended 31 December 2018 AIAPPP-II	For the period from 25 September 2018 to 31 December 2018 AIAPPP-III	For the period from 18 December 2018 to 31 December 2018 AIAPPP-IV	Total
Note	(Rupees in '000)			
Income				
Net capital gain / (loss) on sale of investments	1,646	1,029	(427)	2,248
Net unrealised gain / (loss) on revaluation of investments classified as 'at fair value through profit or loss'	12,599	5,770	(433)	17,936
Dividend income	1,412	498	670	2,580
Financial income	7	24	-	31
Other income	1,163	26	118	1,307
Total income	16,827	7,347	(72)	24,102
Expenses				
Allocation of expenses relating to the Fund	7.2 381	188	11	580
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	412	195	11	618
Annual fee of Securities and Exchange Commission of Pakistan	286	141	8	435
Auditors' remuneration	129	59	25	213
Shariah advisory fee	112	53	10	175
Listing fee	11	-	-	11
Legal and professional charges	84	17	-	101
Formation cost	252	-	-	252
Bank charges	3	2	-	5
Total operating expenses	1,670	655	65	2,390
Net income / (loss) from operating activities	15,157	6,692	(137)	21,712
Provision for Sindh Workers' Welfare Fund	8.1 (297)	(131)	-	(428)
Net income / (loss) for the period before taxation	14,860	6,561	(137)	21,284
Taxation	9 -	-	-	-
Net income / (loss) for the period after taxation	14,860	6,561	(137)	21,284
Allocation of net income / (loss) for the period after taxation				
Net income / (loss) for the period after taxation	14,860	6,561	(137)	21,284
Income already paid on units redeemed	(273)	(2)	-	(275)
	14,587	6,559	(137)	21,009
Accounting income available for distribution				
- Relating to capital gains	12,307	6,070	-	18,377
- Excluding capital gains	2,280	489	-	2,769
	14,587	6,559	-	21,146

Earnings per unit 12

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AI - Ameen Islamic Financial Planning Fund - III
Condensed Interim Income Statement (Unaudited)
For the quarter and period ended 31 December 2018

	For the quarter ended 31 December 2018	For the quarter ended 31 December 2018	For the period from 18 December 2018 to 31 December 2018	Total
	AIAPPP-II	AIAPPP-III	AIAPPP-IV	
Note	(Rupees in '000)			
Income				
Net capital gain / (loss) on sale of investments	498	1,029	(427)	1,100
Net unrealised gain / (loss) on revaluation of investments classified as 'at fair value through profit or loss'	6,627	5,230	(433)	11,424
Dividend income	538	498	670	1,706
Financial income	7	24	-	31
Other income	785	26	118	929
Total income	8,455	6,807	(72)	15,190
Expenses				
Allocation of expenses relating to the Fund	190	177	11	378
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	196	183	11	390
Annual fee of Securities and Exchange Commission of Pakistan	142	132	8	282
Auditors' remuneration	46	55	25	126
Shariah advisory fee	49	40	10	99
Listing fee	8	-	-	8
Legal and professional charges	35	16	-	51
Formation cost	130	-	-	130
Bank charges	1	2	-	3
Total operating expenses	797	605	65	1,467
Net income / (loss) from operating activities	7,658	6,202	(137)	13,723
Provision for Sindh Workers' Welfare Fund	(150)	(121)	-	(271)
Net income / (loss) for the period before taxation	7,508	6,081	(137)	13,452
Taxation	-	-	-	-
Net income / (loss) for the period after taxation	7,508	6,081	(137)	13,452
Allocation of net income for the period after taxation				
Net income / (loss) for the period after taxation	7,508	6,081	(137)	13,452
Income already paid on units redeemed	(241)	(2)	-	(243)
	7,267	6,079	(137)	13,209
Accounting income available for distribution				
- Relating to capital gains	5,219	5,530	-	10,749
- Excluding capital gains	2,048	549	-	2,597
	7,267	6,079	-	13,346

Earnings per unit

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The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AI - Ameen Islamic Financial Planning Fund - III
Condensed Interim Statement of Comprehensive Income (Unaudited)
For the half year and period ended 31 December 2018

	For the half year ended 31 December 2018 AIAPPP-II	For the period from 25 September 2018 to 31 December 2018 AIAPPP-III	For the period from 18 December 2018 to 31 December 2018 AIAPPP-IV	Total
	----- (Rupees in '000) -----			
Net income / (loss) for the period after taxation	14,860	6,561	(137)	21,284
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	14,860	6,561	(137)	21,284

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AI - Ameen Islamic Financial Planning Fund - III
Condensed Interim Statement of Comprehensive Income (Unaudited)
For the quarter and period ended 31 December 2018

	For the quarter ended 31 December 2018	For the quarter ended 31 December 2018	For the period from 18 December 2018 to 31 December 2018	Total
	AIAPPP-II	AIAPPP-III	AIAPPP-IV	
	(Rupees in '000)			
Net income / (loss) for the period after taxation	7,508	6,081	(137)	13,452
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	7,508	6,081	(137)	13,452

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AI - Ameen Islamic Financial Planning Fund - III
Condensed Interim Statement of Movement in Unit Holder's Fund (Unaudited)

For the half year and period ended 31 December 2018

	For the half year ended 31 December 2018 AIAPPP-II			For the period from 25 September to 31 December 2018 AIAPPP-III			For the period from 18 December to 31 December 2018 AIAPPP-IV			Total		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed loss	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the period	757,167	4,807	761,974	-	-	-	-	-	-	757,167	4,807	761,974
Issuance of 6,999,049 and 2,865,666 units												
- Capital value	-	-	-	699,903	-	699,903	286,567	-	286,567	986,470	-	986,470
- Element of income	-	-	-	13	-	13	-	-	-	13	-	13
Total proceeds on issuance of units	-	-	-	699,916	-	699,916	286,567	-	286,567	986,483	-	986,483
Redemption of 286,522 , 25,735 and 29,499 units												
- Capital value	(28,835)	-	(28,835)	(2,573)	-	(2,573)	(2,950)	-	(2,950)	(34,358)	-	(34,358)
- Element of loss / (income)	26	(273)	(247)	1	(2)	(1)	4	-	4	31	(275)	(244)
Total payments on redemption of units	(28,809)	(273)	(29,082)	(2,572)	(2)	(2,574)	(2,946)	-	(2,946)	(34,327)	(275)	(34,602)
Total comprehensive income / (loss) for the period	-	14,860	14,860	-	6,561	6,561	-	(137)	(137)	-	21,284	21,284
Net assets at end of the period	<u>728,358</u>	<u>19,394</u>	<u>747,752</u>	<u>697,344</u>	<u>6,559</u>	<u>703,903</u>	<u>283,621</u>	<u>(137)</u>	<u>283,484</u>	<u>1,709,323</u>	<u>25,816</u>	<u>1,735,139</u>
Undistributed income brought forward:												
- Realised income		1,971			-			-				1,971
- Unrealised income		2,836			-			-				2,836
		<u>4,807</u>			<u>-</u>			<u>-</u>				<u>4,807</u>
Accounting income available for distribution												
- Relating to capital gains		12,307			6,070							18,377
- Excluding capital gains		2,280			489							2,769
		<u>14,587</u>			<u>6,559</u>							<u>21,146</u>
Net loss for the period after taxation								(137)				(137)
Undistributed income carried forward		<u>19,394</u>			<u>6,559</u>			<u>(137)</u>				<u>25,816</u>
Undistributed income carried forward comprises of:												
- Realised income		6,795			789			-				7,584
- Unrealised income		12,599			5,770			(137)				18,232
		<u>19,394</u>			<u>6,559</u>			<u>(137)</u>				<u>25,816</u>
			(Rupees)			(Rupees)			(Rupees)			
Net assets value per unit at beginning of the period		<u>100.6354</u>			<u>-</u>			<u>-</u>				
Net assets value per unit at end of the period		<u>102.6415</u>			<u>100.9425</u>			<u>99.9530</u>				

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AI - Ameen Islamic Financial Planning Fund - III Condensed Interim Cash flow Statement (Unaudited)

For the half year and period ended 31 December 2018

	For the half year ended 31 December 2018	For the period from 25 September 2018 to 31 December 2018	For the period from 18 December 2018 to 31 December 2018	Total
Note	AIAPPP-II	AIAPPP-III	AIAPPP-IV	
	(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income / (loss) for the period before taxation	14,860	6,561	(137)	21,284
Adjustments for non-cash and other items:				
Net capital (gain) / loss on sale of investments	(1,646)	(1,029)	427	(2,248)
Net unrealised (gain) / loss on revaluation of investments classified as 'at fair value through profit or loss'	(12,599)	(5,770)	433	(17,936)
Dividend income	(1,412)	(498)	(670)	(2,580)
Financial income	(7)	(24)	-	(31)
Provision for Sindh Worker's Welfare Fund	297	131	-	428
Net cash (used in) / generated from operations before working capital changes	(15,367)	(7,190)	190	(22,367)
	(507)	(629)	53	(1,083)
Working capital changes				
<i>Movement in working capital</i>				
Investments	40,157	(694,230)	(282,085)	(936,158)
Preliminary expenses and floatation cost	150	-	-	150
Prepayments and other receivables	(42)	-	(1,790)	(1,832)
Payable to the Management Company	(3,295)	1,323	4,614	2,642
Payable to Central Depository Company of Pakistan Limited - Trustee	(4)	62	11	69
Payable to Securities and Exchange Commission of Pakistan	233	141	8	382
Accrued expenses and other payables	(8,654)	147	3,463	(5,044)
	28,545	(692,557)	(275,779)	(939,791)
Dividend received	1,412	498	670	2,580
Interest income received	7	24	-	31
Net cash flows generated from / (used in) operating activities	29,457	(692,664)	(275,056)	(938,263)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of units	-	699,916	286,567	986,483
Payments on redemption of units	(29,082)	(2,574)	(2,946)	(34,602)
Net cash flows (used in) / generated from financing activities	(29,082)	697,342	283,621	951,881
Net increase in cash and cash equivalents	375	4,678	8,565	13,618
Cash and cash equivalents at beginning of the period	-	-	-	-
Cash and cash equivalents at end of the period	375	4,678	8,565	13,618

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The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AI - Ameen Islamic Financial Planning Fund - III

Notes to the Condensed Interim Financial Information (Unaudited)

For the half year ended 31 December 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 AI-Ameen Islamic 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 3 January 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 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, listed on the Pakistan Stock Exchange Limited. Units of the Fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

JCR-VIS Credit Rating Company has re-affirmed quality rating of 'AM1' (stable outlook) to the Management Company as on 27 December 2018.

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

- 1.2 The Fund is an Open-end Shariah Compliant Fund of funds Scheme that aims to generate returns on Investment as per the respective Allocation Plan by investing via underlying mutual funds. These comprises the following:

1.2.1 AI-Ameen Islamic Active Principal Preservation Plan – II

AIAPPP-II is an Islamic Principal Preservation Plan under "AI-Ameen Islamic Financial Planning Fund - III" with an objective to earn potentially high return through dynamic asset allocation between Islamic Dedicated Equity, Islamic Sovereign Income and Islamic Money Market based Collective Investment Schemes, PLS and term deposit receipts while providing principal preservation of the Initial Investment Value including Front end load at completion of twenty four months and beyond till maturity of the plan.

1.2.2 AI-Ameen Islamic Active Principal Preservation Plan – III

AIAPPP-III is an Islamic Principal Preservation Plan under "AI-Ameen Islamic Financial Planning Fund - III" with an objective to earn potentially high return through dynamic asset allocation between Islamic Dedicated Equity, Islamic Sovereign Income and Islamic Money Market based Collective Investment Schemes, PLS and term deposit receipts while providing principal preservation of the Initial Investment Value including Front end load at completion of twenty four months and beyond till maturity of the plan.

1.2.3 AI-Ameen Islamic Active Principal Preservation Plan – IV

AIAPPP-IV is an Islamic Principal Preservation Plan under "AI-Ameen Islamic Financial Planning Fund - III" with an objective to earn potentially high return through dynamic asset allocation between Islamic Dedicated Equity, Islamic Sovereign Income and Islamic Money Market based Collective Investment Schemes, PLS and term deposit receipts while providing principal preservation of the Initial Investment Value including Front end load at completion of twenty four months and beyond till maturity of the plan.

2 BASIS OF PRESENTATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations 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 and the NBFC Regulations have been followed.

- 2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2018.

- 2.1.3** These condensed interim financial information are unaudited and are being submitted to the unit holders as required under Regulation 38(2)(f) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). However, a limited scope review has been carried out by the auditors in accordance with the requirements of clause (xix) of the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan.
- 2.1.4** The comparative statement of asset 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 30 June 2018.
- 2.1.5** In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at 31 December 2018.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

- 3.1** Except as described below, the accounting policies applied in this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended 30 June 2018.

Securities and Exchange Commission of Pakistan (SECP) vide its SRO. 229 (I)/2019 has modified the effective date for applicability of IFRS 9 'Financial Instruments', however the Fund has opted for early adoption of the said standard from 1 July 2018 as permitted. The Fund also adopted IFRS 15 „Revenue from contracts with customers" from 1 July 2018. A number of other new standards are effective from 1 July 2018 but they do not have a material effect on the Fund's financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities. As a result of adoption of IFRS 9, the Fund has adopted consequential amendments to IAS 1 Presentation of Financial statements', which requires separate presentation in the income statement and statement of comprehensive income, profit / markup calculated using the effective interest method.

The adoption of IFRS 15 did not impact the timing or amount of dividend, profit, markup and other investment income and related assets and liabilities recognised by the fund. Accordingly, there is no impact on comparative information.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows. The standard eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 did not have a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below:

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

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

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

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

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

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

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost

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

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

or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. acquisition.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see (ii) below). Profit / markup income, foreign exchange gains and losses and impairment are recognised in income statement.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Profit / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.

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

	<i>Note</i>	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
-----AIAPPP-II----- (Rupees in '000)					
Financial assets					
Investment in open ended mutual fund	(a)	Designated at FVTPL	At FVTPL	775,300	775,300
Bank balances	(b)	Loans and receivables	Amortised cost	-	-
Other receivables	(b)	Loans and receivables	Amortised cost	-	-

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

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

The fund has also adopted above classifications on other plans launched during the period.

ii. Impairment of financial assets

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

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated 21 November 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds.

iii. Transition

The changes in accounting policies resulting from adoption of IFRS 9 have been applied retrospectively. However, there is no impact of the changes in accounting policies on the Fund's financial position except for the classification of assets and liabilities of the comparative period.

- 3.2 The preparation of this condensed interim financial information in conformity with approved accounting and reporting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and 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 Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2018.

					30 June	
4.	BANK BALANCES	31 December 2018				2018
		AIAPPP - II	AIAPPP - III	AIAPPP - IV	Total	AIAPPP - II
		----- (Rupees in '000) -----				
	Note					

- 4.1 These balances are held by a related party (United Bank Limited) carrying profit ranging from 6.3% to 9.25% per annum.

5. INVESTMENTS	31 December 2018				30 June 2018
	AIAPPP - II	AIAPPP - III	AIAPPP - IV	Total	AIAPPP - II
<i>Note</i>	----- (Rupees in '000) -----				
At fair value through profit or loss					
Units of Mutual Funds - Open Ended	749,388	701,029	281,225	1,731,642	775,300

5.1 Units of Mutual Funds - Open Ended

Name of investee funds	At the beginning of the year / period	Acquired during the period	Sold / matured during the period	As at 31 December 2018	Carrying value as at 31 December 2018	Market value as at 31 December 2018	Market value as at 30 June 2018	Percentage of total investments	Percentage of net assets
Investment in Open End Collective Investment Schemes by Al-Ameen Islamic Active Principal Preservation Plan – II			(No. of holdings)			(Rupees in '000)		%	
Managed by UBL Fund Managers-related party									
Al-Ameen Islamic Cash Fund	6,794,214	964,011	7,466,924	291,301	29,214	29,208	715,056	3.90%	3.91%
Al-Ameen Islamic Dedicated Equity Fund	519,508	517,712	382,361	654,859	74,288	69,489	60,244	9.27%	9.29%
Al-Ameen Islamic Sovereign Fund	-	7,246,166	939,966	6,306,200	633,287	650,691	-	86.83%	87.02%
Investments as at 31 December 2018	7,313,722	8,727,889	8,789,251	7,252,360	736,789	749,388	775,300	100.00%	100.22%
Investment in Open End Collective Investment Schemes by Al-Ameen Islamic Active Principal Preservation Plan – III									
Managed by UBL Fund Managers-related party									
Al-Ameen Islamic Cash Fund	-	5,635,118	5,383,194	251,924	25,256	25,260	-	3.60%	3.59%
Al-Ameen Islamic Dedicated Equity Fund	-	1,124,729	371,851	752,878	84,528	79,889	-	11.40%	11.35%
Al-Ameen Islamic Sovereign Fund	-	6,309,693	534,700	5,774,993	584,744	595,880	-	85.00%	84.65%
Investments as at 31 December 2018	-	13,069,540	6,289,745	6,779,795	694,528	701,029	-	100.00%	99.59%
Investment in Open End Collective Investment Schemes by Al-Ameen Islamic Active Principal Preservation Plan – IV									
Managed by UBL Fund Managers-related party									
Al-Ameen Islamic Cash Fund	-	2,418,474	2,418,474	-	-	-	-	0.00%	0.00%
Al-Ameen Islamic Dedicated Equity Fund	-	391,619	3,998	387,621	42,238	41,131	-	14.63%	14.51%
Al-Ameen Islamic Sovereign Fund	-	2,350,181	23,300	2,326,881	239,420	240,094	-	85.37%	84.69%
Investments as at 31 December 2018	-	5,160,274	2,445,772	2,714,502	281,658	281,225	-	100.00%	99.20%

5.1.1 All the plans will be primarily investing in the above funds.

6. PRELIMINARY EXPENSES AND FLOATATION COST

	Note	31 December 2018				30 June 2018
		AIAPPP-II	AIAPPP-III	AIAPPP-IV	Total	AIAPPP-II
		----- (Rupees in '000) -----				
Deferred formation cost		1,111	-	-	1,111	1,155
Further cost incurred		102	-	-	102	-
Amortization during the period	6.1	(252)	-	-	(252)	(44)
Unamortised formation cost at end of the period		961	-	-	961	1,111

- 6.1** As per the offering documents all preliminary and floatation expenses of the Fund including expenses incurred in connection with the establishment and authorization of the Fund, including execution and registration of the Constitutive Documents, issue, legal costs, printing, circulation and publication of the Offering Document, and all expenses incurred for announcing the Fund and other expenses during and up to the Initial Offering Period (IOP), shall be borne and reimbursed by the Fund to the Management Company subject to the audit of expenses. Such formation cost shall be amortized over a period of not less than two years effective from 28 May 2018. Deferred formation cost shall be borne by the fund and amortised within the maturity of fund which is 30 months.

7. PAYABLE TO THE MANAGEMENT COMPANY

- 7.1** Under the provision of the Non-Banking Finance Companies and Notified Entities Regulations 2008, the Management Company is entitled to a remuneration for services rendered to the Fund up to a maximum of 1% per annum based on the average monthly net assets of the allocation baskets / plans under the Fund on the daily basis during the year. However, no management fee will be charged on the portion which is invested in schemes managed by UBL Fund Managers.
- 7.2** The Securities and Exchange Commission of Pakistan through its SRO 1160(I)/2015 dated 25 November 2015 has revised the Non-Banking Finance Companies and Notified Entities Regulations, 2008. In the revised regulations a new clause 60(s) has been introduced allowing the Management Company to charge "fees and expenses related to registrar services, accounting, operation and valuation services related to CIS maximum up to 0.075% of average annual net assets of the Scheme or actual whichever is less" Accordingly, the management company has charged 0.075% per annum of the average annual net assets, being lower.

8.	ACCRUED EXPENSES AND OTHER PAYABLES	Note	31 December				30 June
			2018				2018
			AIAPPP-II	AIAPPP-III	AIAPPP-IV	Total	AIAPPP-II
			(Rupees in '000)				
	Provision against Sindh Workers' Welfare Fund	8.1	394	131	-	525	96
	Auditors' remuneration payable		137	59	25	221	259
	Sales load payable		-	71	2,819	2,890	8,597
	Legal and professional expense payable		75	17	-	92	-
	Other payables		720	-	619	1,339	731
			1,326	278	3,463	5,067	9,683

- 8.1 Provision for Sindh Workers Welfare Fund is being made on a daily basis pursuant to MUFAP's recommendation to all its members on 12 January 2017 against the backdrop of the Sindh Revenue Board (SRB) going forward letter to certain mutual funds in January 2016 whereby SRB directed the mutual funds to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after 31 December 2013. This is on the premise that mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001 and hence SWWF is payable by them. Though MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF but as a matter of abundant caution the Management has recorded SWWF. Had the provision not been made, Net Asset Value per unit of the Fund as at 31 December 2018 would have been higher by Rs. 0.05 per unit for AIAPPP-II and Rs. 0.02 per unit for AIAPPP-III. (30 June 2018 : AIAPPP-II Rs. 0.013 per unit, AIAPPP-III 'nil').

9. 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 the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of not less than 90% of the accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Board of Directors of the Management Company intends to distribute more than 90% of the Fund's accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders during the year. Accordingly, no provision has been made in the financial statements for the period ended 31 December 2018.

10. TOTAL EXPENSE RATIO

The Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/ 18/2016 dated 20 July 2016, requires that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund.

	AIAPPP-II	AIAPPP-III	AIAPPP-IV
Total expense ratio	0.26%	0.11%	0.02%
Government levy, SWWF and SECP fee	0.08%	0.04%	0.00%

11. CONTINGENCY

As at 31 December 2018, there is no contingency.

12. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

13. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

Remuneration payable to Trustee is determined in accordance with the provisions of 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 are as follows:

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

**Transactions during the
Half-year ended 31 December 2018**

---AIAPPP-II---

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

Remuneration	-	365	-	-	-
Sales tax on remuneration	-	47	-	-	-
Purchase of units	-	-	849,281	-	-
Sale of units	-	-	889,435	-	-
Allocation of expenses relating to the Fund	381	-	-	-	-
Shariah advisory fee	112	-	-	-	-
Dividend received	-	-	1,412	-	-
Bank charges	-	-	3	-	-

----- (Balances held as at 31 December 2018) -----

---AIAPPP-II---

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

Units held (Units in '000)	-	-	7,252	-	-
Units held (Amount in '000)	-	-	749,388	-	-
Allocation of expenses relating to the Fund	64	-	-	-	-
Shariah advisory fee	10	-	-	-	-
Other payables	1,262	-	-	-	-
Sales load payable	-	-	-	-	-
Bank balances*	-	-	375	-	-

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

**Transactions during the
period from 25 September 2018 to 31 December 2018**

---AIAPPP-III---

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

Remuneration	-	173	-	-	-
Sales tax on remuneration	-	22	-	-	-
Purchase of units	-	-	1,330,955	-	-
Sale of units	-	-	637,772	-	-
Allocation of expenses relating to the Fund	188	-	-	-	-
Shariah advisory fee	53	-	-	-	-
Dividend received	-	-	498	-	-
Bank charges	-	-	2	-	-

----- (Balances held as at 31 December 2018) -----

---AIAPPP-III---

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

Units held (Units in '000)	-	-	6,780	-	-
Units held (Amount in '000)	-	-	701,029	-	-
Allocation of expenses relating to the Fund	60	-	-	-	-
Shariah advisory fee	10	-	-	-	-
Other payables	5	-	-	-	-
Sales load payable	1,248	-	70	-	-
Bank balances*	-	-	4,678	-	-

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

**Transactions during the
period from 18 December 2018 to 31 December 2018**

---AIAPPP-IV---

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

Remuneration	-	10	-	-	-
Sales tax on remuneration	-	1	-	-	-
Purchase of units	-	-	-	526,925	-
Sale of units	-	-	-	245,319	-
Allocation of expenses relating to the Fund	11	-	-	-	-
Shariah advisory fee	10	-	-	-	-
Dividend received	-	-	-	1,067	-

----- (Balances held as at 31 December 2018) -----

---AIAPPP-IV---

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

Units held (Units in '000)	-	-	-	2,715	-
Units held (Amount in '000)	-	-	-	281,225	-
Allocation of expenses relating to the Fund	11	-	-	-	-
Shariah advisory fee	10	-	-	-	-
Other payables	5	-	-	-	-
Sales load payable	4,588	-	2,819	-	-
Bank balances*	-	-	8,565	-	-

* These carry profit rate ranging between 6.3% - 9.25% per annum.

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

----- (Balances held as at 30 June 2018) -----

---AIAPPP-II---

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

Units held (Units in '000)	-	-	-	7,314	-
Units held (Amount in '000)	-	-	-	775,300	-
Allocation of expenses relating to the Fund	71	-	-	-	-
Shariah advisory fee	25	-	-	-	-
Other payables	1,155	-	-	-	-
Sales load payable	3,380	-	8,597	-	-

14. FAIR VALUES 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 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 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 (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).

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

On-balance sheet financial instruments

31 December 2018

		Al-Ameen Islamic Active Principal Preservation Plan – II							
		Carrying amount				Fair value			
	Note	At fair value through profit or loss	At fair value through other comprehensive income	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
Investments	5	749,388	-	-	749,388	749,388	-	-	749,388
Financial liabilities not measured at fair value	14.1								
Payable to the Management Company		-	-	1,336	1,336				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	66	66				
Accrued expenses and other payables		-	-	932	932				
		-	-	2,334	2,334				

31 December 2018

		Al-Ameen Islamic Active Principal Preservation Plan – III							
		Carrying amount				Fair value			
	Note	At fair value through profit or loss	At fair value through other comprehensive income	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
Investments	5	701,029	-	-	701,029	701,029	-	-	701,029
Financial liabilities not measured at fair value	14.1								
Payable to the Management Company		-	-	1,323	1,323				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	62	62				
Accrued expenses and other payables		-	-	147	147				
		-	-	1,532	1,532				

31 December 2018

		Al-Ameen Islamic Active Principal Preservation Plan – IV							
		Carrying amount				Fair value			
	Note	At fair value through profit or loss	At fair value through other comprehensive income	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
Investments	5	281,225	-	-	281,225	281,225	-	-	281,225
Financial liabilities not measured at fair value	14.1								
Payable to the Management Company		-	-	4,614	4,614				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	11	11				
Accrued expenses and other payables		-	-	3,463	3,463				
		-	-	8,088	8,088				

30 June 2018

		Al-Ameen Islamic Active Principal Preservation Plan – II							
		Carrying amount				Fair value			
		Fair value through profit and loss	Available for sale	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
		Total							
		(Rupees in '000)							
Financial assets measured at fair value	<i>Note</i>								
Investments	5.	775,300	-	-	-	775,300	775,300	-	-
Financial liabilities not measured at fair value	14.1								
Payable to the Management Company		-	-	-	4,631	4,631			
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	70	70			
Accrued expenses and other payables		-	-	-	9,587	9,587			
		-	-	-	14,288	14,288			

14.1 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.

15. GENERAL

15.1 This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.

15.2 This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended 31 December 2018 in this condensed interim financial information have not been reviewed by the auditors.

15.3 This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on February 27, 2019.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director



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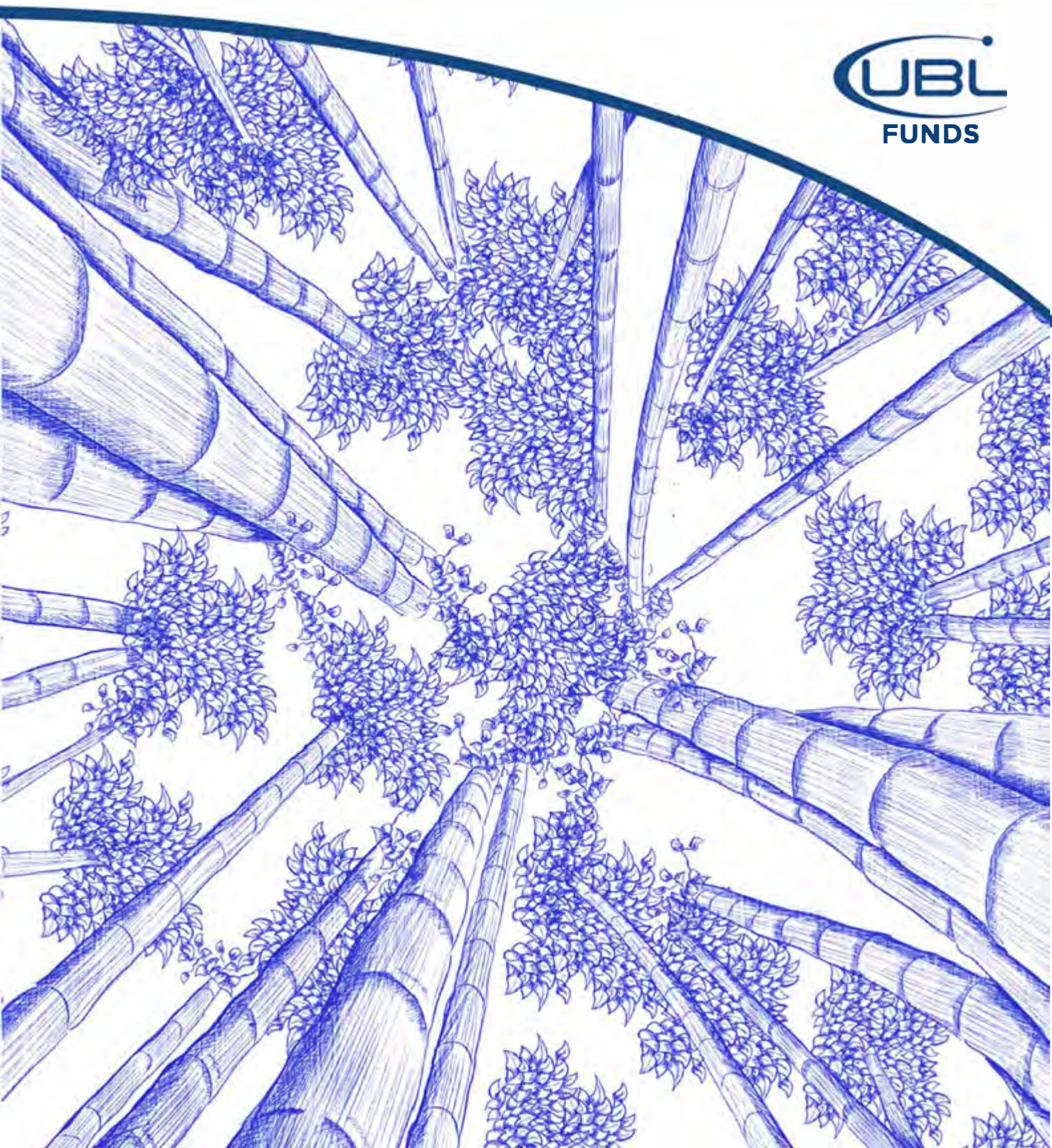


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Half Yearly Financial Report December 2018

CORPORATE INFORMATION

as at December 31, 2018

Board of Directors

Azhar Hamid
Chairman

Yasir Qadri
Chief Executive Officer

Syed Furrugh Zaem
Director

Naz Khan
Director

Tauqeer Mazhar *
Director

Sadia Saeed *
Director

Imran Sarwar *
Director

Audit Committee

Naz Khan
Chair

Imran Sarwar
Member

Sadia Saeed
Member

Tauqeer Mazhar
Member

Risk and Compliance Committee

Imran Sarwar
Chairman

Syed Furrugh Zaem
Member

Yasir Qadri
Member

Azhar Hamid
Member

Tauqeer Mazhar
Member

HR & Compensation Committee

Azhar Hamid
Chairman

Naz Khan
Member

Syed Furrugh Zaem
Member

Sadia Saeed
Member

Yasir Qadri
Member

Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem
Member

Mufti Muhammad Najeeb Khan
Member

*** Directors appointed on November 2, 2018**

Chief Financial Officer

Umair Ahmed

Company Secretary

Aly Osman

Registered Office

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

Head Office

4th Floor, STSM Building,
Beaumont Road, Civil Lines,
Karachi, Pakistan.
UAN: (92-21) 111-825-262
Fax: (92-21) 32214930

Date of incorporation of the Management Company/ Pension Fund Manager

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

Management Quality Rating

AM1 by JCR-VIS Credit Rating Company

Funds Under Management

UBL Liquidity Plus Fund
Launch Date: 21 June 2009

UBL Government Securities Fund
Launch Date: 27 July 2011

UBL Money Market Fund
Launch Date: 14 October 2010

UBL Income Opportunity Fund
Launch Date: 29 March 2013

UBL Growth & Income Fund
Launch Date: 2 March 2006

UBL Asset Allocation Fund
Launch Date: 20 August 2013

UBL Stock Advantage Fund
Launch Date: 4 August 2006

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

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

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

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

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

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

UBL Retirement Savings Fund
Launch Date: 10 May 2010

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

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

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

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

UBL Financial Planning Fund
Launch Date: 28 September 2017

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

UBL Dedicated Equity Fund
Launch Date: 29 May 2018

UBL Financial Sector Fund
Launch Date: 06 April 2018

UBL Special Savings Fund
Launch Date: 09 November 2018

Conventional Investment Plans

UBL Mahana Munafa Plan

UBL Children Savings Plan

UBL Equity Builder Plan

UBL Wealth Builder Plan

Islamic Investment Plans

Al-Ameen Mahana Munafa Plan

Al-Ameen Children Savings Plan

Al-Ameen Equity Builder Plan

Al-Ameen Wealth Builder Plan

Al-Ameen Hajj Savings Plan



Directors' Report

The Board of Directors of UBL Fund Managers Limited is pleased to present to you the reports of its UBL Liquidity Plus Fund (ULPF), UBL Money Market Fund (UMMF), 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 Capital Protected Fund –III (UCPF-III), UBL Dedicated Equity Fund (UDEP), UBL Special Savings Plan – I (USSP-I), UBL Financial Stock Fund (UFSF), UBL Active Principal Preservation Plan I (UAPPP-I), UBL Active Principal Preservation Plan II (UAPPP-II) and UBL Active Principal Preservation Plan III (UAPPP-III) for the six months period ended December 31, 2018.

Economy & Money Market Review – 1H FY19

The economy of Pakistan showed symptoms of economic slowdown during the 1H FY19. During the period, SBP raised its policy rate by 350bps from 6.5% to 10.0%. Likewise, currency also underwent correction of 14% since Jun-18 level. The corrective measures have been reflecting on subsequent slowdown in large scale manufacturing, with sectors like cement, automobiles and petroleum products showing visible decline in demand. The Government also vowed to cut down its development spending in order to reduce the burgeoning fiscal deficit.

With corrective measures and visible slowdown in demand, the current account deficit started showing improvement. During Jul-Dec FY19, current account deficit has declined to USD 7.9bn, down 4.4% YoY. In coming months, we expect further improvement given the expensive imports amid sharp currency depreciation and recent slump in oil prices. Meanwhile, the CPI inflation clocked in at 6.2%YoY for Dec'18 which was below market expectations given lower food prices. The ever increasing cost of imports and favorable conditions for export oriented industries should drive current account deficit towards consolidation.

LSM (Large Scale Manufacturing) a key tool in measuring growth of the economy showed negative growth from July-Oct 18 as compared to last year. Breakup of LSM shows significant decline in Pharmaceuticals, Petroleum Products and Iron & Steel Products. We expect LSM to remain under pressure given the increasing cost of doing business and expected curtailed demand in the economy.

The State Bank of Pakistan in its most recent monetary policy decided to raise the policy rate to 10% on the account of elevated core inflation. However, we expect the SBP to raise policy rate moderately during 2019 (0.5bps hike) as the impact of currency devaluation and slumped oil prices sets in. The Government in the last six PIB auctions only managed to eke up PKR 43bn while MTB's auction since July chalked up total of PKR 9.9trn.

Average inflation for 1H FY19 increased to 6.0% as against 3.75% SPLY. The increase in Headline Inflation witnessed in 1H FY19 as compared to SPLY is mainly due to rise in core inflation. We expect inflation to remain within government's target given the spillover impact of PKR devaluation (curtailed demand) and lower average oil prices as compared to SPLY to be visible in CPI of the remaining fiscal year. International Oil prices slumped to USD 50/barrel at one point in Dec-18 on the account of uncertainty in global demand.

Stock Market Review – 1H FY19

The KSE-100 index experienced a round of bear-run as witnessed in its 11.2% decline closing at 37,067 pts at end of 1H FY19. High political uncertainty, rising interest rates and weak economic outlook were some of the reasons for the underperformance of the benchmark. The recent weakness in economy has pushed Pakistan towards a likely IMF bailout as well as fresh funding from friendly countries. During the 1H FY19, foreign investors sold heavily (USD 403.6mn worth of shares). The average daily traded shares during this period also remained low at ~103mn as the above mentioned events kept

investors wary. Furthermore yields on risk free instruments as an alternate investment became increasingly attractive given the rise in interest rates.

Stable and effective policies would most likely restore investor's confidence in the market and we have seen in the past that it doesn't take long to regain investor's trust as soon as effective policies are in place, be it regulatory or economic. Although valuations are attractive, market is in doldrums because of weak macro-economic outlook. Any relief provided in the mini budget or any inflows from friendly countries would act as a much needed trigger for the market.

The market is trading at a significant discount to region (Fwd P/E 6.5 vs 13.1 region average). The dividend yield is also highest among the region (7% vs 2.5% region average), these factors along with expected IMF bailout advocates a strong fundamental case for Pakistani market. We also expect double digit earning growth in heavy weight sectors in the market which also makes the case for strong outlook.

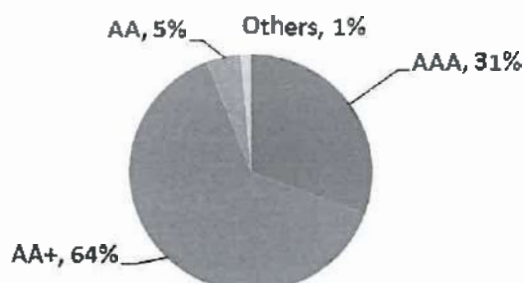
UBL LIQUIDITY PLUS FUND (ULPF)

UBL Liquidity plus Fund (ULPF) is an openend Money Market Fund with investment objective to provide attractive daily returns while maintaining comparatively high liquidity. ULPF yielded return of 7.43% p.a. during 1H FY19. Major exposure was maintained in cash and placement with banks at the end of Dec'18, thus maintaining high portfolio quality. The net assets of the fund were PKR 10,367mn (PKR 10,355mn excluding fund of funds) at the end of 1H FY19. The Asset allocation was made as such to ensure high liquidity is kept intact. The weighted average maturity of the fund was 4.37 days at the end of 1H FY19.

	ULPF	Benchmark
1H FY19 Return:	7.43%	7.36%
Standard Deviation (12m Rolling):	0.08%	1.12%
Sharpe Ratio (12m Rolling):	(10.86)	(0.86)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Placements with Banks	0%	0%	21%
Placements with DFIs	28%	31%	4%
Placements with NBFCs	0%	0%	0%
Reverse Repo	0%	0%	0%
T-Bills	67%	37%	0%
PIBs	0%	0%	0%
Cash	4%	23%	73%
Others	0%	8%	1%
Leverage	0%	0%	0%

ULPF-Portfolio Quality



ULPF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
ULPF (p.a)	8.12%	7.43%	6.51%	6.08%	6.75%	8.42%
Benchmark	8.10%	7.36%	6.45%	5.62%	6.31%	7.81%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 563.099 million for the Half year ended December 31, 2018 which mainly includes markup / interest income on bank balances, placements and government securities. After accounting for the expenses of PKR 77.550 million, the Fund managed to earn a net income of PKR 485.549 million. The net assets of the Fund were PKR 10,367 million as at December 31, 2018 representing the net asset value of PKR 100.7092 per unit.

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

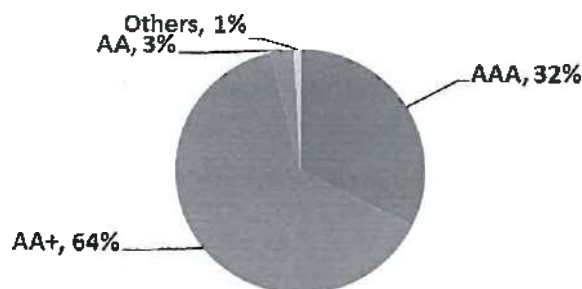
UBL MONEY MARKET FUND (UMMF)

The objective of UBL Money Market Fund is to generate competitive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors by investing a major chunk of the portfolio in short term government securities. During the period under review, UMMF generated a return of 7.27% p.a. whereas its net assets were PKR 1,666mn at the end of 1HFY19. The Fund Manager maintained a high-quality liquid profile during the period with major allocation to Placement with banks and cash & cash equivalents. The weighted average time to maturity of the fund was 4.13 days at the end of 1HFY19.

	UMMF	Benchmark
1HFY19 Return:	7.27%	7.359%
Standard Deviation (12m Rolling):	0.08%	1.118%
Sharpe Ratio (12m Rolling):	(12.46)	(0.86)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Placements with Banks	0%	0%	23%
Placements with DFIs	18%	26%	3%
PIB	0%	0%	0%
GOP Ijarah Sukuk	0%	0%	0%
T-Bills	65%	37%	0%
Cash	17%	36%	73%
Others	0%	1%	1%
Leverage	Nil	Nil	Nil

UMMF - Portfolio Quality



UMMF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UMMF (p.a)	7.98%	7.27%	6.37%	5.54%	6.29%	7.89%
Benchmark	8.10%	7.36%	6.45%	5.73%	6.68%	8.49%

Returns are annualized using the Morningstar Methodology

During the period, the Fund earned total income of PKR 74.760 million for the Half year ended December 31, 2018 which mainly includes markup / interest income on bank balances, placements, term deposits and government securities. After accounting for the expenses of PKR 11.354 million, the Fund managed to earn a net income of PKR 63.406 million. The net assets of the Fund were PKR 1,666 million as at December 31, 2018 representing the net asset value of PKR 104.0834 per unit.

JCR-VIS Credit Rating Company Limited (JCR-VIS) has maintained AA (f) rating to the Fund.

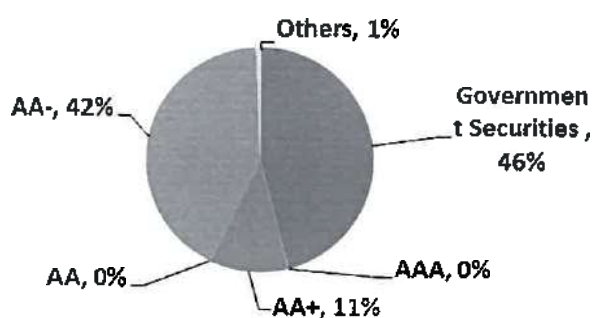
UBL GOVERNMENT SECURITIES FUND (UGSF)

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 6.36% p.a whereas its net assets were PKR 1,606mn at the end of 1H FY19. The fund manager increased exposure of fund into T-bills to and Cash at the end of 1H FY19. The weighted average maturity of the fund was decreased to 1.29 years by the end of 1H FY19.

	UGSF	Benchmark
1H FY19 Return:	6.36%	8.73%
Standard Deviation (12m Rolling):	0.19%	1.42%
Sharpe Ratio (12m Rolling):	(8.83)	0.11

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Placements with banks	0%	0%	0%
PIB	11%	11%	7%
GOP Ijarah Sukuk	0%	0%	0%
Reverse Repo	0%	0%	0%
T-Bills	77%	57%	38%
Cash	11%	31%	54%
Others	1%	1%	1%
Leverage	Nil	Nil	Nil

UGSF - Portfolio Quality



UGSF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UGSF (p.a)	7.05%	6.36%	5.69%	5.69%	8.45%	8.90%
Benchmark	9.70%	8.73%	7.57%	6.39%	6.96%	7.81%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 69.189 million for the Half year ended December 31, 2018 which mainly includes markup / interest income on bank balances, placements, term deposits and government securities. After accounting for the expenses of PKR 14.897 million, the Fund managed to earn a net income of PKR 54.292 million. The net assets of the Fund were PKR 1,606 million as at December 31, 2018 representing the net asset value of PKR 108.9260 per unit.

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

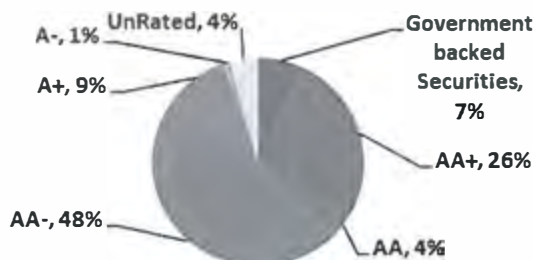
UBL GROWTH & INCOME FUND (UGIF)

UGIF is an openend Aggressive Fixed Income Fund, investing in medium to longterm fixed income instruments as well as shorttenor money market instruments and seeks to generate superior, longterm, riskadjusted returns while preserving capital over the longterm. The fund has posted a return of 5.85% p.a. during 1HFY19. Its fund size stood at PKR 530mn end of Dec'18. The fund manager increased exposure of fund into TFC to and Cash, weighted average time to maturity of the fund was 3.23 years at the end of 1HFY19.

	UGIF	Benchmark
1HFY19 Return:	5.85%	9.24%
Standard Deviation (12m Rolling):	1.18%	1.55%
Sharpe Ratio (12m Rolling):	(0.90)	0.35

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Term Finance Certificates/ Sukuks	55%	62%	64%
Commercial Paper	0%	0%	0%
Placements with DFIs	0%	0%	0%
Placements with Banks	0%	0%	0%
Cash	41%	33%	32%
T-Bills	0%	0%	0%
PIBs	0%	0%	0%
GOP Ijarah Sukuk	0%	0%	0%
Others	4%	4%	4%
Leverage	Nil	Nil	Nil

UGIF Portfolio Quality



UGIF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UGIF (p.a)	5.68%	5.85%	6.35%	7.34%	9.90%	6.29%
Benchmark	10.31%	9.24%	7.96%	6.80%	7.67%	9.98%

Returns are annualized using the Morningstar Methodology

The Fund earned a net profit of PKR 29.160 million for the Half year ended December 31, 2018. The net assets were PKR 529.778 million as at December 31, 2018 representing a net asset value of PKR 87.3607 per unit.

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

Central Depository Company of Pakistan Limited in their report highlighted that that as per the requirement of Regulation 55 of NBFC Regulations 2008, the CIS shall take exposure in any single entity to the extent of 10 % only and the breach if any should be regularized within four months' time. However, the Fund was not complied with the said requirement since June 2018 to date as it had invested upto 23% approx. in JS Bank Limited TFC's. We would like to inform the unitholders that the breach occurred due to decrease in net assets coupled with and non-availability of buyer at the appropriate price in the market to offload TFCs. The Management Company is making efforts to increase the size of the fund to regularize the breach.

UBL STOCK ADVANTAGE FUND (USF)

USF is an openend Equity Fund, investing primarily in equities listed on the KSE. The Fund seeks to maximize total returns and outperform its benchmark by investing in a combination of securities offering long term capital gains and dividend yield potential. During the period under review, the fund declined by 10.14% whereas benchmark index's declining by 11.56%, the fund size stood at PKR 6,276mn at end of Dec18. The fund manager maintained the exposure in local equity market of around 91% while exposure in cash stood at 8% at the end of Dec18.

	USF	Benchmark
1H FY19 Return:	-10.14%	-11.56%
Standard Deviation (12m Rolling):	16.22%	16.68%
Sharpe Ratio (12m Rolling):	(0.91)	(0.95)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equities	87%	90%	91%
International Investments	0%	0%	0%
T-bills	5%	0%	0%
Cash	6%	10%	8%
Others	1%	0%	2%
Leverage	Nil	Nil	Nil

USF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USF	-9.03%	-10.14%	-7.39%	12.82%	65.82%	355.10%
Benchmark	-9.59%	-11.56%	-8.41%	10.34%	37.83%	198.10%

Returns are on absolute basis

The Fund incurred a net loss of PKR 721.789 million for the Half year ended December 31, 2018 (including an unrealized loss of PKR 763.743 million on revaluation of investments) as compared to a net loss of PKR 1,050.166 million (including an unrealized loss of PKR 867.656 million on revaluation of investments) during the same period last year. The capital loss from the sale of securities amounted to PKR 45.798 million (December 31, 2017: capital loss amounting to PKR 269.558 million) and dividend income amounting to PKR 181.788 million (December 31, 2017: PKR 168.783 million). As at December 31, 2018, net assets of the Fund were PKR 6,276 million representing the net asset value of PKR 61.56 per unit.

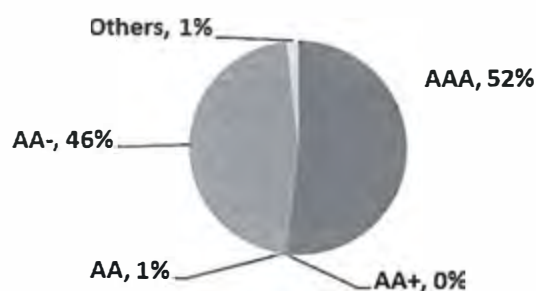
UBL INCOME OPPORTUNITY FUND (UIOF)

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 7.56% p.a. during 1HFY19. The weighted average maturity of the fund has been reached to 0.07 year at the end of Dec18. The Fund's Asset Size stood at PKR 2,229mn as at December 31, 2018.

	UIOF	Benchmark
1 HFY19 Return:	7.56%	8.84%
Standard Deviation (12m Rolling):	0.12%	1.46%
Sharpe Ratio (12m Rolling):	(6.88)	0.15

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Term Finance Certificates / Sukuks	1%	1%	1%
Placements with Banks	0%	0%	0%
Placements with DFIs	0%	10%	0%
PIBs	0%	0%	0%
GOP Ijarah Sukuk	0%	0%	0%
T-Bills	0%	1%	0%
Cash	98%	84%	97%
Others	1%	1%	1%
MTS Exposure	0%	3%	0%

UIOF Portfolio Quality



UIOF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UIOF (p.a)	8.40%	7.56%	6.60%	5.81%	7.09%	7.07%
Benchmark	9.85%	8.84%	7.63%	6.50%	7.24%	7.41%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 76.762 million for the Half year ended December 31, 2018 which mainly includes markup / interest income on bank balances. After accounting for the expenses of PKR 14.120 million, the Fund managed to earn a net income of PKR 62.642 million. The net assets of the Fund were PKR 2,229 million as at December 31, 2018 representing the net asset value of PKR 114.0892 per unit.

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

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 negative return of 1.22% as compare the benchmark negative return of 1.50%. The fund manager maintained the exposure in local equity market of around 37% while exposure in cash stood at 46% at the end of Dec18. The net assets of the fund were PKR 1,889mn as at December 31, 2018.

	UAAF	Benchmark
1HFY19 Return:	-1.22%	-1.50%
Standard Deviation (12m Rolling):	6.28%	6.35%
Sharpe Ratio (12m Rolling):	(0.80)	(0.88)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equities	38%	37%	37%
T-bills	45%	5%	0%
PIBs	0%	4%	5%
TFC/ Sukuk	8%	8%	9%
Placements with banks	0%	0%	0%
Cash	8%	44%	46%
Others	1%	1%	2%
Spread Transaction	0%	0%	1%
GOP Ijara	0%	0%	0%

UAAF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UAAF	-1.14%	-1.22%	2.35%	22.18%	70.06%	76.60%
Benchmark	-2.03%	-1.50%	1.84%	24.29%	52.24%	59.36%

Returns are on absolute basis

The Fund incurred a net loss of PKR 25.517 million for the Half year ended December 31, 2018 (including an unrealized loss of PKR 89.528 million on revaluation of investments) as compared to a net loss of PKR 109.308 million (including an unrealized loss of PKR 50.271 million on revaluation of investments) during the same period last year. The capital loss from the sale of securities amounted to PKR 4.504 million (December 31, 2017: capital loss amounting to PKR 110.696 million) and dividend income amounting to PKR 32.531 million (December 31, 2017: PKR 28.145 million). As at December 31, 2018, net assets of the Fund were PKR 1,889 million representing the net asset value of PKR 132.9368 per unit.

UBL Capital Protected Fund III (UCPF-III)

UBL Capital Protected Fund - III (UCPF-III) is an open-end Fund with investment objective to protect the principal investment of the investors upon maturity by placing a significant portion of the Trust Property as TDR with a minimum AA0 rated Bank, and remaining in equity market or any other SECP permitted investments to provide investors with better returns. During 1H FY19 fund registered a return of 1.72% as compare to benchmark return of 1.63%. Major exposure was maintained in placements with bank and equities during Dec18. The net assets of the fund were PKR 317mn as at December 31, 2018.

	UCPF-III	Benchmark
1H FY19 Return:	1.72%	1.63%
Standard Deviation (12m Rolling):	1.72%	1.23%
Sharpe Ratio (12m Rolling):	(2.39)	(2.92)

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Placements with banks	81%	81%	82%
Equities	7%	6%	5%
T-bills	0%	0%	0%
Spread Transactions	0%	0%	0%
Others	11%	11%	12%
Cash	1%	2%	2%
Leverage	Nil	Nil	Nil

UCPF-III vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UCPF-III	0.07%	1.72%	3.30%	-	-	3.96%
Benchmark	0.70%	1.63%	3.80%	-	-	4.37%

Returns are on absolute basis

The Fund earned a net income of PKR 5.316 million for the Half year ended December 31, 2018 (including an unrealized loss of PKR 3.620 million on revaluation of investments). As at December 31, 2018, net assets of the Fund were PKR 317 million representing the net asset value of PKR 101.8793 per unit.

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 negative return of 12.57%. The fund manager maintained the exposure in local equity market of around

93% while exposure in cash stood at 5% at the end of Dec18. The net assets of the fund were PKR 367mn as at December 31, 2018.

	UFSF	Benchmark
1 HFY19 Return:	-12.57%	-11.56%
Standard Deviation (12m Rolling):	n/a	n/a
Sharpe Ratio (12m Rolling):	n/a	n/a

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equities	94%	92%	93%
T-bills	0%	0%	0%
Cash	1%	7%	5%
Others	5%	1%	2%
Leverage	Nil	Nil	Nil

UFSF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UFSF	-9.99%	-12.57%	-	-	-	-20.24%
Benchmark	-9.59%	-11.56%	-	-	-	-20.39%

Returns are on absolute basis

The Fund incurred a net loss of PKR 57.174 million for the Half year ended December 31, 2018 (including an unrealized loss of PKR 52.222 million on revaluation of investments)). As at December 31, 2018, net assets of the Fund were PKR 367 million representing the net asset value of PKR 79.7557 per unit.

UBL Dedicated Equity FUND (UDEF)

The investment objective of the Fund is to provide other 'Fund of Funds' schemes an avenue for investing in Equities. During the period under review, the fund declined by 9.84% whereas benchmark index's declining by 11.56%, the fund size stood at PKR 210mn at end of Dec18. The fund manager maintained the exposure in local equity market of around 87% while exposure in cash stood at 11% at the end of Dec18.

	UDEF	Benchmark
1 HFY19 Return:	-9.84%	-11.56%
Standard Deviation (12m Rolling):	n/a	n/a
Sharpe Ratio (12m Rolling):	n/a	n/a

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equities	78%	93%	87%
T-bills	0%	0%	0%
Cash	21%	5%	11%
Others	1%	2%	1%
Leverage	Nil	Nil	Nil

UDEF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UDEF	-8.22%	-9.84%	-	-	-	-11.53%
Benchmark	-9.59%	-11.56%	-	-	-	-12.04%

Returns are on absolute basis

The Fund incurred a net loss of PKR 11.551 million for the Half year ended December 31, 2018 (including an unrealized loss of PKR 10.979 million on revaluation of investments)). As at December 31, 2018, net assets of the Fund were PKR 210 million representing the net asset value of PKR 88.4734 per unit.

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

UBL Financial Planning Fund is an open-end Fund of Funds Scheme that aims to generate returns on Investments as per respective Allocation Plans by investing in Mutual Funds in line with the risk tolerance of the Investor. Fund yielded return of 0.63% during 1HFY19. Major exposure was maintained in Money Market funds, thus maintaining high portfolio quality. The net assets of the fund were PKR 170mn at the end of 1HFY19. The Asset allocation was made as such to ensure high liquidity is kept intact.

UAPPP-I Benchmark

1 HFY19 Return:	0.63%	1.20%
Standard Deviation (12m Rolling):	n/a	n/a
Sharpe Ratio (12m Rolling):	n/a	n/a

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equity Funds	17%	16%	21%
Money Market Funds	82%	83%	78%
Income Funds	0%	0%	0%
Others	0%	0%	0%
Cash	1%	1%	1%
Leverage	Nil	Nil	Nil

UAPPP-I vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UAPPP-I	-0.32%	0.63%	-	-	-	1.52%
Benchmark	-0.02%	1.20%	-	-	-	2.29%

Returns are on absolute basis

The Fund earned a net income of PKR 1.124 million for the Half year ended December 31, 2018 (including an unrealized gain of PKR 1.116 million on revaluation of investments)). As at December 31, 2018, net assets of the Fund were PKR 170 million representing the net asset value of PKR 101.5168 per unit.

UBL Financial Planning Fund (UBL Active Principal Preservation Plan II)

UBL Financial Planning Fund is an open-end Fund of Funds Scheme that aims to generate returns on Investments as per respective Allocation Plans by investing in Mutual Funds in line with the risk tolerance of the Investor. Fund yielded return of 2.13% during 1HFY19. The Asset allocation was made as such to ensure high liquidity is kept intact. Major exposure was maintained in Money Market funds and cash, thus maintaining high portfolio quality. The net assets of the fund were PKR 317mn as at the December 31, 2018.

UAPPP-II Benchmark

1HFY19 Return:	2.13%	2.80%
Standard Deviation (12m Rolling):	n/a	n/a
Sharpe Ratio (12m Rolling):	n/a	n/a

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equity Funds	8%	7%	13%
Money Market Funds	52%	53%	47%
Income Funds	0%	0%	0%
Others	1%	1%	2%
Cash	0%	0%	0%
Placement with banks	39%	39%	39%
Leverage	Nil	Nil	Nil

UAPPP-II vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UAPPP-II	0.81%	2.13%	-	-	-	2.78%
Benchmark	1.22%	2.80%	-	-	-	3.44%

Returns are on absolute basis

The Fund earned a net income of PKR 6.799 million for the Half year ended December 31, 2018 (including an unrealized gain of PKR 1.932 million on revaluation of investments)). As at December 31, 2018, net assets of the Fund were PKR 317 million representing the net asset value of PKR 102.6494 per unit.

UBL Financial Planning Fund (UBL Active Principal Preservation Plan III)

UBL Financial Planning Fund is an open-end Fund of Funds Scheme that aims to generate returns on Investments as per respective Allocation Plans by investing in Mutual Funds in line with the risk tolerance of the Investor. Fund yielded return of -0.25% during 1HFY19. The Asset allocation was made as such to ensure high liquidity is kept intact. Major exposure was maintained in Money Market funds and equity funds, thus maintaining high portfolio quality. The net assets of the fund were PKR 206mn as at the 31 December 2018.

UAPPP-III Benchmark

1 HFY19 Return:	-0.25%	0.30%
Standard Deviation (12m Rolling):	n/a	n/a
Sharpe Ratio (12m Rolling):	n/a	n/a

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Equity Funds	18%	15%	23%
Money Market Funds	81%	84%	77%
Income Funds	0%	0%	0%
Others	0%	0%	0%
Cash	0%	1%	0%
Placement with banks	0%	0%	0%
Leverage	Nil	Nil	Nil

UAPPP-III vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UAPPP-III	-	-	-	-	-	-0.25%
Benchmark	-	-	-	-	-	0.30%

During the period from October 24, 2018 to December 31, 2018 the Fund incurred a net loss of PKR 0.52 million for the Half year ended December 31, 2018 (including an unrealized loss of PKR 0.623 million on revaluation of investments)). As at December 31, 2018, net assets of the Fund were PKR 206 million representing the net asset value of PKR 99.7496 per unit.

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

The “UBL Special Savings Plan” (USSP-I) is an Allocation Plan under “UBL Special Savings Fund”. The objective is to earn competitive regular return with capital preservation for unit holders who hold their investment for thirty-six (36) Months from commencement of life of plan. USSP-I yielded return of 7.71%. Major exposure was maintained in cash at the end of Dec18, thus maintaining high portfolio quality. The net assets of the fund was PKR 517mn as at the 31 December 2018.

	USSP-I	Benchmark
1H FY19 Return:	7.71%	10.13%
Standard Deviation (12m Rolling):	n/a	n/a
Sharpe Ratio (12m Rolling):	n/a	n/a

Asset Allocation (% of Total Assets)	Oct'18	Nov'18	Dec'18
Placements with banks	0%	0%	0%
PIB	0%	0%	0%
GOP Ijarah Sukuk	0%	0%	0%
Reverse Repo	0%	0%	0%
T-Bills	0%	0%	0%
Cash	0%	97%	99%
Others	0%	3%	1%
Leverage	Nil	Nil	Nil

USSP-I vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USSP I	-	-	-	-	-	7.71%
Benchmark	-	-	-	-	-	10.13%

Returns are annualized using the Morningstar Methodology

During the period from November 09, 2018 to December 31, 2018 the Fund earned total income of PKR 5.375 million for the Half year ended December 31, 2018. After accounting for the expenses of PKR 1.06 million, the Fund managed to earn a net income of PKR 4.315 million. As at December 31, 2018, net assets of the Fund were PKR 517 million representing the net asset value of PKR 100.2307 per unit.



Future Outlook

The fundamentals of the stock market are intact and the market is trading at a significant discount as compared to the regional peers. We continue to maintain a positive outlook on the local equity market in the short to medium-term. Recent PKR devaluation is expected to support the export oriented industries greatly and aid in curbing the current account deficit position. Any possible relief for the market in the upcoming mini-budget, as well as clarity on funding from friendly countries and a brisk decision on IMF bailout would provide probably restore confidence in investor. Meanwhile, investor friendly policies and focus towards FDIs is expected to fetch investments in sectors like automobile, energy and IT.

Despite recent increase in fixed income yields, we still find tremendous value in the stock market for medium to long-term investors, as reflected in ~14% earning yield and strong double-digit earnings growth over the next two years. Banks and E&Ps, the two heaviest sectors in index are expected to perform during this time and would likely trigger the growth in earnings and lead the upside.

Acknowledgements

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

FOR & ON BEHALF OF THE BOARD


Yasir Qadri
CHIEF EXECUTIVE

Karachi, Dated: 27 February 2019

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 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	BDO Ebrahim & Co., Chartered Accountants
Bankers	United Bank Limited Bank Alfalah Limited MCB- Global Faysal Bank Limited Samba Bank Allied Bank Limited Habib Bank Limited Sindh Bank Limited Zarai Taraqiati Bank Limited Habib Metropolitan Bank Limited Askari Bank Limited National Bank Of Pakistan Meezan Bank Limited
Management Co.Rating	AM1 (JCR-VIS)
Fund Rating	AA(f) (JCR-VIS)

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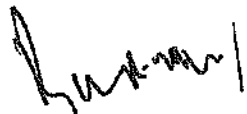
TRUSTEE REPORT TO THE UNIT HOLDERS

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, 2018 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 22, 2019

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of UBL LIQUIDITY PLUS FUND ("the Fund") as at December 31, 2018 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 and notes to the accounts for the half year then ended (here-in-after referred to as "condensed interim financial information"). UBL Fund Managers Limited (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting 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, 2018 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures for the quarter ended December 31, 2018 and December 31, 2017 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: 27 FEB 2019



CHARTERED ACCOUNTANTS

Engagement Partner: Zulfikar Ali Causer

UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT DECEMBER 31, 2018

		December 31, 2018 (Unaudited)	June 30, 2018 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	7,643,260	12,991,421
Placements and Term Deposit Receipts	5	2,700,000	1,580,000
Investments	6	-	-
Mark-up / interest receivable		76,393	18,914
Deposits, prepayments and other receivable		58,953	15,770
Advance tax	7	1,982	2,482
TOTAL ASSETS		10,480,588	14,608,587
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company		9,196	10,922
Payable to Central Depository Company of Pakistan Limited - Trustee		885	1,185
Payable to Securities and Exchange Commission of Pakistan		5,126	7,080
Accrued expenses and other liabilities	8	98,695	135,190
TOTAL LIABILITIES		113,902	154,377
NET ASSETS		10,366,686	14,454,210
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		10,366,686	14,454,210
CONTINGENCIES AND COMMITMENTS			
	9	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		102,936,844	136,059,656
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		100.7092	106.2344

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
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Half year ended		Quarter ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----
INCOME				
Financial income	577,139	185,516	299,753	104,184
Capital loss on sale of investments - net	(14,237)	(21)	(10,591)	(117)
Unrealized gain on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net	-	-	525	-
Other income	197	-	197	-
Total income	563,099	185,495	289,884	104,067
EXPENSES				
Remuneration of UBL Fund Managers Limited - Management Company	42,441	17,207	21,886	9,109
Sindh Sales Tax on Management Company's remuneration	5,517	2,237	2,845	1,184
Remuneration of Central Depository Company of Pakistan Limited - Trustee	5,916	2,880	2,835	1,591
Annual fee of Securities and Exchange Commission of Pakistan	5,126	2,171	2,426	1,219
Bank charges	303	355	113	252
Auditors' remuneration	542	473	306	267
Brokerage and settlement expenses	1,271	241	759	181
Allocated expenses	6,442	2,086	2,843	817
Fees and subscription charges	135	148	60	74
Listing fee	14	-	2	-
Legal and professional charges	106	41	53	17
Printing expenses	10	16	5	10
Other expenses	10	-	10	-
Total operating expenses	67,833	27,855	34,143	14,721
Operating income for the period	495,266	157,640	255,741	89,346
Provision for Sindh Workers' Welfare Fund	8.2 (9,717)	(3,094)	(5,014)	(1,752)
Net income for the period before taxation	485,549	154,546	250,727	87,594
Taxation	10 -	-	-	-
Net income for the period after taxation	485,549	154,546	250,727	87,594
Allocation of net income for the period				
Income already paid on units redeemed	(12,556)	(67,864)	(3,690)	(42,897)
Net income for the period available for distribution	472,993	86,682	247,037	44,697
Relating to capital gains	-	-	-	-
Excluding capital gains	472,993	86,682	247,037	44,697
Earnings per unit	472,993	86,682	247,037	44,697

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

CHIEF EXECUTIVE OFFICER

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CHIEF FINANCIAL OFFICER

SD

DIRECTOR

UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Half year ended		Quarter ended	
	December 31,	December 31,	December 31,	December 31,
	2018	2017	2018	2017
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Net income for the period after taxation	485,549	154,546	250,727	87,594
Other comprehensive income				
Items that may be reclassified subsequently to income statement	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-
Total comprehensive income for the period	<u>485,549</u>	<u>154,546</u>	<u>250,727</u>	<u>87,594</u>

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
CHIEF EXECUTIVE OFFICER

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CHIEF FINANCIAL OFFICER

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DIRECTOR

UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended	
	December 31, 2018	December 31, 2017
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	485,549	154,546
Adjustments for:		
Financial income	(577,336)	(185,516)
Capital loss on sale of investments - net	14,237	21
Provision for Sindh Workers' Welfare Fund	9,717	3,094
	<u>(553,382)</u>	<u>(182,401)</u>
Cash used in operations before working capital changes	<u>(67,833)</u>	<u>(27,855)</u>
Working capital changes		
(Increase) / decrease in assets		
Investments - net	(14,237)	(21)
Deposits, prepayments and other receivables	(43,183)	50,277
Advance tax	500	(22)
	<u>(56,920)</u>	<u>50,234</u>
(Decrease) / increase in liabilities		
Payable to UBL Fund Managers Limited - Management Company	(1,726)	777
Payable to Central Depository Company of Pakistan Limited - Trustee	(300)	268
Annual fee payable to Securities and Exchange Commission of Pakistan	(1,954)	(319)
Accrued expenses and other liabilities	(46,212)	(104,117)
	<u>(50,192)</u>	<u>(103,391)</u>
Cash used in operations	<u>(174,945)</u>	<u>(81,012)</u>
Profit received on bank balances and investments	519,857	159,649
Net cash generated from operating activities	<u>344,912</u>	<u>78,637</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	15,624,865	11,471,463
Payments against redemption of units	(18,960,599)	(9,099,740)
Dividend paid	(1,237,338)	-
Net cash (used in) / generated from financing activities	<u>(4,573,073)</u>	<u>2,371,723</u>
Net (decrease) / increase in cash and cash equivalents	<u>(4,228,161)</u>	<u>2,450,360</u>
Cash and cash equivalents at the beginning of the period	14,571,421	4,179,845
Cash and cash equivalents at the end of the period	<u>10,343,260</u>	<u>6,630,205</u>
CASH AND CASH EQUIVALENTS		
Bank balances	7,643,260	3,809,205
Placements and Term Deposit Receipts	2,700,000	2,821,000
	<u>10,343,260</u>	<u>6,630,205</u>

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

For UBL Fund Managers Limited
(Management Company)

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CHIEF EXECUTIVE OFFICER

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DIRECTOR

UBL LIQUIDITY PLUS FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended-----		
	December 31, 2018	December 31, 2017	
	Capital value	Undistributed income	Total
Note -----	(Rupees in '000) -----		
Net assets at the beginning of the period	14,120,429	333,781	14,454,210
Issuance of 155,004,416 units (2017: 112,298,261 units)			
Capital value of units	15,606,372	-	15,606,372
Element of income			
Due to net income earned	18,493	-	18,493
Total proceeds on issuance of units	15,624,865	-	15,624,865
Redemption of 188,127,228 units (2017: 88,938,266 units)			
Capital value of units	(18,941,289)	-	(18,941,289)
Element of income			
Due to net income earned	(6,754)	(12,556)	(19,310)
Total payments on redemption of units	(18,948,043)	(12,556)	(18,960,599)
Total comprehensive income for the period	-	485,549	485,549
Annual distribution:			
Rs. 5.5510 per unit declared on July 02, 2018 as cash dividend	(501,698)	(253,759)	(755,457)
Interim distributions:			
Re. 0.2669 per unit declared on July 15, 2018 as cash dividend	(4,803)	(33,544)	(38,347)
Re. 0.2539 per unit declared on July 29, 2018 as cash dividend	(3,678)	(36,912)	(40,590)
Re. 0.2629 per unit declared on August 12, 2018 as cash dividend	(364)	(36,890)	(37,254)
Re. 0.2502 per unit declared on August 26, 2018 as cash dividend	(192)	(34,310)	(34,502)
Re. 0.2500 per unit declared on September 09, 2018 as cash dividend	(481)	(34,740)	(35,221)
Re. 0.2461 per unit declared on September 23, 2018 as cash dividend	(216)	(33,390)	(33,606)
Re. 0.2691 per unit declared on October 07, 2018 as cash dividend	(2,975)	(34,290)	(37,265)
Re. 0.2955 per unit declared on October 21, 2018 as cash dividend	(333)	(38,315)	(38,648)
Re. 0.2938 per unit declared on November 04, 2018 as cash dividend	(2,086)	(36,837)	(38,922)
Re. 0.2732 per unit declared on November 18, 2018 as cash dividend	(916)	(37,553)	(38,469)
Re. 0.2746 per unit declared on December 02, 2018 as cash dividend	(127)	(35,477)	(35,603)
Re. 0.3109 per unit declared on December 16, 2018 as cash dividend	(350)	(35,167)	(35,517)
Re. 0.3683 per unit declared on December 30, 2018 as cash dividend	(1,271)	(36,664)	(37,934)
Net income for the period less distribution	(519,490)	(232,299)	(751,789)
Net assets at the end of the period	10,277,760	88,926	10,366,686
Undistributed income brought forward comprises of:			
Realised gain		333,781	80,087
Unrealised loss		-	-
Total undistributed income brought forward		333,781	80,087
Income available for distribution:			
Relating to capital gains		-	-
Excluding capital gains		472,993	86,682
Distribution during the period:			
Annual distribution of Rs. 5.5510 per unit declared on July 02, 2018 as cash dividend		(253,759)	-
Interim distributions during the half year ended December 31, 2018 as cash dividend		(464,089)	-
		(717,848)	-
Undistributed income carried forward		88,926	166,769
Undistributed income carried forward comprises of:			
Realised gain		88,926	166,769
Unrealised gain		-	-
Total undistributed income carried forward		88,926	166,769
		(Rupees)	(Rupees)
Net assets value per unit at the beginning of the period		106.2344	100.6834
Net assets value per unit at the end of the period		100.7092	103.4110

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

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

UBL LIQUIDITY PLUS FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Liquidity Plus Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-ended mutual fund. It was constituted under the Trust Deed dated May 07, 2009 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 4th floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.
- 1.3 The Fund is a money market scheme and units of the Fund are listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units 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 money market scheme in accordance with Circular No. 7 of 2009 issued by the SECP and it commenced its operations on June 21, 2009.
- 1.4 The principal activity of the Fund is to seek and provide attractive daily returns while maintaining comparatively high liquidity by investing in diversified portfolio of low risk assets.
- 1.5 Title to the assets of the Fund are held in the name of the CDC as the Trustee of the Fund.
- 1.6 JCR-VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as on December 27, 2018 and a stability rating of "AA (f)" to the Fund as on December 31, 2018.

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 published audited financial statements of the Fund for the year ended June 30, 2018.
- 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, 2018, 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, 2017.
- 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, 2018 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, 2018.

2.2 Basis of measurement

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

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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

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

- 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, 2018 except as explained in note 3.6.
- 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 annual audited financial statements as at and for the year ended June 30, 2018.
- 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, 2018. 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 except as disclosed in note 3.6.

- 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, 2018.
- 3.6 IFRS 9 'Financial Instruments' was issued on July 24, 2017. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective for accounting periods beginning on or after July 1, 2018. A number of other new standards are effective from July 1, 2018 but they do not have a material effect on the Fund's condensed interim financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below:

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of IFRS 9 has not had a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

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

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

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

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

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

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

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

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

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

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

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

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
	Note			----- (Rupees in '000) -----	
Financial assets					
Bank balances - Saving Accounts	(a)	Loans and receivables	Amortised cost	12,991,421	12,991,421
Term Deposit Receipts (TDRs)	(a)	Loans and receivables	Amortised cost	1,580,000	1,580,000
Mark-up / interest receivable	(a)	Loans and receivables	Amortised cost	18,914	18,914
Deposits and other receivable	(a)	Loans and receivables	Amortised cost	15,431	15,431
				14,605,766	14,605,766

- (a) These financial assets classified as 'loans and receivables' have been classified as amortised cost.

ii. **Impairment of financial assets**

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

SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds. Meanwhile, asset management companies shall continue to follow the requirements of Circular 33 of 2012 dated October 24, 2012 in relation to impairment of debt securities.

iii. **Transition**

The Fund has used the exemption not to restate comparative periods. Differences, if any, in the carrying amounts of financial assets resulting from the adoption of IFRS 9 are recognised in net assets attributable to unit holders as at July 1, 2018. Accordingly, the comparative information does not reflect the requirements of IFRS 9, but rather those of IAS 39.

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

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

December 31, 2018 (Unaudited)	June 30, 2018 (Audited)
----- (Rupees in '000) -----	----- (Rupees in '000) -----

4 BANK BALANCES

Cash at bank

In current account

In saving accounts

4	4
7,643,256	12,991,417
7,643,260	12,991,421
7,643,260	12,991,421

- 4.1 Profit rates on these savings accounts range between 4.00% to 11.00% per annum (June 30, 2018: 3.75% to 6.60% per annum). This includes an amount held by a related party (United Bank Limited) amounting to Rs. 2,104.430 million (June 30, 2018: Rs. 32.157 million) on which return is earned ranging between 6.65% to 11% (June 30, 2018: 4.00%) per annum.

5 PLACEMENTS AND TERM DEPOSIT RECEIPTS (TDRs)

Opening balance

Acquired during the period

Matured during the period

Closing balance

	1,580,000	-
	29,230,000	14,416,000
5.1 & 5.2	(28,110,000)	(12,836,000)
5.3	2,700,000	1,580,000
	2,700,000	1,580,000

- 5.1 Term Deposit Receipts (TDRs) having face value of Rs. 1,580 million carrying interest rate 7.35% were acquired in last year and matured during the period.
- 5.2 Letter of Placements (LOPs) having face value of Rs. 26,530 million carrying interest rates ranging from 7.70% to 10.35% were acquired and matured during the period.
- 5.3 This includes TDRs and LOPs carrying interest rate ranging from 10.75% to 11.05% per annum and will mature in January, 2019.

- 5.4 As per Regulation 55(5) of the Regulations, exposure of a collective investment scheme to any single entity shall not exceed an amount equal to ten per cent of total net assets of the collective investment scheme. The Fund has made investments in TDRs of following entities in excess of ten percent of its net assets as of the date of condensed interim statement of assets and liabilities:

Entity	Amount (Rupees in '000)	Percentage of Net Assets
Bank Al Falah Limited	1,150,000	11.09%
United Bank Limited	1,100,000	10.61%

6 INVESTMENTS

6.1 Government securities classified as financial asset at fair value through profit or loss (June 30, 2018: Government securities designated at fair value through profit or loss)

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, 2018	Market value as at June 30, 2018	Percentage of investment
Note	No. of holdings			(Rupees in '000)			
Market Treasury Bills *							
T bills 3 months	-	574,060	574,060	-	-	-	0%
	-	574,060	574,060	-	-	-	0%

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

7 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, 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 Income Tax Ordinance, 2001 from Commissioner Inland Revenue (CIR). During the period, 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 Income Tax Return for Tax Year 2019.

8 ACCRUED EXPENSES AND OTHER LIABILITIES

8.1 Provision for indirect taxes and duties

Provision for Federal Excise Duty (FED) as at December 31, 2018 amounted to Rs. 55.390 million (June 30, 2018: Rs. 55.390). 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, 2018. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 55.390 million till June 30, 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Re. 0.5381 (June 30, 2018: Re. 0.4071).

8.2 Provision for Sindh Workers' Welfare Fund (SWWF)

Provision for Sindh Workers' Welfare Fund (SWWF) as at December 31, 2018 amounted to Rs. 23.539 million (June 30, 2018: Rs. 13.822 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements for the year ended June 30, 2018.

The Management Company, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re. 0.2287 (June 30, 2018: Re. 0.1016).

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2018 and June 30, 2018.

10 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 the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in the form of cash. 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. The Management Company intends to distribute by way of cash dividend at least 90% of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year ending June 30, 2019 to its unit holders, accordingly, no provision for current and deferred taxation has been recognised in this condensed interim financial information.

11 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.

12 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the half year ended December 31, 2018 is 0.57% (2017: 0.54%) which includes 0.16% (2017: 0.14%) representing Government Levy, Worker's Welfare Fund and SECP fee.

13 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:

	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, 2018						
Profit on savings accounts	-	13,695	-	-	-	-
Bank charges	-	27	-	-	-	-
Units issued	136,779	6,102	-	17,989	3,368	5,234,913
Units redeemed	779,416	16,151	-	175,005	14,744	2,183,343
Purchase of securities	-	1,100,000	-	1,030,534	-	-
Sale of securities	-	-	-	491,649	-	-
Remuneration (including Sindh sales tax)	47,958	-	5,916	-	-	-
Allocated expenses	6,442	-	-	-	-	-
Custody fee	-	-	3	-	-	-
Dividend paid	38,911	894	-	9,747	1,812	128,867
Transactions during the half year ended December 31, 2017						
Profit on savings accounts	-	8,789	-	-	-	-
Bank charges	-	45	-	-	-	-
Units issued	390,000	-	-	1,597,806	6,376	-
Units redeemed	309,882	5,000	-	755,037	874	-
Purchase of securities	-	730,000	-	-	-	-
Sale of securities	-	-	-	-	-	-
Remuneration (including sales tax)	19,444	-	2,880	-	-	-
Allocated expenses	2,086	-	-	-	-	-

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
	(Rupees in '000)					
Balances held as at December 31, 2018						
Units held (in Units '000)	116	14	-	112	125	35,848
Units held (in Rupees '000)	11,700	1,424	-	11,246	12,635	3,610,247
Bank balances	-	2,104,430	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable	8,476	-	885	-	-	-
Other payables	126	-	-	-	-	-
Allocated expense payable	594	-	-	-	-	-
Profit receivable	-	20,475	-	-	-	-
Balances held as at June 30, 2018						
Units held (in Units '000)	6,496	114	-	1,668	238	25,045
Units held (in Rupees '000)	690,099	12,111	-	177,199	25,284	2,660,641
Bank balances	-	32,158	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable	7,935	-	1,185	-	-	-
Other payables	113	-	-	-	-	-
Allocated expense payable	2,874	-	-	-	-	-
Profit receivable	-	221	-	-	-	-

14 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.

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	
As at December 31, 2018	
Fair value through profit or loss	Amortized cost

Financial assets not measured at fair value

Bank balances	-	7,643,260
Placements and Term Deposit Receipts	-	2,700,000
Mark up / interest receivable	-	76,393
Other receivables	-	58,953
	-	10,478,606

Financial liabilities not measured at fair value

Payable to Management Company	-	8,221
Payable to Trustee	-	783
Accrued expenses and other liabilities	-	3,140
	-	12,144

Carrying Amount		
-----As at June 30, 2018-----		
Fair value through profit or loss	Loans and receivables	Other financial liabilities

Financial assets not measured at fair value

Bank balances	-	12,991,421	-
Placements and Term Deposit Receipts	-	1,580,000	-
Mark up / interest receivable	-	18,914	-
Other receivables	-	15,495	-
	-	14,605,830	-

Financial liabilities not measured at fair value

Payable to Management Company	-	-	10,007
Payable to Trustee	-	-	1,049
Accrued expenses and other liabilities	-	-	49,264
	-	-	60,320

- 14.1 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 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.

16 GENERAL

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

17 DATE OF AUTHORIZATION FOR ISSUE

17.1 This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on February 27, 2019.

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

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

UMMF

UBL Money Market Fund

INVESTMENT OBJECTIVE

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

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main 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	KPMG - Taseer Hadi & Co
Bankers	United Bank Limited Bank Alfalah Limited MCB Bank Limited Faysal Bank Limited Samba Bank Limited Allied Bank Limited Habib Bank Limited Sindh Bank Limited Zarai Taraqati Bank Limited Habib Metropolitan Bank Limited Askari Bank Limited National Bank of Pakistan Meezan Bank Limited
Management Co.Rating	AM1 (JCR-VIS)
Fund Rating	AA(f) (JCR-VIS)

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
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Tel: (92-21) 111-111-500
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Email: info@cdcpak.com



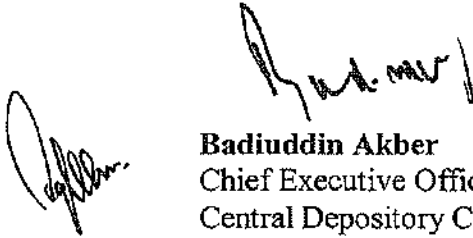
TRUSTEE REPORT TO THE UNIT HOLDERS

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, 2018 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 22, 2019



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

Independent Auditors' Review Report to the unit holders of UBL Money Market Fund

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **UBL Money Market Fund** ("the Fund") as at 31 December 2018 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the accounts for the six months period then ended (here-in-after referred to as the "interim financial information"). Management Company is responsible for the preparation and presentation of this 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 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 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 is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures for the three months period ended 31 December 2018 in the condensed interim financial information have not been reviewed and we do not express a conclusion on them.



KPMG Taseer Hadi & Co.

The engagement partner on the engagement resulting in this independent auditor's review report is Mazhar Saleem.

Date: 27 February 2019

Karachi


KPMG Taseer Hadi & Co.
Chartered Accountants

UBL Money Market Fund

Condensed Interim Statement of Assets and Liabilities

As at 31 December 2018

		31 December 2018 (Unaudited) (Rupees in '000)	30 June 2018 (Audited)
	Note		
Assets			
Bank balances	4	1,231,463	1,490,596
Term deposit receipts and placement	5	440,000	135,000
Profits receivable		13,169	3,058
Deposit, prepayments and other receivables		2,359	1,769
Advance tax	6	1,076	1,071
Total assets		1,688,067	1,631,494
Liabilities			
Payable to the Management Company	7	2,222	998
Payable to Central Depository Company of Pakistan Limited - Trustee		210	169
Payable to Securities and Exchange Commission of Pakistan		661	828
Accrued expenses and other payables	8	18,971	13,827
Total liabilities		22,064	15,822
Net assets		1,666,003	1,615,672
Unit holders' fund (as per the statement attached)		1,666,003	1,615,672
Contingency	9		
		(Number of Units)	
Number of units in issue (face value of units is Rs. 100 each)		16,006,422	15,298,865
		(Rupees)	
Net asset value per unit		104.0834	105.6073

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL Money Market Fund
Condensed Interim Income Statement (Unaudited)
For the half year and quarter ended 31 December 2018

		Half year ended		Quarter ended	
		31 December		31 December	
		2018	2017	2018	2017
	Note	(Rupees in '000)			
Income					
Financial income	10	76,606	27,167	51,413	14,576
Net capital loss on sale of investments		(1,905)	(1)	(1,654)	(17)
Other income		59	31	59	31
Total income		74,760	27,197	49,818	14,590
Expenses					
Remuneration of the Management Company		5,634	4,187	3,756	2,255
Sindh Sales Tax on the Management Company's remuneration		732	544	488	293
Allocation of expenses relating to the Fund	7	882	419	556	226
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,175	703	685	376
Annual fee of Securities and Exchange Commission of Pakistan		661	314	417	169
Bank charges		135	193	79	47
Auditors' remuneration		468	397	267	226
Listing fees		14	14	7	7
Legal and professional charges		82	41	38	11
Brokerage expenses		157	20	157	20
Other expenses		145	130	40	67
Total operating expenses		10,085	6,962	6,490	3,697
Net income from operating activities		64,675	20,235	43,328	10,893
Provision for Sindh Workers' Welfare Fund	8.2	(1,269)	(397)	(849)	(213)
Net income for the period before taxation		63,406	19,838	42,479	10,680
Taxation	11	-	-	-	-
Net income for the period after taxation		63,406	19,838	42,479	10,680
Allocation of net income for the period after taxation					
Net income for the period after taxation		63,406	19,838	42,479	10,680
Income already paid on units redeemed		(26,267)	(8,103)	(23,471)	(5,664)
Accounting income available for distribution		37,139	11,735	19,008	5,016
Accounting income available for distribution					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		37,139	11,735	19,008	5,016
Earnings per unit	13	37,139	11,735	19,008	5,016

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL Money Market Fund

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the half year and quarter ended 31 December 2018

	Half year ended		Quarter ended	
	31 December		31 December	
	2018	2017	2018	2017
	----- (Rupees in '000) -----			
Net income for the period after taxation	63,406	19,838	42,479	10,680
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	63,406	19,838	42,479	10,680

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL Money Market Fund

Condensed Interim Statement of Movement in Unit holders' Fund (Unaudited)

For the half year ended 31 December 2018

	2018			2017
	Capital value	Undistributed income	Total	Total
	(Rupees in '000)			
Net assets at beginning of the period	1,590,492	25,180	1,615,672	876,240
Issuance of 32,385,947 units (2017: 11,544,482 units)				
- Capital value	3,253,685	-	3,253,685	1,159,830
- Element of income	52,906	-	52,906	10,732
Total proceeds on issuance of units	3,306,591	-	3,306,591	1,170,562
Redemption of 31,678,390 units (2017: 13,391,962 units)				
- Capital value	(3,182,604)	-	(3,182,604)	(1,345,439)
- Element of loss	(32,141)	(26,267)	(58,408)	(14,117)
Total payments on redemption of units	(3,214,745)	(26,267)	(3,241,012)	(1,359,556)
Total comprehensive income for the period	-	63,406	63,406	19,838
Final distribution for the year ended 30 June 2018: Rs. 5.1412 per unit declared on 2 July 2018 (31 December 2017: Nil)	(59,908)	(18,746)	(78,654)	-
Net income for the period less distribution	(59,908)	44,660	(15,248)	19,838
Net assets at end of the period	1,622,430	43,573	1,666,003	707,084
Undistributed income brought forward:				
- Realised income		25,180		6,473
- Unrealised income		-		-
		25,180		6,473
Accounting income available for distribution				
- Relating to capital gains		-		-
- Excluding capital gains		37,139		11,735
		37,139		11,735
Final distribution for the year ended 30 June 2018: Rs. 5.1412 per unit declared on 2 July 2018 (31 December 2017: Nil)		(18,746)		-
Undistributed income carried forward		43,573		18,208
Undistributed income carried forward comprise of:				
- Realised income		43,573		18,208
- Unrealised income		-		-
		43,573		18,208
		(Rupees)		(Rupees)
Net assets value per unit at beginning of the period		105.6073		100.4661
Net assets value per unit at end of the period		104.0834		102.8595

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL Money Market Fund
Condensed Interim Cash Flow Statement (Unaudited)
For the half year ended 31 December 2018

	Half Year ended	
	31 December 2018	31 December 2017
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	63,406	19,838
Adjustments for non-cash and other items:		
Financial income	(76,606)	(27,167)
Provision for Sindh Workers' Welfare Fund	1,269	397
Net capital loss on sale of investments	1,905	1
	(73,432)	(26,769)
Working capital changes		
<i>(Increase) / decrease in assets</i>		
Investments	(1,905)	-
Deposits, prepayments and other receivables	(121)	584
Advance tax	(5)	(538)
	(2,031)	46
<i>Increase / (decrease) in liabilities</i>		
Payable to the Management Company	1,224	(17)
Payable to Central Depository Company of Pakistan Limited - Trustee	41	(64)
Payable to Securities and Exchange Commission of Pakistan	(167)	(193)
Accrued expenses and other payables	3,875	(400)
	4,973	(674)
Profits received during the period	66,495	27,792
Net cash generated from operating activities	59,411	20,233
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	3,306,122	1,170,562
Payments on redemption of units	(3,241,012)	(1,359,556)
Cash distribution to unit holders	(78,654)	-
Net cash used in financing activities	(13,544)	(188,994)
Net increase / (decrease) in cash and cash equivalents	45,867	(168,761)
Cash and cash equivalents at beginning of the period	1,625,596	885,801
Cash and cash equivalents at end of the period	1,671,463	717,040
CASH AND CASH EQUIVALENTS		
Bank balances	1,231,463	407,040
Term deposit receipts and placement	440,000	310,000
	1,671,463	717,040

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL Money Market Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the half year and quarter ended 31 December 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Money Market 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 10 August 2010 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from 14 October 2010.

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.

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

The investment objective of the fund is to provide a regular stream of income and easy liquidity to its investors by investing a major chunk of the portfolio in short term government securities.

Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan

JCR-VIS Credit Rating Company has re-affirmed quality rating of 'AM1' (stable outlook) to the Management Company as on 27 December 2018.

The Fund has been rated as AA(f) by JCR - VIS on 31 December 2018.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations 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 and the NBFC Regulations have been followed.

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2018.

2.1.3 These condensed interim financial information are unaudited and are being submitted to the unit holders as required under Regulation 38(2)(f) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). However, a limited scope review has been carried out by the auditors in accordance with the requirements of clause (xix) of the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan.

2.1.4 The comparative statement of asset 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 30 June 2018, 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 statements for the period ended 31 December 2017.

2.1.5 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at 31 December 2018.

2.1.6 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

There are certain amendments which are effective from annual period beginning on or after 1 July 2019. These amendments are not likely to have an impact on the Fund's financial position. Therefore these are not stated in this condensed interim financial information.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

3.1 Except as described below, the accounting policies applied in this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended 30 June 2018.

Securities and Exchange Commission of Pakistan (SECP) vide its SRO. 229 (I)/2019 has modified the effective date for applicability of IFRS 9 'Financial Instruments', however the Fund has opted for early adoption of the said standard from 1 July 2018 as permitted. The Fund also adopted IFRS 15 „Revenue from contracts with customers" from 1 July 2018. A number of other new standards are effective from 1 July 2018 but they do not have a material effect on the Fund's financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities. As a result of adoption of IFRS 9, the Fund has adopted consequential amendments to IAS 1 Presentation of Financial statements', which requires separate presentation in the income statement and statement of comprehensive income, profit / markup calculated using the effective interest method.

The adoption of IFRS 15 did not impact the timing or amount of dividend, profit, markup and other investment income and related assets and liabilities recognised by the fund. Accordingly, there is no impact on comparative information.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows. The standard eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 did not have a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below:

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

- The determination of business model within which a financial asset is held; and
- The designation and revocation of previous designation of certain financial assets as measured at FVTPL.

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

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

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

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

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

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

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

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see (ii) below). Profit / markup income, foreign exchange gains and losses and impairment are recognised in income statement.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Profit / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.

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

	Note	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39 (Rupees in '000)	New carrying amount under IFRS 9
Financial assets					
Bank balances	(a)	Loans and receivables	Amortised cost	1,490,596	1,490,596
Term deposit receipts and placement	(a)	Loans and receivables	Amortised cost	135,000	135,000
Profits receivable	(a)	Loans and receivables	Amortised cost	1,769	1,769
Deposit and other receivables	(a)	Loans and receivables	Amortised cost	1,672	1,672

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

ii. Impairment of financial assets

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

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated 21 November 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds.

iii. Transition

The changes in accounting policies resulting from adoption of IFRS 9 have been applied retrospectively. However, there is no impact of the changes in accounting policies on the Fund's financial position except for the classification of assets and liabilities of the comparative period.

- 3.2 The preparation of this condensed interim financial information in conformity with approved accounting and reporting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and 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 Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2018.

	Note	31 December 2018 (Unaudited)	30 June 2018 (Audited)
----- (Rupees in '000) -----			
4. BANK BALANCES			
In PLS savings accounts	4.1	1,231,453	1,490,510
In current account	4.2	10	86
		<u>1,231,463</u>	<u>1,490,596</u>

4.1 Profit rates on PLS savings accounts ranges between 4% to 11% (30 June 2018: 3.75% to 7.60%) per annum. This includes balance with United Bank Limited (Holding Company of the Management Company) of Rs. 350.148 million (30 June 2018: Rs. 2.405 million) carrying profit rate of 11% (30 June 2018: 4%) per annum.

4.2 This represents balance with United Bank Limited.

5. TERM DEPOSIT RECEIPTS AND PLACEMENT

Term deposit receipts	5.1	390,000	135,000
Placement	5.2	50,000	-
		<u>440,000</u>	<u>135,000</u>

5.1 This represents term deposit receipts with commercial banks and carries profit rate ranging from 10.75% to 11% (30 June 2018: 7.35%) per annum and will mature upto 11 January 2019.

5.2 This represents placement with Pak Iran Joint Investment Company Limited. It carries profit rate of 11.05% per annum and will mature on 31 January 2019.

5.3 Circular No. 16 dated 07 July 2010 issued by the SECP requires details of investments not compliant with the investment criteria specified for the category assigned to open-end collective investment schemes or the investment requirements of the constitutive documents of the Fund to be disclosed in the annual accounts of the Fund. The table below gives the details of such non compliant investments.

Disclosure of excess exposure (per asset class) as at 31 December 2018

Name of investment	Exposure type	% of Net Assets	Limit	Excess
Bank Alfalah Limited - Term deposit receipt	Per entity	12.00%	10%	2.00%
United Bank Limited - Term deposit receipt	Per entity	11.40%	10%	1.40%

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 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). During the period, 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 Income Tax Return for tax year 2019.

7. PAYABLE TO MANAGEMENT COMPANY

This includes reimbursement of certain expenses to the management company amounting to Rs. 0.163 million (30 June 2018: Rs. 0.209 million). During the period, fund was charged 0.1% of average annual net assets as allocated expense according to Regulation 60 of NBFC Regulations, 2008.

	Note	31 December 2018 (Unaudited)	30 June 2018 (Audited)
----- (Rupees in '000) -----			
8. ACCRUED EXPENSES AND OTHER PAYABLES			
Provision for indirect duties and taxes	8.1	9,499	9,499
Provision for Sindh Worker's Welfare Fund	8.2	3,736	2,467
Auditors' remuneration payable		410	397
Brokerage payable		180	56
Capital gains tax payable		4,651	668
Withholding tax and zakat deducted at source		300	520
Other payables		195	220
		<u>18,971</u>	<u>13,827</u>

- 8.1** There is no change in the status of the legal proceedings on this matter, which has been fully disclosed in note 13.1 to the annual audited financial statements for the year ended 30 June 2018. As a matter of abundant caution, the Management Company has maintained full provision for Federal Excise Duty (FED) till 30 June 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Rs. 0.57 per unit (30 June 2018: Rs. 0.60 per unit).
- 8.2** There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.2 to the annual audited financial statements for the year ended 30 June 2018. The Management Company, based on an opinion obtained by Mutual Fund Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay Sindh Workers' Welfare Fund (SWWF) under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis.

Had the SWWF not been provided for, the net assets value per unit would have been higher by Rs. 0.23 per unit (30 June 2018: Rs. 0.16 per unit).

9. CONTINGENCY

As at 31 December 2018, there is no contingency.

10. FINANCIAL INCOME

	Half year ended		Quarter ended	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	(Unaudited)			
	(Rupees in '000)			
Profits on:				
- Bank balances calculated using the effective interest method	27,908	22,767	19,297	11,654
- Term deposit receipts and placement calculated using the effective interest method	12,846	1,910	11,941	1,910
- Market treasury bills	35,852	2,490	20,175	1,012
	<u>76,606</u>	<u>27,167</u>	<u>51,413</u>	<u>14,576</u>

11. 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 the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Board of Directors of the Management Company intends to distribute more than 90% of the Fund's accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders during the year. Accordingly, no provision has been made in the financial statements for the period ended 31 December 2018.

12. TOTAL EXPENSE RATIO

The Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/ 18/2016 dated 20 July 2016, requires that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the period ended 31 December 2018 is 0.65% which include 0.16% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

13. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

14. 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 Financial Services (Private) Limited, entities under common management or directorships, Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of Management Company.

Remuneration of the Management Company and the trustee is determined in accordance with the provision of Non Banking Finance Companies Rules, 2003, Non Banking Finance Companies and Notified Entities regulations, 2008 and the Trust Deed respectively. Other transactions with the related parties / connected persons have been carried out at agreed / commercial terms.

Details of transactions with the related parties and balances with them at the half year ended are as follows:

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
----- (Transaction during the half year ended 31 December 2018) -----						
----- (Rupees in '000) -----						
Profit on savings accounts	-	2,412	-	-	-	-
Bank charges	-	32	-	-	-	-
Units issued	30,955	598	-	548,586	12,107	252,780
Units redeemed	605,822	23,986	-	279,279	4,105	11,053
Purchase of securities	-	-	-	980,283	-	-
Sale of securities	-	-	-	395,528	-	-
Remuneration	5,634	-	1,040	-	-	-
Sales tax on remuneration	732	-	135	-	-	-
Reimbursement of expenses	882	-	-	-	-	-
Central Depository Company Expense	-	-	3	-	-	-
Dividend Paid	30,986	1,171	-	7,662	0.45	-

----- (Balances held as at 31 December 2018) -----						
Units held (in Units '000)	308	-	-	4,155	80	2,365
Units held (in Rupees '000)	32,069	-	-	432,498	8,313	246,136
Bank balances*	-	350,158	-	-	-	-
Profit receivable on savings account	-	2,308	-	-	-	-
Term Deposit Receipt	-	190,000	-	-	-	-
Remuneration payable**	1,412	-	210	-	-	-
Sales load and other payable	630	90	-	-	-	-
Other payables	17	-	-	-	-	-
Reimbursement of expenses payable	163	-	-	-	-	-
Security Deposit	-	-	100	-	-	-

* These carry profit rate at 11% per annum.

** Remuneration for the half year is inclusive of Sindh Sales Tax.

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
----- Transaction during the half year ended 31 December 2017 -----						
----- (Rupees in '000) -----						
Profit on savings accounts	-	121	-	-	-	-
Bank charges	-	34	-	-	-	-
Units issued	-	-	-	-	-	135,727
Units redeemed	-	7,194	-	-	-	-
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	-	-	-	-	-
Remuneration	4,731	-	703	-	-	-
Reimbursement of expenses	419	-	-	-	-	-
Central Depository Company Expense	-	-	5	-	-	-

----- As at June 30, 2018 (Audited) -----						
Units held (in Units '000)	6,027	228	-	1,490	0.09	-
Units held (in Rupees '000)	636,491	24,046	-	157,384	9	-
Bank balances*	-	2,491	-	-	-	-
Remuneration payable**	651	-	169	-	-	-
Sales load and other payable	122	206	-	-	-	-
Payable against allocated expenses	209	-	-	-	-	-
Profit receivable	-	7	-	-	-	-
Security Deposit	-	-	100	-	-	-

* These carry profit rate of 4% per annum.

** Remuneration for the half year is inclusive of Sindh Sales Tax.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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 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.

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 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 (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).

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

On-balance sheet financial instruments

31 December 2018		Carrying amount				Fair value				
	Note	At fair value through profit or loss	At fair value through other comprehensive income	Amortized Cost	Total	Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----										
Financial assets not measured at fair value										
	15.1									
Bank balances		-	-	1,231,463	1,231,463					
Term deposit receipts and placement		-	-	440,000	440,000					
Profits receivable		-	-	13,169	13,169					
Deposits, prepayments and other receivables		-	-	2,359	2,359					
		-	-	1,686,991	1,686,991					
Financial liabilities not measured at fair value										
	15.1									
Payable to the Management Company		-	-	2,222	2,222					
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	210	210					
Accrued expenses and other payables		-	-	785	785					
		-	-	3,217	3,217					
----- (Rupees in '000) -----										
30 June 2018		Carrying amount				Fair value				
		Fair value through profit and loss	Available for sale	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----										
Financial assets not measured at fair value										
	15.1									
Bank balances		-	-	1,490,596	-	1,490,596				
Term deposit receipt		-	-	135,000	-	135,000				
Profits receivable		-	-	3,058	-	3,058				
Deposits, prepayments and other receivables		-	-	1,769	-	1,769				
		-	-	1,630,423	-	1,630,423				
Financial liabilities not measured at fair value										
	15.1									
Payable to the Management Company		-	-	-	998	998				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	169	169				
Accrued expenses and other payables		-	-	-	670	670				
		-	-	-	1,837	1,837				

- 15.1 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. GENERAL

- 16.1** This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.
- 16.2** Prior year's figures have been rearranged / reclassified wherever necessary for better presentation and comparison. However, there were no material reclassifications to report.
- 16.3** This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended 31 December 2018 and 31 December 2017 in this condensed interim financial information have not been reviewed by the auditors.
- 16.4** This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on February 27, 2019.

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

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
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 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 MCB Bank Limited Faysal Bank Limited Allied Bank Limited Habib Bank Limited Islamic Banking Habib Metropolitan Bank Limited JS Bank Limited Meezan Bank Limited Samba Bank Limited Sindh Bank Limited Askari Bank Limited National Bank of Pakistan Limited Zarai Taraqati Bank Limited Soneri Bank Limited
Management Co.Rating	AM1 (JCR-VIS)
Fund Rating	A+(f) (JCR-VIS)

Head Office

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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, 2018 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 22, 2019

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS**Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **UBL GOVERNMENT SECURITIES FUND** ("the Fund") as at December 31, 2018 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 and notes to the accounts for the half year then ended (here-in-after referred to as "condensed interim financial information"). UBL Fund Managers Limited (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting 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, 2018 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures for the quarter ended December 31, 2018 and December 31, 2017 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: 27 FEB 2019****CHARTERED ACCOUNTANTS**

Engagement Partner: Zulfikar Ali Causer

UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT DECEMBER 31, 2018

		December 31, 2018 (Unaudited)	June 30, 2018 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	1,458,856	1,645,436
Term deposit receipts	5	-	185,000
Investments	6	1,246,475	2,277,353
Mark up / interest receivable		11,488	5,142
Prepayments and other receivables		1,843	4,336
Advance tax	7	5,173	5,122
TOTAL ASSETS		<u>2,723,835</u>	<u>4,122,389</u>
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company		2,031	2,477
Payable to Central Depository Company of Pakistan Limited - Trustee		190	206
Payable to Securities and Exchange Commission of Pakistan		665	2,045
Accrued expenses and other liabilities	8	1,114,963	2,240,621
TOTAL LIABILITIES		<u>1,117,849</u>	<u>2,245,349</u>
NET ASSETS		<u>1,605,986</u>	<u>1,877,040</u>
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		<u>1,605,986</u>	<u>1,877,040</u>
CONTINGENCIES AND COMMITMENTS	9		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		<u>14,743,829</u>	<u>16,977,050</u>
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		<u>108.9260</u>	<u>110.5634</u>

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--
CHIEF EXECUTIVE OFFICER

--SD--
CHIEF FINANCIAL OFFICER

--SD--
DIRECTOR

**UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018**

	Note	Half Year ended		Quarter ended	
		December 31,	December 31,	December 31,	December 31,
		2018	2017	2018	2017
		----- (Rupees in '000) -----		----- (Rupees in '000) -----	
INCOME					
Financial income		76,031	98,083	40,161	47,746
Capital loss on sale of investments - net		(4,424)	(4,965)	(1,961)	(111)
Unrealised loss on revaluation of investments classified as financial asset 'at fair value through profit or loss' - net		(2,445)	(93)	(1,878)	(97)
Other income		27	85	27	9
TOTAL INCOME		69,189	93,110	36,349	47,547
EXPENSES					
Remuneration of UBL Fund Managers Limited - Management Company		8,987	15,979	4,379	7,731
Sindh Sales tax on Management Company's remuneration		1,169	2,077	569	1,005
Allocated expenses		886	1,595	428	773
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,178	1,779	576	869
Annual fee of Securities and Exchange Commission of Pakistan		665	1,196	321	580
Bank charges		76	175	31	45
Auditors' remuneration		304	276	170	155
Brokerage and settlement expenses		255	262	92	62
Legal and professional charges		107	41	56	11
Fee and subscription charges		156	156	78	78
Other expenses		27	17	6	24
Total operating expenses		13,810	23,553	6,706	11,333
Operating income for the period		55,379	69,557	29,643	36,214
Provision for Sindh Workers' Welfare Fund	8.2	(1,087)	(1,366)	(581)	(710)
Net income for the period before taxation		54,292	68,191	29,062	35,504
Taxation	10	-	-	-	-
Net income for the period after taxation		54,292	68,191	29,062	35,504
Allocation of net income for the period					
Income already paid on units redeemed		(6,125)	(10,084)	(4,885)	(6,717)
Net income for the period available for distribution		48,167	58,107	24,177	28,787
Relating to capital gains		-	-	-	-
Excluding capital gains		48,167	58,107	24,177	28,787
Earnings per unit	11	48,167	58,107	24,177	28,787

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--
CHIEF EXECUTIVE OFFICER

--SD--
CHIEF FINANCIAL OFFICER

--SD--
DIRECTOR

UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Half year ended		Quarter ended	
	December 31,	December 31,	December 31,	December 31,
	2018	2017	2018	2017
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Net income for the period after taxation	54,292	68,191	29,062	35,504
Other comprehensive income				
Items that may be reclassified subsequently to income statement	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-
Total comprehensive income for the period	<u>54,292</u>	<u>68,191</u>	<u>29,062</u>	<u>35,504</u>

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--
CHIEF EXECUTIVE OFFICER

--SD--
CHIEF FINANCIAL OFFICER

--SD--
DIRECTOR

**UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018**

	Half year ended	
	December 31, 2018	December 31, 2017
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	54,292	68,191
Adjustments for:		
Financial income	(76,031)	(98,083)
Unrealised loss on revaluation of investments at fair value through profit or loss - net	2,445	93
Capital loss on sale of investments - net	4,424	4,965
Provision for Sindh Workers' Welfare Fund	1,087	1,366
	(68,075)	(91,659)
Cash used in operations before working capital changes	(13,783)	(23,468)
Working capital changes		
(Increase) / decrease in assets		
Investments - net	(203,733)	2,297,655
Prepayments and other receivables	2,493	2,048
Advance tax	(51)	(594)
	(201,291)	2,299,109
(Decrease) / increase in liabilities		
Payable to UBL Fund Managers Limited - Management Company	(446)	(1,303)
Payable against purchase of Market Treasury Bills	-	2,476,428
Payable to Central Depository Company of Pakistan Limited - Trustee	(16)	(55)
Annual fee payable to Securities and Exchange Commission of Pakistan	(1,380)	(6,730)
Accrued expenses and other liabilities	(1,126,745)	(51,086)
	(1,128,587)	2,417,254
Cash (used in) / generated from operations	(1,343,661)	4,692,895
Profit received on bank balances and investments	69,685	101,170
Net cash flow (used in) / generated from operating activities	(1,273,976)	4,794,065
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	424,147	745,807
Payments against redemption of units	(665,137)	(1,318,428)
Dividend paid	(84,356)	-
Net cash used in financing activities	(325,346)	(572,621)
Net (decrease) / increase in cash and cash equivalents	(1,599,322)	4,221,444
Cash and cash equivalents at the beginning of the period	4,101,409	1,141,088
Cash and cash equivalents at the end of the period	2,502,087	5,362,532
CASH AND CASH EQUIVALENTS		
Bank balances	1,458,856	2,886,150
Market Treasury Bills	1,043,231	2,476,382
	2,502,087	5,362,532

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--
CHIEF EXECUTIVE OFFICER

--SD--
CHIEF FINANCIAL OFFICER

--SD--
DIRECTOR

UBL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	-----Half year ended-----			
	December 31, 2018		December 31, 2017	
	Capital value	Undistributed income	Total	Total
Note	----- (Rupees in '000) -----			
Net assets at the beginning of the period	1,609,216	267,824	1,877,040	3,339,182
Issuance of 3,975,059 units (2017: 7,002,296 units)				
Capital value of units	419,745	-	419,745	739,405
Element of income				
Due to net income earned	4,402	-	4,402	6,402
Total proceeds on issuance of units	424,147	-	424,147	745,807
Redemption of 6,208,280 units (2017: 12,354,514 units)				
Capital value of units	(655,561)	-	(655,561)	(1,304,570)
Element of income				
Due to net income earned	(3,451)	(6,125)	(9,576)	(13,858)
Total payments on redemption of units	(659,012)	(6,125)	(665,137)	(1,318,428)
Total comprehensive income for the period	-	54,292	54,292	68,191
Distribution during the period:				
Rs. 4.9688 per unit declared on July 2, 2018 as cash dividend	(23,040)	(61,316)	(84,356)	-
Net income for the period less distribution	(23,040)	(7,024)	(30,064)	68,191
Net assets at the end of the period	1,351,311	254,675	1,605,986	2,834,752
Undistributed income brought forward comprises of:				
Realised gain		268,218		201,669
Unrealised (loss) / gain		(394)		5,047
Total undistributed income brought forward		267,824		206,716
Income available for distribution:				
Relating to capital gains		-		-
Excluding capital gains		48,167		58,107
		48,167		58,107
Distribution during the period:				
Rs. 4.9688 per unit declared on July 2, 2018 as cash dividend		(61,316)		-
Undistributed income carried forward		254,675		264,823
Undistributed income carried forward comprises of:				
Realised gain		257,120		264,916
Unrealised loss		(2,445)		(93)
Total undistributed income carried forward		254,675		264,823
			(Rupees)	(Rupees)
Net assets value per unit at the beginning of the period			110.5634	105.5946
Net assets value per unit at the end of the period			108.9260	107.9066

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--
CHIEF EXECUTIVE OFFICER

--SD--
CHIEF FINANCIAL OFFICER

--SD--
DIRECTOR

UBL GOVERNMENT SECURITIES FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Government Securities Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-ended mutual fund. It was constituted under the Trust Deed, dated May 19, 2011 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The Fund commenced its operations from July 7, 2011. The registered office of the Management Company is situated at the 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi, Pakistan.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.
- 1.3 The Fund is an income scheme and units of the Fund are listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder. The Fund is categorised as an open-ended income scheme in accordance with Circular No. 7 of 2009 issued by the SECP.
- 1.4 The objective of the Fund is to generate a competitive return with minimum risk, by investing primarily in Government Securities. The weighted average time to maturity of the Fund's investment shall not exceed 4 years and this shall also apply to Government Securities. This is intended to reduce risk while providing competitive returns and maintaining liquidity.
- 1.5 Title to the assets of the Fund are held in the name of the CDC as the Trustee of the Fund.
- 1.6 JCR-VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as at December 27, 2018 and a stability rating of "A+(f)" to the Fund as at December 31, 2018.

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 published audited financial statements of the Fund for the year ended June 30, 2018.
- 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, 2018, 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, 2017.
- 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, 2018 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, 2018.

2.2 Basis of measurement

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

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, 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, 2018 except as disclosed in note 3.6.
- 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 annual audited financial statements as at and for the year ended June 30, 2018.
- 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, 2018. 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 except as disclosed in note 3.6.
- 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, 2018.

3.6 IFRS 9 'Financial Instruments' was issued on July 24, 2017. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective for accounting periods beginning on or after July 1, 2018. A number of other new standards are effective from July 1, 2018 but they do not have a material effect on the Fund's condensed interim financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below:

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of IFRS 9 has not had a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

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

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

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

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

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

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

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

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

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

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

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

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
	Note			----- (Rupees in '000) -----	
Financial assets					
Investments	(a)	Held for Trading	Fair value through profit or loss	2,277,353	2,277,353
Bank balances	(b)	Loans and receivables	Amortised cost	1,645,436	1,645,436
Term Deposit Receipts (TDRs)	(b)	Loans and receivables	Amortised cost	185,000	185,000
Mark up / interest receivable	(b)	Loans and receivables	Amortised cost	5,142	5,142
Other receivables	(b)	Loans and receivables	Amortised cost	4,272	4,272
				4,117,203	4,117,203

- (a) These financial assets classified as 'held for trading' have been classified as fair value through profit and loss (FVTPL).
- (b) These financial assets classified as 'loans and receivables' have been classified as amortised cost.

ii. Impairment of financial assets

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

SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds. Meanwhile, asset management companies shall continue to follow the requirements of Circular 33 of 2012 dated October 24, 2012 in relation to impairment of debt securities.

iii. Transition

The Fund has used the exemption not to restate comparative periods. Differences, if any, in the carrying amounts of financial assets resulting from the adoption of IFRS 9 are recognised in net assets attributable to unit holders as at July 1, 2018. Accordingly, the comparative information does not reflect the requirements of IFRS 9, but rather those of IAS 39.

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

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

		December 31, 2018 (Unaudited)	June 30, 2018 (Audited)
	Note	----- (Rupees in '000) -----	
4	BANK BALANCES		
Cash at bank			
In savings accounts		<u>1,458,856</u>	<u>1,645,436</u>
4.1	Profit rates on these savings accounts range from 3.75% to 10.72% per annum (June 30, 2018: 3.75% to 7.4% per annum). This includes an amount held by a related party (United Bank Limited) amounting to Rs. 0.211 million (June 30, 2018: Rs. 2.459 million) on which return is earned at 4% (June 30, 2018: 4%) per annum.		
5	TERM DEPOSIT RECEIPTS		
Opening balance		185,000	-
Acquired during the period		-	470,000
Matured during the period		<u>(185,000)</u>	<u>(285,000)</u>
Closing balance	5.1	<u>-</u>	<u>185,000</u>
5.1	This term deposit receipt carried interest at the rate of 7.35% per annum and matured on July 20, 2018.		
6	INVESTMENTS		
6.1	Government securities classified as financial asset at fair value through profit or loss (June 30, 2018: Government securities designated at fair value through profit or loss)		
Pakistan Investment Bonds	6.2 & 6.3	196,860	-
Market Treasury Bills	6.2 & 6.4	1,043,231	2,270,973
GOP Ijarah Sukuk	6.2 & 6.5	<u>6,384</u>	<u>6,380</u>
		<u>1,246,475</u>	<u>2,277,353</u>

6.2 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, 2018	Market value as at June 30, 2018	Percentage of investment
Note		No. of holdings				(Rupees in '000)		
Pakistan Investment Bonds								
PIB- 10 Years	6.3	-	5,500	3,500	2,000	196,860	-	15.79%
Market Treasury Bills								
T-bill 3 months	6.4	22,780	93,140	105,320	10,600	1,043,231	2,270,973	83.69%
GOP Ijarah Sukuk								
3 Year	6.5	65	-	-	65	6,384	6,380	0.51%
		22,845	98,640	108,820	12,665	1,246,475	2,277,353	100.00%

- 6.3 These represent floating rate Pakistan Investment Bond (PIBs) having face value of Rs. 200.000 million carrying mark-up (coupon) at the rate of 8.5526 % at period end. Mark-up is reset and received semi-annually.
- 6.4 These represent Market Treasury Bills (MTBs) having a face value of Rs. 1,060.000 million (June 30, 2018: Rs. 2,278.000 million) and carrying purchase yield of 10.29% per annum (June 30, 2018: 6.26% to 6.55% per annum).
- 6.5 These represent Government of Pakistan (GOP) Ijarah Sukuk having face value of Rs. 6.500 million (June 30, 2018: Rs 6.500 million) and carry purchase yield of 5.24% per annum (June 30, 2018: 5.24% per annum).

7 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). During the period, 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 Income Tax Return for Tax Year 2019.

8 ACCRUED EXPENSES AND OTHER LIABILITIES

8.1 Provision for indirect taxes and duties

Provision for Federal Excise Duty (FED) as at December 31, 2018 amounted to Rs. 52.558 million (June 30, 2018: Rs. 52.558). 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, 2018. As a matter of abundant caution, the Management Company has maintained full provision for FED aggregating to Rs. 52.558 million till June 30, 2016. Had the amount not been provided for, the net assets value per unit would have been higher by Rs. 3.2771 per unit (June 30, 2018: Rs.2.8460 per unit).

8.2 Provision For Sindh Workers' Welfare Fund

Provision for Sindh Workers' Welfare Fund (SWWF) as at December 31, 2018 amounted to Rs. 18.101 million (June 30, 2018: Rs. 17.014 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 14.2 to the annual audited financial statements for the year ended June 30, 2018.

The Management Company, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis. Had the SWWF not been provided for, the net assets value per unit would have been higher by Rs. 1.2277 per unit (June 30, 2018: Rs. 1.0022 per unit).

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2018 and June 30, 2018.

10 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 the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in the form of cash. 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. The Management Company intends to distribute by way of cash dividend at least 90% of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year ending June 30, 2019 to its unit holders, accordingly, no provision for current and deferred taxation has been recognised in this condensed interim financial information.

11 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.

12 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 0.85% as on December 31, 2018 and this includes 0.18% representing Government levy, Sindh Workers Welfare Fund and SECP fee.

13 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:

	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, 2018						
Profit on savings accounts	-	99	-	-	-	-
Bank charges	-	16	-	-	-	-
Units issued	-	-	-	-	4	14,731
Units redeemed	-	-	-	-	1	15,000
Sales load paid	247	10	-	-	-	-
Purchase of securities	-	-	-	491,649	-	-
Remuneration (including Sindh sales tax)	10,156	-	1,178	-	-	-
Allocated expenses	886	-	-	-	-	-
Dividend paid	-	-	-	-	5	19,810
Transactions during the half year ended December 31, 2017						
Profit on savings accounts	-	416	-	-	-	-
Bank charges	-	88	-	-	-	-
Units issued	-	-	-	-	3	187
Units redeemed	-	-	-	-	3	-
Purchase of securities	-	246,600	-	-	-	-
Remuneration (including Sindh sales tax)	18,056	-	1,779	-	-	-
Allocated expenses	1,595	-	-	-	-	-

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
	(Rupees in '000)					
Balances held as at December 31, 2018						
Units held (in Units '000)	-	-	-	-	1	3,987
Units held (in Rupees '000)	-	-	-	-	109	434,264
Bank balances	-	211	-	-	-	-
Remuneration payable	1,680	-	190	-	-	-
Sales load payable	46	97	-	-	-	-
Conversion charges payable	149	-	-	-	-	-
Allocated expenses payable	139	-	-	-	-	-
Other payables	17	-	-	-	-	-
Profit receivable	-	8	-	-	-	-
Balances held as at June 30, 2018						
Units held (in Units '000)	-	-	-	-	1	3,997
Units held (in Rupees '000)	-	-	-	-	106	441,872
Bank balances	-	2,459	-	-	-	-
Remuneration payable	1,822	-	206	-	-	-
Sales load payable	165	1	-	-	-	-
Conversion charges payable	145	-	-	-	-	-
Allocated expenses payable	328	-	-	-	-	-
Other payables	17	-	-	-	-	-
Profit receivable	-	18	-	-	-	-

14 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, 2018		As at December 31, 2018		
Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3

Rupees in '000

Financial assets measured at fair value

Pakistan Investment Bonds	196,860	-	-	196,860	-
Market Treasury Bills	1,043,231	-	-	1,043,231	-
Government of Pakistan Ijara Sukuk	6,384	-	-	6,384	-
	1,246,475	-	-	1,246,475	-

Financial assets not measured at fair value

Bank balances	-	1,458,856	-	-	-
Mark up / interest receivable	-	11,488	-	-	-
Other receivables	-	1,600	-	-	-
	-	1,471,944	-	-	-
	1,246,475	1,471,944	-	1,246,475	-

Financial liabilities not measured at fair value

Payable to Management Company	-	1,838	-	-	-
Payable to Trustee	-	168	-	-	-
Accrued expenses and other liabilities	-	1,043,834	-	-	-
	-	1,045,840	-	-	-

Carrying Amount			Fair value		
As at June 30, 2018			As at June 30, 2018		
Fair value through profit or loss	Loans and receivables	Other financial liabilities	Level 1	Level 2	Level 3

Rupees in '000

Financial assets measured at fair value

Market Treasury Bills	2,270,973	-	-	2,270,973	-
Government of Pakistan Ijara Sukuk	6,380	-	-	6,380	-
	2,277,353	-	-	2,277,353	-

Financial assets not measured at fair value

Bank balances	-	1,645,436	-	-	-
Term deposit receipt	-	185,000	-	-	-
Mark up / interest receivable	-	5,142	-	-	-
Other receivables	-	4,272	-	-	-
	-	1,839,850	-	-	-
	2,277,353	1,839,850	-	2,277,353	-

Financial liabilities not measured at fair value

Payable to Management Company	-	-	2,267	-	-
Payable to Trustee	-	-	182	-	-
Accrued expenses and other liabilities	-	-	2,169,786	-	-
	-	-	2,172,235	-	-

14.1 Valuation techniques

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

14.2 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.

14.3 Transfers during the period

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

15 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.

16 GENERAL

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

17 DATE OF AUTHORIZATION FOR ISSUE

17.1 This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on February 27, 2019.

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

--SD--
CHIEF EXECUTIVE OFFICER

--SD--
CHIEF FINANCIAL OFFICER

--SD--
DIRECTOR

UIOF

UBL Income Opportunity Fund

INVESTMENT OBJECTIVE

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

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	Ernst & Young Ford Rhodes Chartered Accountants
Bankers	United Bank Limited Bank Alfalah Limited Faysal Bank Limited Telenor Microfinance Bank Bank Allied Bank Limited Khushhali Bank Ltd. MCB Bank Limited JS Bank Limited Samba Bank Limited Habib Bank Limited Sindh Bank Limited Zarai Taraqati Bank Limited Soneri Bank Limited National bank of Pakistan Limited
Management Co.Rating	AM1 (JCR-VIS)
Fund Rating	A- (f) (JCR-VIS)

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) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



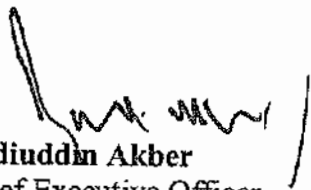
TRUSTEE REPORT TO THE UNIT HOLDERS

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, 2018 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 20, 2019

AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of UBL Income Opportunity Fund (the Fund) as at 31 December 2018, 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 and notes to the accounts for the six month period then ended (here-in-after referred to as "interim financial statements"). Management Company is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended 31 December 2018 and 31 December 2017 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 2018.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Statements 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 approved accounting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.



Chartered Accountants

Date: 27 February 2019

Karachi

UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2018

		(Un-audited) December 31, 2018 ----- (Rupees in '000) -----	(Audited) June 30, 2018
	Note		
ASSETS			
Bank balances	4	2,177,670	326,966
Investments	5	22,220	21,908
Mark-up receivable		18,871	3,280
Advance tax	6	227	224
Deposits, prepayments and other receivables		11,079	25,163
Receivable against margin trading system (MTS)		6,809	192,347
TOTAL ASSETS		2,236,876	569,888
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	7	3,208	434
Payable to Central Depository Company of Pakistan - Trustee		252	94
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)		630	249
Accrued and other liabilities	8	3,874	11,843
TOTAL LIABILITIES		7,964	12,620
NET ASSETS		2,228,912	557,268
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,228,912	557,268
CONTINGENCIES AND COMMITMENTS	9		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		19,536,563	4,857,673
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		114.0892	114.7192

The annexed notes from 1 to 16 form an integral part of of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

		Half year ended		Quarter ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Note		(Rupees in '000)			
INCOME					
Financial income		76,275	5,066	48,728	2,428
Gain / (loss) on sale of securities - net		129	(15)	-	(15)
Unrealised gain / (loss) on revaluation of investments classified as 'at fair value through profit or loss' - net		317	(315)	334	(46)
Other income		41	14	9	-
Total income		76,762	4,750	49,071	2,367
EXPENSES					
Remuneration of UBL Fund Managers Limited - Management Company		7,676	1,166	4,907	557
Sales tax on remuneration of Management Company		998	152	638	73
Remuneration of the Trustee		1,139	132	636	63
Sales tax on remuneration of the Trustee		148	17	83	8
Annual fee - Securities and Exchange Commission of Pakistan		630	58	372	28
Allocated expense		840	-	497	-
Selling and marketing expense		497	-	497	-
Auditors' remuneration		206	201	112	117
Brokerage and settlement charges		497	344	122	204
Amortization of preliminary expenses and floatation costs		-	129	-	65
Listing fee		14	14	7	7
Legal and professional charges		82	41	38	11
Bank charges and other expenses		138	110	72	58
Total expenses		12,865	2,364	7,981	1,191
Net operating income for the period		63,897	2,386	41,090	1,176
Provision for Sindh Workers' Welfare Fund (SWWF)	8.2	(1,255)	(47)	(807)	(23)
Net income for the period before taxation		62,642	2,339	40,283	1,153
Taxation	10	-	-	-	-
Net income for the period after taxation		62,642	2,339	40,283	1,153
<i>Allocation of net income for the period</i>					
Income already paid on units redeemed		(14,669)	(159)	(13,403)	(4)
Net income for the period available for distribution		47,973	2,180	26,880	1,149
<i>Net income available for distribution:</i>					
- Relating to capital gains		273	-	182	-
- Excluding capital gains		47,700	2,180	26,698	1,149
		47,973	2,180	26,880	1,149

Earning per unit

11

The annexed notes from 1 to 16 form an integral part of of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Half year ended		Quarter ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
	----- (Rupees in '000) -----			
Net income for the period after taxation	62,642	2,339	40,283	1,153
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>62,642</u>	<u>2,339</u>	<u>40,283</u>	<u>1,153</u>

The annexed notes from 1 to 16 form an integral part of of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended	
	December 31, 2018	December 31, 2017
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	62,642	2,339
Adjustments for:		
Financial income	(76,275)	(5,066)
Gain / (loss) on sale of securities - net	(129)	15
'at fair value through profit or loss' - net		
Unrealised loss on revaluation of investments classified as		
'at fair value through profit or loss' - net	(317)	315
Amortization of preliminary expenses and floatation costs	-	129
Provision for Sindh Workers' Welfare Fund (SWWF)	1,255	-
	(75,466)	(4,607)
Cash used in operations before working capital changes	(12,824)	(2,268)
Working capital changes		
Decrease / (increase) in assets		
Investments	134	6,005
Receivable against margin trading system (MTS)	185,538	-
Advance tax	(3)	-
Deposits, prepayments and other receivables	14,084	(12)
	199,753	5,993
(Decrease) / increase in liabilities		
Payable to UBL Fund Managers Limited - Management Company	2,774	(44)
Payable to Central Depository Company of Pakistan - Trustee	158	(7)
Annual fee payable to the Securities and Exchange Commission of Pakistan	381	(109)
Accrued and other liabilities	(9,224)	(1,200)
	(5,911)	(1,360)
Financial income received	60,684	5,191
Net cash flows generated from operating activities	241,702	7,556
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipt from issuance of units	2,366,232	13,466
Net payment against redemption of units	(734,187)	(45,586)
Distribution during the period	(23,043)	-
Net cash generated from / (used in) financing activities	1,609,002	(32,120)
Net increase / (decrease) in cash and cash equivalents during the period	1,850,704	(24,564)
Cash and cash equivalents at beginning of the period	326,966	144,616
Cash and cash equivalents at end of the period	2,177,670	120,052
Cash and cash equivalents		
Bank balances	2,177,670	106,052
Term deposits receipts	-	14,000
	2,177,670	120,052

The annexed notes from 1 to 16 form an integral part of of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL INCOME OPPORTUNITY FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended			December 31, 2017
	December 31, 2018			
	Capital value	Undistributed income / (loss)	Total	Total
	----- (Rupees in '000) -----			
Net assets at beginning of the period	539,431	17,837	557,268	177,366
Amount received on issuance of 21,200,238 units (2018: 121,629 units)				
Capital value	2,331,503	-	2,331,503	-
Element of income during the period;				
- Relating to net income for the period after taxation	34,729	-	34,729	-
	2,366,232	-	2,366,232	13,466
Redemption of 6,521,348 (2018: 412,503) units				
Capital value	(717,187)	-	(717,187)	-
Element of income during the period;				
- Relating to net income for the period after taxation	(2,331)	(14,669)	(17,000)	-
	(719,518)	(14,669)	(734,187)	(45,586)
Total comprehensive income for the period	-	62,642	62,642	2,339
Distribution during the period Rs.4.7439 per unit declared on July 02, 2018 as cash dividend	(15,541)	(7,502)	(23,043)	-
Net assets at end of the period	2,170,604	58,308	2,228,912	147,585
Undistributed income brought forward comprising of:				
- Realised	-	17,837	17,837	9,892
- Unrealised	-	-	-	442
	-	17,837	17,837	10,334
Accounting income available for distribution:				
- Relating to capital gains	-	273	273	-
- Excluding capital gains	-	47,700	47,700	2,180
	-	47,973	47,973	2,180
Distribution during the period Rs.4.7439 per unit declared on July 02, 2018 as cash dividend		(7,502)	(7,502)	-
Undistributed income carried forward		58,308	58,308	12,514
Undistributed income carried forward comprising of:				
- Realised		57,991	57,991	12,829
- Unrealised gain / (loss)		317	317	(315)
		58,308	58,308	12,514
	----- (Rupees) -----			
Net assets value per unit at beginning of the period		114.7192		109.9753
Net assets value per unit at end of the period		114.0892		111.6457

The annexed notes from 1 to 16 form an integral part of of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL INCOME OPPORTUNITY FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** UBL Income Opportunity Fund (the Fund) was established under a Trust Deed executed between UBL Funds Managers Limited, (wholly owned subsidiary company of United Bank Limited) as its Management Company and Central Depository Company of Pakistan Limited, as its Trustee. The Trust Deed was executed on January 01, 2013 and the Fund was authorized by the Securities and Exchange Commission of Pakistan (SECP) on February 13, 2013 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The registered office of the Management Company is situated at the 4th Floor STSM Building, Beaumont Road, Civil Lines Karachi.
- 1.2** The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through certificate of registration issued by SECP.
- 1.3** The Fund is an open-ended mutual fund listed on Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders. The Fund commenced its operations from March 29, 2013.
- 1.4** The objective is to provide a competitive rate of return to its investors by investing in quality term finance certificates / sukuks issued by the financial institutions, Government securities, bank deposits and short-term and long-term debt instruments. Under circular 07 dated March 06, 2009 issued by the SECP, the Fund has been categorized by the Management Company as an Income Scheme.
- 1.5** JCR - VIS Credit Rating Company has reaffirmed management quality rating of AM1 on December 27, 2018
- 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 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 as applicable in Pakistan for interim financial reporting comprise of:

- Interim 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), the 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.

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

2.1.3 The comparative statement of asset 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, 2018, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended December 31, 2017.

2.1.4 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, 2018.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND

3.1 The accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2018 except as disclosed in note 3.2.

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.2 IFRS 9 'Financial Instruments' was issued on July 24, 2017. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective for accounting periods beginning on or after July 01, 2018. A number of other new standards are effective from July 01, 2018 but they do not have a material effect on the Fund's financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

Classification and measurement of financial assets and financial liabilities

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

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 did not have a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below:

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

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

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

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

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

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

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

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

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

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Fund's financial assets as at July 01, 2018.

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39 ----- (Rupees in '000) -----	Revised carrying amount under IFRS 9
Note					
Debt securities	(a)	Held for trading	FVTPL	21,908	21,908
Bank balances	(c)	Loans and receivables	Amortised cost	326,966	326,966
Deposits and other receivables	(c)	Loans and receivables	Amortised cost	25,163	25,163
Dividend, mark-up and other receivable	(c)	Loans and receivables	Amortised cost	3,280	3,280

(a) These financial assets classified as 'Held for trading' have been classified as fair value through profit and loss (FVTPL)

(b) The Fund has not made an irrevocable election upon adoption of IFRS 9 to present in other comprehensive income subsequent changes in the fair value of investments in equity instruments under IFRS 9 and accordingly all investments in equity instruments have been classified as fair value through profit or loss (FVTPL).

(c) These financial assets classified as 'loans and receivables' have been classified as amortised cost.

Impairment of financial assets

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

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated 21 November 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds.

Transition

The Fund has used the exemption not to restate comparative periods as allowed under IFRS 9 and the differences, if any, in the carrying amounts of financial assets resulting from the adoption of IFRS 9 are recognised in opening retained earnings as at July 01, 2018. Accordingly, the comparative information does not reflect the requirements of IFRS 9, but rather those of IAS 39.

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

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

3.3 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current period:

IFRS 9 - Financial Instruments

IFRS 15 - Revenue from contracts with customers (Amendments)

IFRS 2 - Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)

IFRS 4 - Insurance Contracts - Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments)

IFRIC 22 - Foreign Currency Transactions and Advance Consideration

The adoption of the above amendments to accounting standards and interpretations did not have any effect on the condensed interim financial statements other than IFRS 9, the impact of which has been disclosed in note 3.2.

		(Un-audited) December 31, 2018	(Audited) June 30, 2018
	Note	----- (Rupees in '000) -----	
4. BANK BALANCES			
Saving accounts	4.1	<u>2,177,670</u>	<u>326,966</u>

- 4.1 These carry mark-up at the rates ranging from 5.5% to 11% (June 30, 2018: 3.75% to 7.5%) per annum and include a balance of Rs.2.11 (June 30, 2018: Rs.3.74) million held with United Bank Limited (a related party).

5. INVESTMENTS

Investments by Category

'At Fair Value Through Profit or Loss'

Government Securities - Market Treasury Bills	5.1	-	-
Government Securities - Pakistan Investment bonds	5.2	-	-
Debt securities - Term Finance Certificates	5.3	<u>22,220</u>	<u>21,908</u>
		<u>22,220</u>	<u>21,908</u>

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

						December 31, 2018				
Purchase yield range	Maturity upto	As at July 01, 2018	Purchased during the period	Sold / matured during the period	As at December 31, 2018	Carrying value	Market value	Unrealised Gain / (loss)	Market value as a % of net assets	as a % of total investments
----- (Number of holding) -----						----- (Rupees in '000) -----			----- % -----	
Market Treasury Bills - 3 months	8.695%	3-Jan-19	-	8,750	(8,750)	-	-	-	0.00%	0.00%

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

Purchase yield range	Maturity upto	As at July 01, 2018	Purchased during the period	Sold / matured during the period	As at December 31, 2018	Carrying value	Market value	Unrealised Gain / (loss)	Market value as a % of net assets	as a % of total investments
----- (Number of holding) -----						----- (Rupees in '000) -----			----- % -----	
Pakistan Investment Bonds	8.533%	9-Aug-28	-	500,000	(500,000)	-	-	-	0.00%	0.00%

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

Particulars	Note	Number of certificates			December 31, 2018			Market value as a % of net assets	as a % of total investments	
		As at July 01, 2018	Purchased during the period	Sold / matured during the period	As at December 31, 2018	Carrying value	Market value			Unrealised Gain / (loss)
					----- (Rupees in '000) -----			----- % -----		
Commercial banks										
Bank AL Habib Limited - unlisted (Issue date - March 17, 2016)	5.3.1 & 5.3.2	2,000	-	-	2,000	10,065	10,585	520	0.47%	47.64%
Habib Bank Limited - unlisted (Issue date - February 19, 2016)	5.3.1 & 5.3.2	120	-	-	120	11,838	11,635	(203)	0.52%	52.36%
Total as at December 31, 2018 (un-audited)						21,903	22,220	317	1.00%	100%
Total as at June 30, 2018 (audited)						22,167	21,908	(259)		

5.3.1 These carry profit rate from 8.55% to 8.93% (June 2018: from 6.92% to 7.23%).

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

Name of security	Number of certificates	Redemption Value (Rupees)		Interest rate (Per annum)	Maturity
		Per certificate	Total		
Bank AL Habib Limited	2,000	4,995	9,990,000	6M KIBOR + 0.75%	March 17, 2026
Habib Bank Limited	120	99,900	11,988,000	6M KIBOR + 0.75%	February 19, 2026

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 and 151 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the 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 150 and 151 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2019.

		(Un-audited) December 31, 2018	(Audited) June 30, 2018
	Note	---- (Rupees in '000) ----	
7. PAYABLE TO MANAGEMENT COMPANY			
Remuneration payable to the Management Company	7.1	1,884	362
Sales tax on management fee	7.2	245	47
Sales load and other payable		405	25
Allocated expense	7.3	177	-
Selling and marketing	7.4	497	-
		<u>3,208</u>	<u>434</u>

7.1 The Management Company has charged remuneration at the rate of 1.5% (June 30, 2018: 1.5%) of average annual net assets of the Funds. The remuneration is paid to the Management Company on monthly basis in arrears.

7.2 The Provincial Government of Sindh levied Sindh Sales Tax at the rate of 13% (June 30, 2018: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

7.3 As per regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.

7.4 SECP vide Circular No. 40 of 2016 dated December 30, 2016, prescribed certain conditions on Asset Management Companies (AMCs) for charging of selling and marketing expenses to certain collective investment schemes managed by them. Pursuant to the circular, the AMCs are allowed to charge selling and marketing expenses for an initial period of three years (from January 01, 2017 till December 31, 2019) at a maximum cap of 0.4% per annum of net assets of the Fund or actual expenses, whichever is lower. However, SECP vide Circular No. 394 of 2018 dated June 04, 2018 amended the above circular and allowed AMCs to charge selling and marketing expense to all category of mutual funds (except for funds of fund and money market). Accordingly, the Management Company has charged 0.1% of daily net assets of the Fund, being the lower amount.

8. ACCRUED AND OTHER LIABILITIES

Provision for indirect duties and taxes	8.1	1,597	1,597
Provision for Sindh Workers' Welfare Fund (SWWF)	8.2	1,946	691
Zakat payable		3	406
Auditors' remuneration		195	227
Withholding tax payable		1	-
Tax payable on capital gain on redemption of units		61	24
Legal and professional charges payable		61	11
Brokerage payable		1	57
Other payables		9	8,830
		<u>3,874</u>	<u>11,843</u>

8.1 This includes provision for federal excise duty (FED) as at December 31, 2018 amounting to Rs.1.557 million (June 30, 2018: Rs.1.557 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 18.1 to the annual audited financial statements for the year ended June 30, 2018. Had the provision not been provided for, the net assets value per unit would have been higher by Re.0.08 (June 30, 2018: Re.0.32).

8.2 The status of Sindh Workers' Welfare Fund (SWWF) is same as disclosed in annual financial statements for the year ended June 30, 2018. However, MUFAP has also taken a legal opinion that SWWF, if applicable, can only be applied from the date of enactment of SWWF Act, 2014, i.e. May 21, 2015. Accordingly, on January 12, 2017, MUFAP as an abundant caution, has recommended its members to provide for SWWF on daily basis with effect from May 21, 2015. Going forward, the efforts to exclude mutual funds from SWWF continue. Had the SWWF not been provided, the NAV per unit of the Fund would have been higher by Rs.0.10 (June 30, 2018: Rs.0.14).

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2018.

10. 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 net accounting income available for distribution for the year derived from sources other than capital gains to the unitholders.

The management intends to distribute through cash at least 90% of the Fund's net accounting income by the year end to the unit holders. Accordingly, no provision for taxation has been made in these condensed interim financial statement.

11. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

12. TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the Total Expense Ratio of the Fund is 0.85% as on December 31, 2018 and this includes 0.18% representing government levy, worker's welfare fund and SECP fee and 0.03% representing expenses related to MTS.

13. 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 (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 with related parties / connected persons during the period and balances held with them at the half year ended December 31, 2018 are as follows:

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
	(Rupees in '000)					
	For The Half Yearly Ended December 31, 2018 (Un-audited)					
Transactions during the period						
Mark-up on bank accounts	-	124	-	-	-	-
Bank charges	-	10	-	-	-	-
Units issued	1,992,347	-	-	-	877	49,013
Units redeemed	490,000	-	-	-	2,045	60,093
Sale of investment	-	-	-	734,375	-	-
Dividend paid	-	-	-	-	600	11,566
Remuneration *	8,674	-	1,287	-	-	-
CDS charges	-	-	63	-	-	-
Allocated expense	840	-	-	-	-	-
Selling and marketing expense	497	-	-	-	-	-

	For The Half Yearly Ended December 31, 2017 (Un-audited)					
Transactions during the period						
Mark-up on bank accounts	-	162	-	-	-	-
Bank charges	-	4	-	-	-	-
Units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	7,935
Remuneration *	1,318	-	149	-	-	-
Custody charges	-	-	6	-	-	-

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
	(Rupees in '000)					
	As at December 31, 2018 (Un-audited)					
Balances held						
Units held (units in '000)	13,524	-	-	-	116	2,341
Units held (Rupees in '000)	1,542,942	-	-	-	13,234	267,083
Bank balances	-	2,114	-	-	-	-
Remuneration payable*	2,129	-	252	-	-	-
Deposits	-	-	100	-	-	-
Sales load and other payable	405	-	-	-	-	-
Allocated expense payable	177	-	-	-	-	-
Selling and marketing expense	497	-	-	-	-	-
Mark-up receivable	-	34	-	-	-	-

	As at June 30, 2018 (Audited)					
Balances held						
Units held (units in '000)	-	-	-	-	126	2,438
Units held (Rupees in '000)	-	-	-	-	14,512	279,705
Bank balances	-	3,738	-	-	-	-
Deposits	-	-	-	-	-	-
Remuneration payable*	409	-	94	-	-	-
Security deposit	-	-	100	-	-	-
Sales load and other payables	25	-	-	-	-	-
Mark-up receivable	-	19	-	-	-	-

* Remuneration for the period is inclusive of sales tax.

15.2 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.

16. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information were authorised for issue on February 27, 2019 by the Board of Directors of the Management Company.

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UGIF

UBL Growth and Income Fund

INVESTMENT OBJECTIVE

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

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	Ernst & Young Ford Rhodes Sidat 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
Management Co.Rating	AM1 (JCR-VIS)
Fund Rating	A(f) (JCR-VIS)

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) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



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 (MC) of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2018 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.

We would like to draw unit holder's attention that as per the requirement of Regulation 55 of NBFC Regulations 2008, the CIS shall take exposure in any single entity to the extent of 10 % only and the breach if any should be regularized within four months time. However, the Fund was non-complied with the said requirement since June 2018 to date as it had invested upto 23% approx. in JS Bank Limited TFC's. The reason given by the MC for the same was due to decrease of net assets coupled with non-availability of buyer at the appropriate price in the market to offload the said TFC's. We have reported the said non-compliance to the Commission.


Badiuddin Akbar
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 27, 2019

AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of UBL Growth and Income Fund (the Fund) as at 31 December 2018, the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flow, condensed interim statement movement in unit holders' fund and notes to the accounts for the six month period then ended (here-in-after referred to as "interim financial statements"). Management Company is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended 31 December 2018 and 31 December 2017 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 2018.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Statements 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 approved accounting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.



Chartered Accountants

Date: 27 February 2019

Karachi

UBL GROWTH AND INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2018

		(Un-audited) December 31, 2018	(Audited) June 30, 2018
	Note	----- (Rupees in '000) -----	
Assets			
Bank balances	4	183,982	811,972
Investments	5	365,479	506,522
Mark-up receivable		9,888	14,827
Advance tax	6	3,404	3,399
Deposits, prepayments and other receivables		10,962	9,972
TOTAL ASSETS		573,715	1,346,692
Liabilities			
Payable to the Management Company	7	3,413	2,861
Remuneration payable to the Trustee		99	196
Annual fee payable to Securities and Exchange Commission of Pakistan (SECP)		382	2,418
Accrued and other liabilities	8	40,043	39,615
TOTAL LIABILITIES		43,937	45,090
NET ASSETS		529,778	1,301,602
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		529,778	1,301,602
CONTINGENCIES AND COMMITMENTS	9		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		6,064,254	14,573,165
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		87.3607	89.3150

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL GROWTH AND INCOME FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018 (UN-AUDITED)

		Half year ended		Quarter ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Note		(Rupees in '000)			
Income					
Financial income		44,245	144,503	17,283	70,720
Net gain / (loss) on investments classified as 'At fair value through profit or loss'					
- Net loss on sale and redemption of investments		(1,344)	(3,159)	(1,343)	(7,389)
- Net gain from spread transactions		-	8,256	-	8,256
- Net unrealised (loss) on revaluation of investments		(8,017)	(34)	(4,174)	-
		(9,361)	5,063	(5,517)	1,747
Other income		86	2,175	(5,472)	927
Reversal of provision - net		8,333	3,889	8,333	3,889
Total income		43,303	155,630	14,627	77,283
Expenses					
Remuneration of the Management Company		7,632	34,792	2,756	16,084
Sales tax on management fee		992	4,523	358	2,091
Expenses allocated by the Management Company		509	2,319	184	1,072
Remuneration of the Trustee		904	2,704	350	1,272
Annual fee - Securities and Exchange Commission of Pakistan		382	1,740	158	805
Selling and marketing expense		2,035	-	735	-
Auditors' remuneration		391	348	228	227
Legal and professional charges		76	41	38	11
Brokerage expense		65	1,360	36	139
Custody and settlement charges		369	1,902	204	423
Bank charges and other expenses		204	330	54	177
Total expenses		13,559	50,059	5,101	22,301
Net operating income for the period		29,744	105,571	9,526	54,982
Provision for Sindh Workers' Welfare Fund (SWWF)	8.2	(584)	(2,074)	(202)	(1,077)
Net income for the period before taxation		29,160	103,497	9,324	53,905
Taxation	10	-	-	-	-
Net income for the period after taxation		29,160	103,497	9,324	53,905
<i>Allocation of net income for the period:</i>					
Income already paid on units redeemed		(15,965)	(31,120)	(12,739)	(26,561)
Accounting income available for distribution:		13,195	72,377	(3,415)	27,344
- Relating to capital gains		-	5,097	-	2,575
- Excluding capital gains		13,195	67,280	-	77,891
		13,195	72,377	-	80,466

Earnings per unit

12

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL GROWTH AND INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018 (UN-AUDITED)

	Half year ended		Quarter ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Note	(Rupees in '000)			
Net income for the period after taxation	29,160	103,497	9,324	53,905
Other comprehensive income:				
Other comprehensive loss for the period	-	(20,897)	-	(20,134)
Net unrealised appreciation / (diminution) on revaluation of investments classified as 'fair value through other comprehensive income'	-	-	-	-
	-	(20,897)	-	(20,134)
Total comprehensive income for the period	29,160	82,600	9,324	33,771

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL GROWTH AND INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UN-AUDITED)

	December 31, 2018	December 31, 2017
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	29,160	103,497
Adjustments for:		
Financial income	(44,245)	(144,503)
Net (loss) / gain on investments classified as		
'At fair value through profit or loss'		
- Net loss on sale and redemption of investments	1,344	-
- Net unrealised gain / (loss) on revaluation of investments	8,017	(5,063)
Reversal of provision - net	(8,333)	-
Provision for Sindh Workers' Welfare Fund (SWWF)	584	-
	(42,633)	(149,566)
Decrease / (increase) in assets		
Investments	140,014	811,751
Placements and term deposit receipts	-	160,000
Advance tax	(5)	(357)
Fair value of derivative asset	-	2,090
Receivable against settlement of spread transactions	-	98,942
Receivable against margin trading system	-	358,681
Advances, deposits, prepayments and other receivables	(990)	253,384
	139,019	1,684,491
(Decrease) / increase in liabilities		
Payable to the Management Company	552	(2,728)
Remuneration payable to the Trustee	(97)	(112)
Annual fee - Securities and Exchange		
Commission of Pakistan	(2,036)	(1,447)
Accrued and other liabilities	(156)	(14,857)
	(1,737)	(19,144)
Finance income received	49,184	135,993
Net cash generated from operating activities	172,993	1,755,271
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	469,016	1,203,851
Payments against redemption of units	(1,205,463)	(3,739,739)
cash distribution to unit holders	(64,536)	-
Net cash used in financing activities	(800,983)	(2,535,888)
Net decrease in cash and cash equivalents	(627,990)	(780,617)
Cash and cash equivalents at the beginning of the period	811,972	2,891,184
Cash and cash equivalents at the end of the period	183,982	2,110,567

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

SD

Chief Financial Officer

UBL GROWTH AND INCOME FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018 (UN-AUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** UBL Growth and Income Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and was approved as an open-end mutual fund by the Securities and Exchange Commission of Pakistan (SECP). It was constituted under the Trust Deed, dated 21 December 2004 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Trustee.
- 1.2** The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through certificate of registration issued by SECP. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont road, Civil lines, Karachi.
- 1.3** The Fund is an aggressive fixed income scheme and units of the Fund are listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units of the fund can be transferred to / from other funds managed by the Management Company and can also be redeemed by surrendering to the fund.
- 1.4** As per the offering document, the Fund shall invest in a diversified portfolio of government securities, investment grade term finance certificates (TFCs), rated corporate debts, certificates of investments (COIs), marginal trading system (MTS), spread transactions (including spread on equity transactions) and other money market instruments.
- 1.5** JCR - VIS Credit Rating Company has reaffirmed management quality rating of AM1 on December 27, 2018
- 1.6** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund.

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 as applicable in Pakistan for interim financial reporting comprise of:

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

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

- 2.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

- 2.3** The comparative statement of asset 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, 2018, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended December 31, 2017.
- 2.4** 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, 2018.

2.5 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.

2.6 Functional and presentation currency

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

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

- 3.1** The accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2018 except as disclosed in note 3.2.

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

- 3.2** IFRS 9 'Financial Instruments' was issued on July 24, 2017. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective for accounting periods beginning on or after July 1, 2018. A number of other new standards are effective from July 01, 2018 but they do not have a material effect on the Fund's financial Information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

Classification and measurement of financial assets and financial liabilities

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

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 did not have a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below:

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

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

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

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

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

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

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

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

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

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

		original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	Revised carrying amount under IFRS 9
				----- (Rupees in '000) -----	
Debt securities	(a)	Held for trading	FVTPL	506,522	506,522
Debt securities (Fully provided)	(d)	Available for sale	FVOCI	-	-
Bank balances	(c)	Loans and receivables	Amortised Cost	811,972	811,972
Deposits, prepayments and other receivables	(c)	Loans and receivables	Amortised Cost	9,972	9,972
Dividend, mark-up and other receivable	(c)	Loans and receivables	Amortised Cost	14,827	14,827

- (a) These financial assets classified as 'Held for trading ' have been classified as fair value through profit and loss (FVTPL)
- (b) The Fund has not made an irrevocable election upon adoption of IFRS 9 to present in other comprehensive income subsequent changes in the fair value of investments in equity instruments under IFRS 9 and accordingly all investments in equity instruments have been classified as fair value through profit or loss (FVTPL).
- (c) These financial assets classified as 'loans and receivables' have been classified as amortised cost.
- (d) These financial assets (fully provided) classified as Available for sale have been classified as fair value through other comprehensive income (FVOCI)

Impairment of financial assets

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

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds.

Transition

The Fund has used the exemption not to restate comparative periods as allowed under IFRS 9 and the differences, if any, in the carrying amounts of financial assets resulting from the adoption of IFRS 9 are recognised in opening retained earnings as at July 01, 2018. Accordingly, the comparative information does not reflect the requirements of IFRS 9, but rather those of IAS 39.

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

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

3.3 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current period:

IFRS 9 - Financial Instruments

IFRS 15 - Revenue from contracts with customers (Amendments)

IFRS 2 - Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)

IFRS 4 - Insurance Contracts - Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments)

IFRIC 22 - Foreign Currency Transactions and Advance Consideration

The adoption of the above amendments to accounting standards and interpretations did not have any effect on the condensed interim financial statements other than IFRS 9, the impact of which has been disclosed in note 3.2.

	Note	(Un-audited) December 31, 2018 ----- (Rupees in '000) -----	(Audited) June 30, 2018
4. BANK BALANCES			
Current accounts		50	50
Saving accounts	4.1	<u>183,932</u>	<u>811,922</u>
		<u>183,982</u>	<u>811,972</u>
4.1	These carry mark-up at rates ranging between 3.75% to 11% per annum (2017: 4.00% to 7.25%) per annum.		
4.2	These include balances of Rs.1.185 (2018: Rs.2.56) million held with United Bank Limited and Rs.14.811 (2018: Rs.384.15) million held with Khushali Bank Limited (related parties).		
5. INVESTMENTS			
Investments by category			
' At Fair Value Through Profit or Loss'			
Government securities	5.1	-	-
Debt securities - quoted	5.1	28,861	85,715
Debt securities - unquoted	5.1	<u>336,618</u>	<u>420,807</u>
		<u>365,479</u>	<u>506,522</u>
'Fair Value Through Other Comprehensive Income'			
Equity securities - listed	5.2	-	-
Debt securities - quoted	5.2	-	-
Debt securities - unquoted	5.3	-	-
Commercial paper	5.4	-	-
		<u>365,479</u>	<u>506,522</u>

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

Particulars											Note	As at July 01, 2018	Purchased during the period	Sold / matured during the period	As at December 31, 2018	Carrying value as at December 31, 2018	Market value as at December 31, 2018	Unrealised (loss) / gain	Market value as a percentage of total investments	Market value as a percentage of net assets	

Particulars	Note	As at July 01, 2018	Purchased during the period	Sold / matured during the period	As at December 31, 2018	Carrying value as at December 31, 2018	Market value as at December 31, 2018	Unrealised (loss) / gain	Market value as a percentage of total investments	Market value as a percentage of net assets
----- (Number of certificates) -----						----- (Rupees in '000) -----				
Investment Banks										
Jahangir Siddiqui & Company Limited (July 18, 2017)		30,000	-	(10,000)	20,000	101,193	99,751	(1,442)	27.29%	18.83%
						-				
Chemical										
Ghani Gases Limited - Sukuk (February 02, 2017)*		93	-	-	93	6,657	6,414	(243)	1.75%	1.21%
Electricity										
WAPDA - TFC (September 27, 2013)		20,000	-	-	20,000	43,125	41,623	(1,502)	11.39%	7.86%
Financial services										
Security Leasing Corporation Limited - Sukuk (September 19, 2007) – II	5.2.1	5,000	-	-	5,000	5,574				
Less: Provision for impairment						(5,574)				
						-	-	-	0.00%	0.00%
December 31, 2018						344,285	336,618	(7,667)	92.10%	63.54%
June 30, 2018						506,665	506,522	(143)		

* The nominal value of these TFCs and Sukuks are Rs.100,000 each.

** The nominal value of this Sukuk is Rs.1,000,000 each.

5.1.1	Name of security	Number of certificates	Interest rate per annum	Maturity
	Soneri Bank Limited	2,000	6M KIBOR + 1.35%	July 8, 2023
	Dawood Hercules Corporation Limited	190	3M KIBOR + 1.00%	November 16, 2022
	JS Bank Limited	9,000	6M KIBOR + 1.40%	December 16, 2023
	JS Bank Limited	1,000	6M KIBOR + 1.40%	December 30, 2024
	Habib Bank Limited	424	6M KIBOR + 0.50%	February 19, 2026
	Engro Fertilizers Limited	3,600	6M KIBOR + 1.75%	June 19, 2019
	Jahangir Siddiqui & Co. Ltd	20,000	6M KIBOR + 1.40%	June 18, 2022
	Ghani Gases Limited	93	3M KIBOR + 1.00%	February 2, 2023
	WAPDA	20,000	6M KIBOR + 1.00%	September 27, 2021

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

Name of security	Note	As at July 01, 2018	Purchased during the period	Sold / matured during the period	As at December 31, 2018	Carrying value as at December 31, 2018	Market value as at December 31, 2018	Unrealised gain / (loss)	Market value as a percentage of total investment	Market value as a percentage of net assets
Quoted		(Number of certificates)			(Rupees in '000)					
Personal goods										
Azgard Nine Limited - TFC (September 20, 2005)	5.2.1	21,150	-	-	21,150	28,890 (28,890)	-	-	0.00%	0.00%
Less: Provision for impairment						-	-	-		
Azgard Nine Limited - TFC (May 17, 2010)	5.2.1	10,000	-	-	10,000	29,375 (29,375)	-	-	0.00%	0.00%
Less: Provision for impairment						-	-	-		
Financial services										
Trust Investment Bank Limited - TFC (July 04, 2008)	5.2.1	23,877	-	-	23,877	44,499 (44,499)	-	-	0.00%	0.00%
Less: Provision for impairment						-	-	-	0.00%	0.00%
December 31, 2018						-	-	-	0.00%	0.00%
June 30, 2018						-	-	-		
Unquoted										
Household goods										
New Allied Electronics Industries (Pvt) Limited (May 15, 2007)	5.2.1	13,000	-	-	13,000	13,068 (13,068)	-	-	0.00%	0.00%
Less: Provision for impairment						-	-	-		
Chemicals										
Agritech Limited - PP TFC (January 14, 2008)	5.2.1	147,000	-	-	147,000	558,988 (558,988)	-	-	0.00%	0.00%
Less: Provision for impairment						-	-	-	0.00%	0.00%
Agritech Limited - PP TFC (November 30, 2007)	5.2.1	58,000	-	-	58,000	254,223 (254,223)	-	-	0.00%	0.00%
Less: Provision for impairment						-	-	-	0.00%	0.00%
Agritech Limited - Sukuk (August 06, 2008)	5.2.1	3,800	-	-	3,800	14,453 (14,453)	-	-	0.00%	0.00%
Less: Provision for impairment						-	-	-	0.00%	0.00%
Personal goods										
Azgard Nine Limited - PP (December 04, 2007)	5.2.1	33,000	-	-	33,000	62,137 (62,137)	-	-	0.00%	0.00%
Less: Provision for impairment						-	-	-	0.00%	0.00%
Financial services										
Security Leasing Corporation Limited - Sukuk (September 19, 2007) - II	5.2.1	15,000	-	-	15,000	16,454 (16,454)	-	-	0.00%	0.00%
Less: Provision for impairment						-	-	-	0.00%	0.00%
December 31, 2018						-	-	-	0.00%	0.00%
June 30, 2018						-	-	-		

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

5.3 Disclosure of non compliant investments as at 31 December 2018

Name of security	Note	As at July 01, 2018	Purchased during the year	Sold during the year	As at December 31, 2018	Carrying value as at 31 December 2018	Percentage of total investment	Percentage of net assets
		----- Number of shares -----				Amount in '000		
Personal goods								
Azgard Nine Limited	5.3.1	200,000	-	-	200,000	-	0%	0%

5.3.1 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 30 September 2009 but due to default by the company, management has made full provision of Rs.0.85 million against the outstanding amount.

5.4 Disclosure of Excess Exposure as at December 31, 2018

5.4.1 Name of Investment	Exposure Type	% of Issue	Limit	Excess
Trust Investment Bank Limited- TFC (04-07-08)	Per Issue	20%	10%	10%
Agritech Limited- TFC (30-11-07)	Per Issue	19%	10%	9%
New Allied Electronics (15-05-07)	Per Issue	17%	10%	7%
Security Leasing Sukuk (19-09-07)	Per Issue	13%	10%	3%
Agritech Limited- TFC (14-01-08)	Per Issue	11%	10%	1%
5.4.2 Name of Investment	Exposure Type	% of Net Assets	Limit	Excess/Less
Exposure of JS Bank (2TFCs)	Per Entity	26.69%	10%	16.69%
TFC / Sukuk-JSCL 18/07/2017	Per Entity	18.83%	10%	8.83%
Commercial Banks	Sector	36.32%	25%	11.32%
Group- JS Bank	Group	45.52%	35%	10.52%

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 and 151 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the 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 150,150A and 151 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2019.

		(Un-audited) December 31, 2018	(Audited) June 30, 2018
	Note	----- (Rupees in '000) -----	
7. PAYABLE TO THE MANAGEMENT COMPANY			
Remuneration payable to the Management Company	7.1	771	1,823
Sales tax on management fee	7.2	100	237
Allocated expenses payable		51	239
Selling and marketing expenses payable		2,035	472
Sales load payable		375	19
Other payables		81	71
		<u>3,413</u>	<u>2,861</u>

7.1 The Management Company has charged remuneration at the rate of 1.5% (June 30, 2018: 1.5%) of average annual net assets of the Funds. The remuneration is paid to the Management Company on a monthly basis in arrears.

7.2 The Provincial Government of Sindh levied Sindh Sales Tax at the rate of 13% (June 30, 2018: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

8. ACCRUED AND OTHER LIABILITIES

Provision for indirect duties and taxes	8.1	24,359	24,359
Auditors' remuneration		325	356
Brokerage payable		370	514
Withholding tax deducted at source payable		261	640
Capital gains tax payable		2,516	764
Provision for Sindh Workers' Welfare Fund (SWWF)	8.2	10,627	10,043
Legal and professional charges payable		102	83
Custodian fee payable		83	83
Transaction charges payable to NCCPL		67	38
Other payables		1,332	2,735
		<u>40,043</u>	<u>39,615</u>

8.1 This includes provision for federal excise duty (FED) as at December 31, 2018 amounting to Rs.22.226 million (June 30, 2018: Rs.22.226 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 17.1 to the annual audited financial statements for the year ended June 30, 2018. Had the provision not been provided for, the net assets value per unit would have been higher by Rs. 3.99 (June 30, 2018: Rs.1.67).

8.2 The status of Sindh Workers' Welfare Fund (SWWF) is same as disclosed in annual financial statements for the year ended June 30, 2018. However, MUFAP has also taken a legal opinion that SWWF, if applicable, can only be applied from the date of enactment of SWWF Act, 2014, i.e. May 21, 2015. Accordingly, on January 12, 2017, MUFAP as an abundant caution, has recommended its members to provide for SWWF on daily basis with effect from May 21, 2015. Going forward, the efforts to exclude mutual funds from SWWF continue. Had the SWWF not been provided, the NAV per unit of the Fund would have been higher by Rs.1.75 (June 30, 2018: Re.0.69).

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2018.

10. 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 the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in cash. 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.

The management intends to distribute through cash at least 90% of the Fund's net accounting income by the year-end to the unit holders. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

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 1.40% as on December 31, 2018 and this includes 0.21% representing government levy, worker's welfare fund and SECP fee.

12. 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.

13. TRANSACTIONS WITH CONNECTED PERSONS/ RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Ltd (Management Company), Al-Ameen Financial Services (Private) Limited (subsidiary of Management Company), Entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the fund and the directors and officer of the management company and unit holders holding more than 10% units of the Fund.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC rules, Regulations, 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 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)					
	(For the half year ended December 31, 2018) (Un-audited)					
Transactions during the period						
Profit on bank balances	-	1,529	-	-	-	-
Units issued	-	-	-	-	11	9,905
Units redeemed	-	-	-	-	6	47,869
Bank charges	-	11	-	-	-	-
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	-	-	636,681	-	-
Remuneration	7,632	-	904	-	-	-
Sales tax on management fee	992	-	-	-	-	-
Expenses allocated by the Management Company	509	-	-	-	-	-
Central Depository Service charges	-	-	54	-	-	-
Dividend paid	-	-	-	-	6	10,780
Transactions during the period						
	(For the half year ended December 31, 2017) (Un-audited)					
Profit on bank balances	-	12,266	-	-	-	-
Units issued	50,000	-	-	-	-	287,277
Units redeemed	-	485,830	-	-	6,383	283,023
Bank charges	-	18	-	-	-	-
Purchase of securities	-	-	-	396,134	-	-
Sale of securities	-	-	-	-	-	-
Remuneration	34,792	-	2,704	-	-	-
Sales tax on management fee	4,523	-	-	-	-	-
Expenses allocated by the Management Company	2,319	-	-	-	-	-
Central Depository Service charges	-	-	485	-	-	-

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
	(Rupees in '000)					
	(As at December 31, 2018) (Un-audited)					
Balances held						
Units held (units in '000)	-	-	-	-	1	2,004
Units held (Rupees in '000)	-	-	-	-	87	175,071
Bank balances *	-	1,200	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable - bank balances	-	58	-	-	-	-
Remuneration payable	871	-	99	-	-	-
Expenses allocated by the Management Company	51	-	-	-	-	-
Sales load and other payable selling and marketing	456	-	-	-	-	-
	2,035	-	-	-	-	-
CDC fee payable	-	-	45	-	-	-

* These carry profit ranging between 5.5% to 11% per annum.

	(Rupees in '000)					
	(As at June 30, 2018) (Audited)					
Balances held						
Units held (number of units in '000)	-	-	-	-	1,261	5,921
Units held (Rupees in '000)	-	-	-	-	112,630	528,868
Bank balances *	-	386,702	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable - bank balances	-	2,472	-	-	-	-
Remuneration payable	2,060	-	196	-	-	-
Expenses allocated by the Management Company	-	-	-	-	-	-
	239	-	-	-	-	-
Sales load and other payable selling and marketing	89	2	-	-	-	-
	472	-	-	-	-	-

SD
Chief Executive Officer

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	Ernst & Young 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 Taraqiati Bank Limited United Bank Limited
Management Co.Rating	AM1 (JCR-VIS)

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) 34326020 - 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, 2018 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 22, 2019

AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of UBL Asset Allocation Fund (the Fund) as at **31 December 2018**, 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 and notes to the accounts for the six month period then ended (here-in-after referred to as "interim financial statements"). Management Company is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended 31 December 2018 and 31 December 2017 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 2018.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Statements 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 approved accounting standards as applicable in Pakistan for interim financial reporting.

FM

Other matter

The condensed interim financial statements for the half year ended 31 December 2017 and the annual financial statements for the year ended 30 June 2018 of the Fund were reviewed and audited respectively by another firm of Chartered Accountants, whose review report dated 16 February 2018 and audit report dated 28 August 2018 expressed an unmodified conclusion and an unmodified opinion respectively, on the aforementioned financial statements.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.



Chartered Accountants

Date: 27 February 2019

Karachi

UBL ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF ASSETS & LIABILITIES
AS AT DECEMBER 31, 2018

		(Un-audited) December 31, 2018	(Audited) June 30, 2018
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	892,309	1,146,417
Investments	5	997,081	1,019,345
Receivable against settlement of spread transactions		10,642	37,347
Advance tax	6	1,115	1,113
Dividend receivable and mark-up receivable		18,263	14,338
Deposits and other receivables		4,871	58,276
Preliminary expenses and floating costs		3	30
TOTAL ASSETS		1,924,284	2,276,866
LIABILITIES			
Payable to the Management Company	7	4,363	5,338
Payable to Central Depository Company of Pakistan Limited - Trustee		293	302
Payable to Securities and Exchange Commission of Pakistan		1,044	2,196
Payable against purchase of equity securities		10,790	-
Accrued expenses and other payables	8	19,231	19,781
TOTAL LIABILITIES		35,721	27,617
NET ASSETS		1,888,563	2,249,249
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,888,563	2,249,249
CONTINGENCY AND COMMITMENT	9		
		----- (Number) -----	
NUMBER OF UNITS IN ISSUE		14,206,479	16,713,201
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		132.9368	134.5792

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL ASSET ALLOCATION FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	For the half year ended December 31,		For the quarter ended December 31,	
	2018	2017	2018	2017
Note	----- (Rupees in '000) -----			
Income				
Financial income	58,663	48,869	30,574	21,476
Net capital loss on redemption and sale of investments	(4,504)	(110,696)	(1,912)	(98,448)
Dividend income	32,531	28,145	19,061	17,827
Net unrealised (loss) / income on revaluation of investments classified as 'at fair value through profit or loss'	(89,528)	(50,271)	(124,157)	59,447
Other income	33	197	33	-
Total (loss) / income	(2,805)	(83,756)	(76,401)	302
Expenses				
Remuneration of the Management Company	10,986	12,333	5,350	5,515
Sindh Sales Tax of the Management Company's remuneration	1,428	1,603	695	717
Allocation of expenses relating to the Fund	1,099	1,233	535	551
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	1,811	1,963	889	920
Annual fee to Securities and Exchange Commission of Pakistan	1,044	1,172	509	524
Selling and marketing expense	4,394	4,934	2,140	2,532
Auditors' remuneration	383	354	216	233
Legal and professional charges	101	41	50	11
Brokerage and settlement expenses	1,374	1,028	696	536
Amortisation of preliminary expenses and floatation costs	27	101	(1)	51
Listing fee expense	14	14	7	7
Bank charges and other expenses	51	776	23	204
Total expenses	22,712	25,552	11,109	11,801
Net operating loss for the period	(25,517)	(109,308)	(87,510)	(11,499)
Net loss for the period before taxation	(25,517)	(109,308)	(87,510)	(11,499)
Taxation	10	-	-	-
Net loss for the period after taxation	(25,517)	(109,308)	(87,510)	(11,499)
<i>Allocation of net income for the period:</i>				
Net income for the year after taxation	-	-	-	-
Income already paid on units redeemed	-	-	-	-
	-	-	-	-
<i>Accounting income available for distribution:</i>				
- Relating to capital gains	-	-	-	-
- Excluding capital gains	-	-	-	-
	-	-	-	-
Earnings per unit	11			

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL ASSET ALLOCATION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	For the half year ended December 31,		For the quarter ended December 31,	
	2018	2017	2018	2017
	----- (Rupees in '000) -----			
Net loss for the period after taxation	(25,517)	(109,308)	(87,510)	(11,499)
Other comprehensive income for the period:				
<i>Items that are or may be reclassified subsequently to income statement</i>				
Net unrealised appreciation / (diminution) on revaluation of investments classified as 'fair value through other comprehensive income'	-	199	-	(1,912)
Total comprehensive income for the period	<u>(25,517)</u>	<u>(109,109)</u>	<u>(87,510)</u>	<u>(13,411)</u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL ASSET ALLOCATION FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	For the half year ended December 31,	
	2018	2017
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	(25,517)	(109,308)
Adjustments for:		
Financial income	(58,663)	(48,869)
Net capital (loss) on redemption and sale of investment	4,504	110,696
Dividend income	(32,531)	(28,145)
Net unrealised (loss) on revaluation of investments classified as 'at fair value through profit or loss'	89,528	50,271
Amortisation of preliminary expenses and floatation costs	27	101
	<u>2,865</u>	<u>84,054</u>
Net cash flows used in operations before working capital changes	(22,652)	(25,254)
Working capital changes		
<i>(Increase) / decrease in assets</i>		
Investments	(71,795)	17,522
Advance tax	(2)	131
Term deposit receipt	-	250,000
Receivable against settlement of spread transactions	26,705	-
Deposits, prepayments and other receivables	53,405	12,832
Preliminary expenses and floating costs	27	3
	<u>8,340</u>	<u>280,488</u>
<i>(decrease) / increase in liabilities</i>		
Payable to the Management Company	(975)	(2,614)
Payable to Central Depository Company of Pakistan Limited - Trustee	(9)	(74)
Payable to Securities and Exchange Commission of Pakistan	(1,152)	(1,111)
Payable against purchase of equity securities	10,790	-
Accrued expenses and other payables	(550)	(3,091)
	<u>8,104</u>	<u>(6,890)</u>
Financial Income received	<u>87,269</u>	<u>75,554</u>
Net cash flows generated from operating activities	<u>81,061</u>	<u>323,898</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	80,656	532,685
Payments on redemption of units	(415,825)	(1,329,126)
Net cash flows used in financing activities	(335,169)	(796,441)
Cash and cash equivalents at beginning of the period	1,146,417	1,364,025
Cash and cash equivalents at end of the period	<u>892,309</u>	<u>891,482</u>
CASH AND CASH EQUIVALENTS		
Bank Balances	<u>892,309</u>	<u>891,482</u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UBL ASSET ALLOCATION FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018 (UN-AUDITED)

	For the half yearly ended December 31, 2018			December 31, 2017	
	Capital value	Undistributed income	Unrealised appreciation on investments classified as 'available for sale' - net (Rupees in '000)	Total	Total
Net assets at beginning of the period	1,826,467	431,019	(8,237)	2,249,249	2,634,920
Effect of change in accounting policy (see note 3.2)	-	(8,237)	8,237	-	-
Amount received on issuance of 596,276 units (2018: 10,499,785 units)					
Capital value	80,246	-	-	80,246	539,177
Element of income during the period;					
- Relating to net income for the period after taxation	410	-	-	410	(6,489)
	80,656	-	-	80,656	532,688
Amount paid on redemption of 3,102,998 units (2018: 13,337,044 units)					
Capital value	(417,599)	-	-	(417,599)	(1,379,575)
Element of income during the period;					
- Relating to income earned	1,774	-	-	1,774	50,449
	(415,825)	-	-	(415,825)	(1,329,126)
Net loss for the period after tax	-	(25,517)	-	(25,517)	(109,109)
Distribution during the period	-	-	-	-	-
Net income / (loss) for the period less distribution	-	(25,517)	-	(25,517)	(109,109)
Net assets at end of the period	1,491,298	397,265	-	1,888,563	1,729,373
Undistributed income brought forward:					
- Realised	-	446,226	-	446,226	409,093
- Unrealised	-	(15,207)	-	(15,207)	61,662
	-	431,019	-	431,019	470,755
Effect of change in accounting policy (see note 3.2)		(8,237)	-	(8,237)	-
Accounting income available for distribution:					
- Relating to capital gains	-	-	-	-	-
- Excluding capital gains	-	-	-	-	-
Net loss for the period after taxation	-	(25,517)	-	(25,517)	(109,308)
Distribution during the period	-	-	-	-	-
Undistributed income carried forward	-	397,265	-	397,265	361,447
Undistributed income carried forward					
- Realised	-	486,793	-	486,793	411,678
- Unrealised	-	(89,528)	-	(89,528)	(50,271)
	-	397,265	-	397,265	361,407
----- (Rupees) -----					
Net assets value per unit at beginning of the period	134.58			134.78	
Net assets value per unit at end of the period	132.94			129.88	

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

UBL ASSET ALLOCATION FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

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

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

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

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

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

JCR - VIS Credit Rating Company has reaffirmed management quality rating of AM1 on December 27, 2018

2. BASIS OF PRESENTATION

2.1 Statement of compliance

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

- Interim 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), the 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.

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

2.1.3 The comparative statement of asset 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, 2018, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended December 31, 2017.

2.1.4 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, 2018.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

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

3.1 The accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2018 except as disclosed in note 3.2.

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.2 IFRS 9 'Financial Instruments' was issued on July 24, 2017. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective for accounting periods beginning on or after July 01, 2018. A number of other new standards are effective from July 01, 2018 but they do not have a material effect on the Fund's financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

Classification and measurement of financial assets and financial liabilities

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

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 did not have a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below:

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

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

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

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

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

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

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

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

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any profit / mark up or dividend income, are recognised in income statement
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see (ii) below). Profit / mark-up income, foreign exchange gains and losses and impairment are recognised in Income Statement
Debt investments at FVOCI	These assets are subsequently measured at fair value. Profit / mark-up income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.

Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to income statement.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Fund's financial assets as at July 01, 2018.

	Note	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under	New carrying amount under IFRS 9
Financial assets					
Debt securities	(a)	Held for trading	FVTPL	160,828	160,828
Quoted equity securities	(b)	Available for sale	FVTPL	501,375	501,375
Quoted equity securities	(b)	Held for trading	FVTPL	338,481	338,481
Quoted equity securities (spread transactions)	(b)	Held for trading	FVTPL	16,990	16,990
Fair Value of derivative	(b)	Held for trading	FVTPL	1,671	1,671
Bank balances	(c)	Loans and receivables	Amortised cost	1,146,417	1,146,417
Dividend receivable and mark-up receivable	(c)	Loans and receivables	Amortised cost	14,338	14,338
Deposits and other receivables	(c)	Loans and receivables	Amortised cost	58,276	58,276

(a) These financial assets classified as 'Held for trading ' have been classified as fair value through profit and loss (FVTPL)

(b) The Fund has not made an irrevocable election upon adoption of IFRS 9 to present in other comprehensive income subsequent changes in the fairvalue of investments in equity instruments under IFRS 9 and accordingly all investments in equity instruments have been classified as fair value through profit or loss (FVTPL).

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

Impairment of financial assets

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

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds.

Transition

The Fund has used the exemption not to restate comparative periods as allowed under IFRS 9 and the differences, if any, in the carrying amounts of financial assets resulting from the adoption of IFRS 9 are recognised in opening retained earnings as at July 01, 2018. Accordingly, the comparative information does not reflect the requirements of IFRS 9, but rather those of IAS 39.

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

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

3.3 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current period:

IFRS 9 - Financial Instruments

IFRS 15 - Revenue from contracts with customers (Amendments)

IFRS 2 - Share-based Payments – Classification and Measurement of Share-based Payments

IFRS 4 - Insurance Contracts - Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments)

IFRIC 22 - Foreign Currency Transactions and Advance Consideration

The adoption of the above amendments to accounting standards and interpretations did not have any effect on the condensed interim financial statements other than IFRS 9, the impact of which has been disclosed in note 3.2.

		(Un-audited) December 31, 2018	(Audited) June 30, 2018
	Note	----- (Rupees in '000) -----	
4. BANK BALANCES			
Saving accounts	4.1	<u>892,309</u>	<u>1,146,417</u>

4.1 These carry mark-up at the rates ranging from 3.75% to 10.90% (June 30, 2018: 4.00% to 6.61%) per annum and include a balance of Rs.1.270 (June 30, 2018: Rs.5.628) million held with United Bank Limited (a related party).

5. INVESTMENTS

At Fair Value Through Profit or Loss

- Government securities - Market treasury bills	5.1	-	-
- Government securities - Pakistan Investment Bonds	5.2	98,430	-
- Debt securities - Term Finance Certificates / Sukuks	5.3	172,789	160,828
- Quoted equity securities	5.4	715,039	338,481
- Quoted equity securities (spread transactions)	5.5	10,823	16,990
-Fair value of derivative		-	1,671
		<u>997,081</u>	<u>517,970</u>

At Fair Value Through Other Comprehensive Income

- Quoted equity securities	-	501,375
	<u>997,081</u>	<u>1,019,345</u>

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

Particulars	Note	As at July 01, 2018	Purchased during the period	Disposed / matured during the period	As at December 31, 2018	Balance as at December 31, 2018			Market value as a percentage of net assets	Market value as a percentage of total investments
						Carrying value	Market value	Appreciation / (Diminution)		
----- Number of certificates -----						----- (Rupees in '000) -----			----- % -----	
Market treasury bills - 3 months		-	17,750	(17,750)	-	-	-	-	-	-
December 31, 2018						-	-	-	-	-
June 30, 2018						-	-	-		

5.2 Government securities - Pakistan Investment Bonds 'at fair value through profit or loss'
(certificates having a nominal value of Rs.100 each)

Particulars	Note	As at July 01, 2018	Purchased during the year	Disposed / matured during the year	As at December 31, 2018	Balance as at December 31, 2018			Market value as a percentage of net assets	Market value as a percentage of total investments
						Carrying value	Market value	(Diminution) / Appreciation		
----- Number of certificates -----						----- (Rupees in '000) -----			----- % -----	
Pakistan Investment Bonds - 3 years	5.2.1	-	1,000,000	-	1,000,000	99,522	98,430	(1,092)	5.21%	9.87%
December 31, 2018						99,522	98,430	(1,092)	5.21%	9.87%
June 30, 2018						-	-	-		

5.2.1 This Pakistan Investment Bonds carry interest at the rate ranging from 8.5526% per annum. These will mature latest by August 09, 2028.

5.3 Investment in debt securities - at fair value through profit or loss
(Term Finance Certificates of Rs.5,000 each)

Name of Security	Note	As at July 01, 2018 -----	Purchased during the period (Number of certificates)	Sold / matured during the period	As at December 31, 2018 -----	Carrying value as at December 31, 2018 -----	Market value as at December 31, 2018 (Rupees in '000)	Unrealised gain / (loss) -----	Percentage of total investments	Percentage of net assets
Unquoted										
Power generation and distribution										
Pakistan Water and Power Development Authority (WAPDA)	5.3.1 & 5.3.2	2,000	-	-	2,000	4,313	4,162	(151)	0.42%	0.22%
Food and energy										
Dawood Hercules Corporation Limited	5.3.1 & 5.3.2	40	-	-	40	4008	4,000	(8)	0.40%	0.21%
Investment and brokerage services										
Jahangir Siddiqui and Company Limited	5.3.1 & 5.3.2	30,000	-	-	30,000	151,789	149,627	(2,162)	15%	7.92%
Cement										
Javedan Corporation Limited		-	150	-	150	15,000	15,000	-	2%	0.79%
Total as at December 31, 2018		<u>32,040</u>	<u>150</u>	<u>-</u>	<u>32,190</u>	<u>175,110</u>	<u>172,789</u>	<u>(2,321)</u>		
Total as at June 30, 2018						<u>159,042</u>	<u>160,828</u>	<u>1,786</u>		

5.3.1 These carry profit rate from 9.39% to 10.76% (June 2018: from 6.92% to 7.23%).

5.3.2 Significant terms and conditions of term finance certificates outstanding as at December 31, 2018 are as follows:

Name of securities	Remaining principal (Rupees in '000)	Mark-up rate (per annum)	Issue date	Maturity date
Pakistan Water and Power Development Authority (WAPDA)	2,143	6 Months KIBOR +1%	27-Sep-13	27-Sep-21
Dawood Hercules Corporation Limited (November 17, 2017)	100,000	3 Months KIBOR +1%	17-Nov-17	16-Nov-22
Jahangir Siddiqui and Company (July 18, 2017)	5,000	6 Months KIBOR +1.4%	18-Jul-17	18-Jul-22
Javedan Corporation Limited	100,000	6 Months KIBOR +1%	16-Nov-17	16-Nov-22

5.4 Quoted equity securities - 'At Fair Value Through Profit or Loss'

Name of the investee company	Note	As at July 01, 2018	Reclassification to fair value through profit and loss (see note 3.2)	Purchased during the period	Bonus / Right issue during the period	Sold during the period	As at December 31, 2018	Cost / carrying value as at December 31, 2018	Market value as at December 31, 2018	Appreciation / (diminution)	Percentage of total investments	Percentage of net assets	Paid-up capital of investee company (with face value of investment)
(Number of shares)													
(Rupees in '000)													
(%)													
Unless stated otherwise, the holdings are in ordinary shares of Rs.10 each.													
Oil and gas exploration companies													
Mari Petroleum Company Limited		-	3,980	3,160	398	-	7,538	10,261	9,316	(945)	0.93%	0.49%	0.01%
Oil and Gas Development Company Limited		217,200	27,000	65,000	-	(84,000)	225,200	34,597	28,826	(5,771)	2.89%	1.53%	0.01%
Pakistan Petroleum Limited		157,500	20,000	16,500	26,625	(28,500)	192,125	35,508	28,753	(6,755)	2.88%	1.52%	0.01%
Pak Oil Fields Limited		-	92,550	18,800	18,510	(3,000)	126,860	69,829	53,893	(15,936)	5.41%	2.85%	0.04%
								150,195	120,788	(29,407)	12.11%	6.39%	0.07%
Oil and gas marketing companies													
Pakistan State Oil Company Limited	5.4.2	41,120	46,200	9,000	16,464	(58,500)	54,284	14,197	12,237	(1,960)	1.23%	0.65%	0.01%
Power generation and distribution													
Hub Power Company Limited		222,800	379,000	78,500	-	(39,000)	641,300	59,003	55,017	(3,986)	5.52%	2.91%	0.06%
Pakgen Power Limited		-	446,000	-	-	-	446,000	8,599	7,600	(999)	0.76%	0.40%	0.12%
Lalpir Power Limited		-	563,000	-	-	-	563,000	10,815	9,295	(1,520)	0.93%	0.49%	0.15%
Saif Power Limited		-	3,356,500	85,000	-	-	3,441,500	91,167	88,378	(2,789)	8.86%	4.68%	0.89%
								169,584	160,290	(9,294)	16.07%	8.48%	1.22%
Chemicals													
ICI Pakistan Limited		19,050	-	-	-	(11,700)	7,350	5,891	5,839	(52)	0.59%	0.31%	0.01%
Engro Polymer & Chemicals Limited		297,000	200,000	198,868	-	(198,500)	497,368	15,552	18,472	2,920	1.85%	0.98%	0.05%
								21,443	24,311	2,868	2.44%	1.29%	0.06%
Fertilizer													
Engro Corporation Limited		105,400	87,800	40,500	-	(82,800)	150,900	47,537	43,924	(3,613)	4.41%	2.33%	0.03%
Engro Fertilizers Limited	5.4.1	543,000	376,500	-	-	(550,000)	369,500	27,710	25,514	(2,196)	2.56%	1.35%	0.03%
Fauji Fertilizer Bin Qasim Limited		-	200,000	267,500	-	(78,000)	389,500	15,142	14,517	(625)	1.46%	0.77%	0.04%
Fauji Fertilizer Company Limited		-	87,000	171,000	-	(18,000)	240,000	23,828	22,284	(1,544)	2.23%	1.18%	0.02%
Dawood Hercules Corporation Limited		-	-	50,000	-	(50,000)	-	-	-	-	-	-	-
								114,217	106,239	(7,978)	10.66%	5.63%	0.12%
Cement													
Attock Cement Pakistan Limited		20,000	-	-	-	(20,000)	-	-	-	-	-	-	-
Cherat Cement Company Limited		148,000	118,000	3,800	-	(217,300)	52,500	5,057	3,657	(1,400)	0.37%	0.19%	0.03%
Kohat Cement Company Limited		79,000	148,900	50,000	69,870	(7,000)	340,770	32,165	28,945	(3,220)	2.90%	1.53%	0.17%
Pioneer Cement Limited		-	39,000	10,000	-	(35,000)	14,000	582	587	5	0.06%	0.03%	0.01%
D.G Khan Cement Company Limited		14,000	17,500	11,500	-	(43,000)	-	-	-	-	-	-	-
Lucky Cement Limited		-	-	40,500	-	(20,850)	19,650	8,745	8,541	(204)	0.86%	0.45%	0.01%
Fauji Cement Company Limited		-	15,000	-	-	(15,000)	-	-	-	-	-	-	-
								46,549	41,730	(4,819)	4.19%	2.20%	0.22%
Automobile parts and accessories													
Atlas Honda Limited		-	-	27,150	-	(27,150)	-	-	-	-	-	-	0.00%
Thal Limited		37,550	-	-	-	(19,000)	18,550	8,858	7,933	(925)	0.80%	0.42%	0.05%
								8,858	7,933	(925)	0.80%	0.42%	0.05%
Investment banks / investment companies / securities companies													
Pakistan Stock Exchange Limited		833	-	-	-	(833)	-	-	-	-	0.00%	0.00%	0.00%
								-	-	-	0.00%	0.00%	0.00%

Name of the investee company	Note	As at July 01, 2018	Reclassification to fair value through profit and loss (see note 3.2)	Purchased during the period	Bonus / Right issue during the period	Sold during the period	As at December 31, 2018	Cost / carrying value as at December 31, 2018	Market value as at December 31, 2018	Appreciation / (diminution)	Percentage of total investments	Percentage of net assets	Paid-up capital of investee company (with face value of investment)
				(Number of shares)			(Rupees in '000)			(%)			
Commercial banks													
Habib Bank Limited		22,600	265,400	181,000	-	-	469,000	71,276	56,491	(14,785)	5.67%	2.99%	0.03%
Allied Bank Limited		438,000	208,500	33,000	-	(199,000)	480,500	49,414	51,639	2,225	5.18%	2.73%	0.04%
Bank Alfalah Limited		160,000	535,000	-	69,500	-	764,500	36,342	31,031	(5,311)	3.11%	1.64%	0.04%
Faysal Bank Limited	5.4.2	1,150	-	-	-	(1,000)	150	4	4	-	0.00%	0.00%	0.00%
MCB Bank Limited		-	-	55,000	-	(55,000)	-	-	-	-	0.00%	0.00%	0.00%
United Bank Limited**	5.4.1	80,900	161,500	132,500	-	(76,100)	298,800	49,375	36,645	(12,730)	3.68%	1.94%	0.02%
National Bank of Pakistan		-	-	122,000	-	(122,000)	-	-	-	-	0.00%	0.00%	0.00%
								206,411	175,810	(30,601)	17.64%	9.30%	0.13%
Textile													
Nishat Mills Limited		600	-	147,000	-	(36,500)	111,100	14,975	14,057	(918)	1.41%	0.74%	0.03%
Gul Ahmed Textile Mills Limited		-	-	608,000	-	(115,000)	493,000	21,545	22,762	1,217	2.28%	1.21%	0.14%
								36,520	36,819	299	3.69%	1.95%	0.17%
Engineering													
Amreli Steels Limited		100	92,500	-	-	(92,500)	100	7	5	(2)	0.00%	0.00%	0.00%
International Industries limited		-	-	10,000	-	(10,000)	-	-	-	-	-	-	0.00%
Ittefaq Iron Industries Limited		227,896	-	-	-	(227,896)	-	-	-	-	0.00%	0.00%	0.00%
Aisha Steel Limited		900	400,000	-	-	(400,900)	-	-	-	-	0.00%	0.00%	0.00%
International Steels Limited		-	-	11,000	-	-	11,000	1,072	723	(349)	0.07%	0.04%	0.00%
								1,079	728	(351)	0.07%	0.04%	0.00%
Glass and ceramics													
Tariq Glass Industries Limited		127,800	-	-	-	(79,000)	48,800	5,229	4,255	(974)	0.43%	0.23%	0.07%
Insurance													
Adamjee Insurance Company Limited		-	423,500	126,500	-	-	550,000	25,987	23,111	(2,876)	2.32%	1.22%	0.16%
Pharmaceuticals													
The Searl Company Limited	5.4.2	6,622	-	-	318	(4,500)	2,440	720	599	(121)	0.06%	0.03%	0.00%
Highnoon Laboratories Limited	5.4.2	5,546	-	-	-	(5,000)	546	224	190	(34)	0.02%	0.01%	0.00%
								944	789	(155)	0.08%	0.04%	0.00%
Total equity securities 'At Fair Value Through Profit or Loss' as at December 31, 2018								801,213	715,039	(86,173)	58%	30%	
Total equity securities 'At Fair Value Through Profit or Loss' as at June 30, 2018								357,126	338,481	(18,645)			

** 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, 2018	
	(Number of shares)	(Rupees in '000)
Engro Fertilizer limited	300,000	20,715
United Bank Limited	50,000	6,132
	350,000	26,847

5.4.2 The Finance Act, 2015 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. Certain investee companies of the Fund, in pursuance of the aforesaid amendment, withheld shares equivalent to 5% of bonus entitlement of the Fund having fair market value of Rs.897,916 at December 31, 2018. Such shares have not been deposited by the investee company in CDC account in Income Tax department. The Fund has included the shares withheld in its investments and recorded them at fair market value at year end. Furthermore, the Finance Act 2018 has brought an amendment in the Income Tax Ordinance 2001, whereby the 5% withholding tax on bonus shares has been withdrawn. Therefore, the bonus shares received during the period ended 31 December 2018, are not liable to withholding of Income Tax.

5.5 Quoted equity securities - Spread transactions

Name of the investee company			As at July 01, 2018	Purchased during year	Sold during the year	As at December 31, 2018	Cost / carrying value	Market value	Appreciation / (diminution)	As percentage of total investments	As percentage of net assets	Market value as a percentage of paid-up capital of the investee	
(Number of shares)						(Rupees in '000)							(%)
Unless stated otherwise, the holdings are in ordinary shares of Rs.10 each.													
Refinery													
Attock Refinery Limited			-	16,000	(16,000)	-	-	-	-	-	-	-	
Cement													
D.G Khan Cement Company Limited			-	19,500	-	19,500	1,595	1,606	11	-	-	0.00%	
Fauji Cement Company Limited			-	40,000	(6,500)	33,500	693	698	5	-	-	0.00%	
Power Cement Limited		2,039,500	-	-	(2,039,500)	-	-	-	-	-	-	-	
Maple Leaf Cement Factory Limited			-	37,500	(37,500)	-	-	-	-	-	-	-	
Pioneer Cement Limited			-	28,500	-	28,500	1,206	1,207	1	-	-	0.01%	
							3,494	3,511	17	-	-	0.01%	
Fertilizer													
Engro Fertilizers Limited			-	61,500	(61,500)	-	-	-	-	-	-	-	
Engro Corporation Limited			-	5,000	(5,000)	-	-	-	-	-	-	-	
							-	-	-	-	-	-	
Food and personal care products													
Fauji Foods Limited			-	205,000	-	205,000	6,154	6,167	13	-	-	0.04%	
Engro Foods Limited			-	2,500	-	2,500	201	201	-	-	-	0.00%	
							6,355	6,368	13	-	-	0.04%	
Oil and gas exploration companies													
Oil and Gas Development Company Limited			-	4,500	(4,500)	-	-	-	-	-	-	-	
Pakistan Petroleum Limited			-	2,000	-	2,000	299	299	-	-	-	0.00%	
Sui Northern Gas Pipelines			-	12,000	(12,000)	-	-	-	-	-	-	-	
Sui Southern Gas Company Limited			-	28,000	-	28,000	642	645	3	-	-	0.00%	
							941	944	3	-	-	0.00%	
Commercial banks													
United Bank Limited			-	156,000	(156,000)	-	-	-	-	-	-	-	
Total equity securities as on December 31, 2018							10,790	10,823	33	0.00%	0.00%	0.05%	
Total equity securities as on June 30, 2018							-	-	-	-	-	-	

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 and 151 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the 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 150 and 151 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2019.

		(Un-audited) December 31, 2018	(Audited) June 30, 2018
	Note	---- (Rupees in '000) ----	
7. PAYABLE TO MANAGEMENT COMPANY			
Remuneration payable to the Management Company	7.1	1,742	1,854
Sales tax on management fee	7.2	227	241
Payable against allocated expenses		174	376
Selling and marketing		2,140	2,266
Sales load and other payable		80	601
		4,363	5,338

7.1 The Management Company has charged remuneration at the rate of 1% (June 30, 2018: 1%) of average annual net assets of the Funds. The remuneration is paid to the Management Company on monthly basis in arrears.

7.2 The Provincial Government of Sindh levied Sindh Sales Tax at the rate of 13% (June 30, 2018: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

		(Un-audited) December 31, 2018	(Audited) June 30, 2018
	Note	---- (Rupees in '000) ----	
8. ACCRUED EXPENSES AND OTHER PAYABLES			
Provision for Sindh Workers' Welfare Fund	8.1	10,804	10,804
Provision for indirect duties and taxes	8.2	6,977	6,977
Brokerage payable		291	591
Auditors' remuneration payable		334	341
Other payables		825	1,068
		<u>19,231</u>	<u>19,781</u>

8.1 The status of Sindh Workers' Welfare Fund (SWWF) is same as disclosed in annual financial statements for the year ended June 30, 2018. However, MUFAP has also taken a legal opinion that SWWF, if applicable, can only be applied from the date of enactment of SWWF Act, 2014, i.e. May 21, 2015. Accordingly, on January 12, 2017, MUFAP as an abundant caution, has recommended its members to provide for SWWF on daily basis with effect from May 21, 2015. Going forward, the efforts to exclude mutual funds from SWWF continue. Had the SWWF not been provided, the NAV per unit of the Fund would have been higher by Rs.0.76 (June 30, 2018: Rs.0.65).

8.2 This includes provision for federal excise duty (FED) as at December 31, 2018 amounting to Rs.6.272 million (June 30, 2018: Rs.6.272 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 16.2 to the annual audited financial statements for the year ended June 30, 2018. Had the provision not been provided for, the net assets value per unit would have been higher by Re.0.44 (June 30, 2018: Re.0.38).

9. CONTINGENCY AND COMMITMENT

As at December 31, 2018, there is no contingency and commitment.

10. 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 net accounting income available for distribution for the year derived from sources other than capital gains to the unitholders. Since the Fund has incurred a net loss during the period, no provision for taxation has been made in these interim financial statements.

11. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed financial information as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

12. TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by Securities and Exchange Commission of Pakistan the Total Expense Ratio of the Fund is 1.04% as on December 31, 2018 and this includes 0.13% representing Government Levy, Sindh Workers' Welfare Fund and SECP Fee.

13. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Pvt) Ltd. (Subsidiary of Management Company) Entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the fund, the directors and officer of the management company and unit holders holding more than 10% units of the Fund.

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 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)					
	(For the half year ended 31 December 2018) (Un-audited)					
Transactions during the period						
Mark-up on bank accounts	-	96	-	-	-	-
Bank charges	-	1	-	-	-	-
Dividend income	-	1,584	-	-	-	-
Units issued	-	-	-	-	500	-
Units redeemed	-	-	-	-	774	-
Purchase of securities	-	45,246	-	-	-	-
Sale of securities	-	35,880	-	-	-	-
Selling and marketing expense	4,394	-	-	-	-	-
Remuneration	10,986	-	1,811	-	-	-
CDC charges	-	-	49	-	-	-
Sales tax on management fee	1,428	-	-	-	-	-
Allocated expenses	1,099	-	-	-	-	-

	(For the half year ended 31 December 2017) (Un-audited)					
Transactions during the period						
Mark-up on bank accounts	-	162	-	-	-	-
Bank charges	-	11	-	-	-	-
Purchase of securities	-	20,437	-	-	-	-
Sale of securities	-	11,762	-	-	-	-
Dividend received	-	1,249	-	-	-	-
Selling and marketing expense	4,934	-	-	-	-	-
Remuneration	12,333	-	1,963	-	-	-
Settlement charges	-	-	78	-	-	-
Sales tax on management fee	1,603	-	-	-	-	-
Allocated expenses	1,233	-	-	-	-	-

	(As at 31 December 2018) (Un-audited)					
Balances held						
Units held (Number of units in '000)	-	-	-	-	54	-
Units held (Amount in '000)	-	-	-	-	7,179	-
Bank balances *	-	1,270	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable **	1,969	-	293	-	-	-
Sales load and other payable	80	42	-	-	-	-
Selling and marketing expense payable	2,140	-	-	-	-	-
Allocated expenses	174	-	-	-	-	-
Profit receivable	-	15	-	-	-	-
CDC charges payable	-	-	15	-	-	-
Investments	-	36,645	-	-	-	-

* These carry profit rate of 6.65% per annum.

** This balance is inclusive of Sindh Sales Tax payable

	(As at 30 June 2018) (Audited)					
Balances held						
Units held (Number of units in '000)	-	-	-	-	56	-
Units held (Amount in '000)	-	-	-	-	7,572	-
Bank balances *	-	5,628	-	-	-	-
Remuneration payable **	2,095	-	302	-	-	-
Sales load and other payable	601	604	-	-	-	-
Selling & Marketing Expense Payable	2,266	-	-	-	-	-
Allocated expenses	376	-	-	-	-	-
Profit receivable	-	22	-	-	-	-
Settlement charges payable	-	-	50	-	-	-
Investments	-	40,977	-	-	-	-

* These carry profit rate of 4% per annum.

** This balance is inclusive of Sindh Sales Tax payable

	Fair value		
	Level 1	Level 2	Level 3
<u>June 30, 2018 (Audited)</u>	<u>(Rupees)</u>		
Financial assets measured at fair value			
Investments in debt securities	-	160,828	-
Government securities	-	-	-
Quoted equity security	856,846	-	-
Derivative asset	1,671	-	-
	<u>858,517</u>	<u>160,828</u>	<u>-</u>

15. GENERAL

- 15.1** This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.
- 15.2** 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 except for note 3.2 disclosed in this condensed interim financial statement.

16. DATE OF AUTHORISATION FOR ISSUE

- 16.1** This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on February 27, 2019.

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

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

USF

UBL Stock Advantage Fund

INVESTMENT OBJECTIVE

USF is an open-end Equity Fund, investing primarily in equities listed on the KSE. The Fund seeks to maximize total returns and outperform its benchmark by investing in a combination of securities offering long term capital gains and dividend yield potential.

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	Deloitte- M. Yousuf Adil Saleem & Co.
Bankers	United Bank Limited Bank Alfalah Limited Habib Bank Limited MCB Bank Limited Samba Bank Limited Silk Bank Limited Sindh Bank Limited Soneri Bank Limited National Bank of Pakistan
Management Co. Rating	AM 1 (JCR-VIS)

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) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



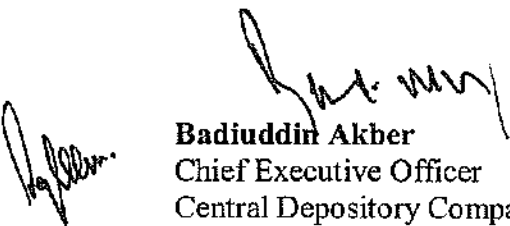
TRUSTEE REPORT TO THE UNIT HOLDERS

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, 2018 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 22, 2019

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

Introduction

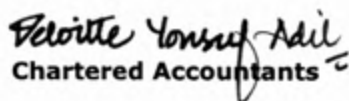
We have reviewed the accompanying condensed interim statement of assets and liabilities of **UBL STOCK ADVANTAGE FUND** (here-in-after referred to as the "Fund") as at December 31, 2018, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unitholders' funds, condensed interim statement of cash flows and notes to the accounts (here-in-after referred to as the 'condensed interim financial information') for the half year ended December 31, 2018. 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. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2018.

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 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 of and for the half year ended December 31, 2018 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.


Chartered Accountants

Engagement Partner:
Nadeem Yousuf Adil

Date: February 27, 2019
Place: Karachi

UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2018

		(Un-audited) December 31, 2018 ----- (Rupees in '000) -----	(Audited) June 30, 2018
	Note		
ASSETS			
Bank balances	4	513,436	581,965
Investments	5	5,864,672	6,413,217
Dividend and profit receivable		10,121	15,156
Security deposits, prepayments and other receivables		87,754	9,552
Advance tax	6	2,910	2,894
Total assets		6,478,893	7,022,784
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	7	21,009	22,147
Payable to Central Depository Company of Pakistan Limited - Trustee		735	761
Payable to Securities and Exchange Commission of Pakistan		3,470	6,565
Payable against purchase of investments		80,947	1,903
Accrued expenses and other liabilities	8	96,977	99,997
Total liabilities		203,138	131,373
Net Assets		6,275,755	6,891,411
Unitholders' Fund (As Per Statement Attached)		6,275,755	6,891,411
CONTINGENCIES AND COMMITMENTS			
	9		
		----- (Number of units) -----	
Number of Units in Issue		101,953,328	100,596,734
		----- (Rupees) -----	
Net Asset Value Per Unit		61.56	68.51
Face Value per Unit		100	100

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
 (Management Company)

SD
 Chief Executive Officer

SD
 Chief Financial Officer

SD
 Director

UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

		Half year ended		Quarter ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Note		(Rupees in '000)			
INCOME					
	Profit on bank deposits	23,306	26,933	8,528	12,598
	Loss on sale of securities - net	(45,798)	(269,558)	(62,539)	(190,089)
	Dividend income	181,788	168,783	96,696	106,567
	Unrealised loss on re-measurement of investments classified as financial assets at fair value through profit or loss - net	5.1 (763,743)	(867,656)	(624,384)	(136,423)
		(604,447)	(941,498)	(581,699)	(207,347)
EXPENSES					
	Remuneration of UBL Fund Managers Limited - Management Company	73,047	68,596	35,336	32,161
	Sindh sales tax on remuneration of Management Company	9,496	8,917	4,594	4,180
	Allocated expenses	3,653	3,430	1,768	1,608
	Selling and marketing expenses	14,610	13,719	7,068	6,432
	Remuneration of Central Depository Company of Pakistan Limited - Trustee	4,697	4,445	2,282	2,102
	Annual fee - Securities and Exchange Commission of Pakistan	3,470	3,258	1,679	1,527
	Listing and rating fee	14	14	7	7
	Auditors' remuneration	329	298	165	144
	Brokerage and settlement charges	7,841	5,657	3,370	2,034
	Legal and professional charges	82	197	38	43
	Printing expenses	10	17	10	17
	Bank charges	93	120	47	54
	Total expenses	117,342	108,668	56,364	50,309
	Net operating loss for the period	(721,789)	(1,050,166)	(638,063)	(257,656)
	Provision for Sindh Workers' Welfare Fund	8.2 -	-	-	-
	Net loss for the period before taxation	(721,789)	(1,050,166)	(638,063)	(257,656)
	Taxation	10 -	-	-	-
	Net loss for the period after taxation	(721,789)	(1,050,166)	(638,063)	(257,656)
	Allocation of net income for the period				
	- Net loss for the period after taxation	-	-	-	-
	- Income already paid on units redeemed	-	-	-	-
		-	-	-	-
	Accounting income available for distribution :				
	- Relating to capital gains	-	-	-	-
	- Excluding capital gains	-	-	-	-
		-	-	-	-
	Earnings per unit				

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended		Quarter ended	
	December 31,	December 31,	December 31,	December 31,
	2018	2017	2018	2017
	----- (Rupees in '000) -----			
Net loss for the period after taxation	(721,789)	(1,050,166)	(638,063)	(257,639)
Other comprehensive income:				
<i>Items that may be reclassified subsequently to income statement</i>				
- Unrealized gain on re-measurement of investments classified as 'available for sale - net'	-	21,548	-	11,813
<i>Items that will not be reclassified subsequently to income statement</i>	-	-	-	-
Total comprehensive income for the period	(721,789)	(1,028,618)	(638,063)	(245,826)

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

		Half year ended				
		December 31, 2018			December 31, 2017	
	Note	Capital value	Undistributed income	Unrealised gain / (loss) on re-measurement of investments classified as 'available for sale' - net	Total	Total
(Rupees. in '000)						
Net assets at beginning of the period		5,606,324	1,310,740	(25,653)	6,891,411	7,871,923
Transfer of unrealised diminution of investment classified as available for sale - net to undistributed income upon adoption of IFRS 9	3.2	-	(25,653)	25,653	-	-
Amount received on issuance of 37,025,064 units (2017: 40,593,121 units)						
- Capital value		2,536,587	-	-	2,536,587	3,094,414
- Element of loss		(43,724)	-	-	(43,724)	(215,082)
Total amount received on issuance of units		2,492,863	-	-	2,492,863	2,879,332
Amount paid on redemption of 35,668,470 units (2017: 44,842,244 units)						
- Capital value		(2,443,647)	-	-	(2,443,647)	(3,418,324)
- Element of income		56,917	-	-	56,917	276,669
Total amount paid on redemption of units		(2,386,730)	-	-	(2,386,730)	(3,141,655)
Total comprehensive loss for the period		-	(721,789)	-	(721,789)	(1,028,618)
Distribution during the period Rs. Nil per unit (2017: Rs. Nil)		-	-	-	-	-
Net loss for the period less distribution		-	(721,789)	-	(721,789)	(1,028,618)
Net assets at end of the period		5,712,457	563,298	-	6,275,755	6,580,982
Undistributed income brought forward comprising of:						
- Realised		-	1,721,841	-	1,721,841	1,656,899
- Unrealised		-	(411,101)	(25,653)	(436,754)	480,654
Undistributed income brought forward - Net		-	1,310,740	(25,653)	1,285,087	2,137,553
Accounting income available for distribution						
- Related to capital gain		-	-	-	-	-
- Excluding capital gain		-	-	-	-	-
Net loss for the period after taxation		-	(721,789)	-	(721,789)	(1,050,166)
Transfer of unrealised diminution of investment classified as available for sale - net to undistributed income upon adoption of IFRS 9	3.2	-	(25,653)	25,653	-	-
Distribution during the period Rs. Nil per unit (2017: Rs. Nil)		-	-	-	-	-
Undistributed income carried forward - net		-	563,298	-	563,298	1,087,387
Undistributed income carried forward comprising of:						
- Realised		-	1,327,041	-	1,327,041	1,955,043
- Unrealised		-	(763,743)	-	(763,743)	(867,656)
		-	563,298	-	563,298	1,087,387
(Rupees)						
Net assets value per unit at the beginning of the period					68.51	76.23
Net assets value per unit at the end of the period					61.56	66.47

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL STOCK ADVANTAGE FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

Note	Half year ended	
	December 31, 2018	December 31, 2017
	----- (Rupees in '000) -----	
	(721,789)	(1,050,166)
5.1	(23,306)	(26,933)
	45,798	269,558
	(181,788)	(168,783)
	763,743	867,656
	604,447	941,498
	(117,342)	(108,668)
	(260,996)	191,834
	(78,202)	6,327
	(339,198)	198,161
	(1,138)	(6,444)
(26)	(127)	
(3,095)	(2,918)	
79,044	20,185	
(3,020)	(39,690)	
71,765	(28,994)	
(384,775)	60,499	
23,173	25,365	
186,956	153,524	
(16)	-	
(174,662)	239,388	
2,492,863	2,879,332	
(2,386,730)	(3,141,655)	
106,133	(262,323)	
(68,529)	(22,935)	
581,965	1,025,087	
513,436	1,002,152	

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
 (Management Company)

SD
 Chief Executive Officer

SD
 Chief Financial Officer

SD
 Director

UBL STOCK ADVANTAGE FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Stock Advantage Fund (the Fund) was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on June 5, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 27, 2006 in accordance with the requirements of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from August 04, 2006.

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

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

The investment objective of the fund is to provide investors long-term capital appreciation by investing primarily in a mix of equities that offer capital gain 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.

JCR-VIS Credit Rating Company Limited has reaffirmed management quality rating of AM1 (stable outlook) to the Management Company as on December 27, 2018.

Title to the assets of the Fund are 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 as applicable in Pakistan for interim financial reporting comprise of:

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

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

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

The comparative statement of asset 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, 2018, whereas the comparative 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 unaudited condensed interim financial information for the period ended December 31, 2017.

In compliance with Schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at December 31, 2018.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

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

3.1 The accounting policies applied for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual published audited financial statements of the Fund for the year ended June 30, 2018, except as disclosed in paragraph 3.2.

3.2 Impact of initial application of IFRS 9 Financial Instruments

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

Additionally, the Fund adopted consequential amendments to IFRS 7 Financial Instruments: Disclosures that are applied to the disclosures for the half year ended December 31, 2018.

IFRS 9 introduced new requirements for:

- The classification and measurement of financial assets and financial liabilities;
- Impairment of financial assets; and
- General hedge accounting

Classification and measurement of financial assets and financial liabilities

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

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

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

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

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

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

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

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

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

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

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

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

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9	Effect on July 01, 2018 on Retained Earnings
	Note				------(Rupees in '000')-----	
Financial assets						
Investments - equity securities	(a)	HFT/AFS	FVTPL	6,413,217	6,413,217	-
Bank balances	(b)	AC	AC	581,965	581,965	-
Dividend and profit receivable	(b)	LR	AC	15,156	15,156	-
Deposits and other receivables	(b)	LR	AC	9,552	9,552	-

- "LR" is loans and receivables
- "AC" is ammortised cost
- "AFS" is available for sale
- "HFT" is held for trading
- "FVTPL" is fair value through profit or loss

(a) Equity securities previously classified as financial assets at fair value through profit or loss - held for trading and financial assets at fair value through other comprehensive income - available for sale have now been classified under Fair value through profit and loss with all changes in fair value recognised in income statement.

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

Impairment of financial assets

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

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

Transition

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

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

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

		(Unaudited) December 31, 2018	(Audited) June 30, 2018
	Note	-----Rupees in '000-----	
4. BANK BALANCES			
- Profit and loss sharing accounts	4.1	513,335	581,871
- Current account		101	94
		<u>513,436</u>	<u>581,965</u>

- 4.1** Profit rates on these profit and loss sharing accounts range between 3.75% to 10.10% per annum (June 30, 2018: 3.75% to 7.4% per annum).

		(Unaudited) December 31, 2018	(Audited) June 30, 2018
	Note	-----Rupees in '000-----	
5. INVESTMENTS			
Equity Securities			
At fair value through profit or loss			
- equity securities	5.1	5,864,672	2,909,511
- letter of rights		-	12,156
Available for sale			
- equity securities	3.2 & 5.2	-	3,491,550
		<u>5,864,672</u>	<u>6,413,217</u>

5.1 Equity securities - At fair value through profit and loss

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

Name of Investee Company	As at July 1, 2018	Purchased / bonus received during the period	Sold during the period	As at December 31, 2018	Total carrying value as at December 31, 2018	Total market value as at December 31, 2018	Appreciation / (diminution) as at December 31, 2018	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											
Attock Petroleum Limited		80,300	130	79,650	780	383	337	(46)	0.01	0.00	
Sui Northern Gas Pipe Line Company		66,300	104,000	170,300	-	-	-	-	0.00	0.00	
Pakistan State Oil Company Limited	5.5	226,940	628,128	493,653	361,415	94,140	81,474	(12,666)	1.30	0.01	
						94,524	81,810	(12,712)	1.30	0.01	
OIL AND GAS EXPLORATION COMPANIES											
Oil & Gas Development Company Limited	1,082,900	1,768,120	282,868	2,568,152	397,900	328,723	(69,177)	5.24	0.06	0.06	
Pakistan Petroleum Limited	736,500	1,290,635	222,518	1,804,617	333,436	270,079	(63,357)	4.30	0.05	0.08	
Pakistan Oilfields Limited	4,400	556,080	6,532	553,948	297,799	235,328	(62,471)	3.75	0.04	0.20	
Mari Petroleum Company Limited	210,710	118,386	4,884	324,212	442,306	400,681	(41,625)	6.38	0.07	0.27	
					1,471,441	1,234,811	(236,630)	19.68	0.21		
INV.BANK/INV.COS/SECURITIES COS											
Pakistan Stock Exchange Limited	143	-	143	-	-	-	-	0.00	0.00	0.00	
					-	-	-	0.00	0.00		
FERTILIZER											
Engro Corporation Limited	5.4	768,800	1,012,800	421,358	1,360,242	424,444	395,939	(28,505)	6.31	0.07	0.26
Engro Fertilizers Limited		1,951,500	694,119	409,318	2,236,301	169,087	154,417	(14,671)	2.46	0.03	0.17
Fauji Fertilizer Company Limited		700	1,557,500	89,791	1,468,409	144,677	136,342	(8,335)	2.17	0.02	0.12
Fauji Fertilizer Bin Qasim Limited		-	3,795,500	341,076	3,454,424	133,820	128,746	(5,074)	2.05	0.02	0.37
						872,028	815,444	(56,584)	12.99	0.14	
CHEMICALS											
I.C.I Pakistan Limited		112,850	14,889	111,969	15,770	12,201	12,527	326	0.20	0.00	0.02
Engro Polymer & Chemicals Limited		1,870,000	3,798,173	1,375,275	4,292,898	133,573	159,438	25,865	2.54	0.03	0.47
Engro Polymer and Chemicals Limited (Right 1)		1,378,251	250,000	1,628,251	-	-	-	-	0.00	0.00	0.00
Lotte Chemical Pakistan Limited		-	1,490,500	1,251,500	239,000	2,887	4,037	1,149	0.06	0.00	0.02
						148,662	176,002	27,341	2.80	0.03	
CEMENT											
Cherat Cement Company Limited		507,100	459,500	927,145	39,455	3,660	2,748	(912)	0.04	0.00	0.02
D.G. Khan Cement Company Limited		11,400	1,100,200	1,111,600	-	-	-	-	0.00	0.00	0.00
Attock Cement Pakistan Limited		-	204,600	204,600	-	-	-	-	0.00	0.00	0.00
Maple Leaf Cement Factory		-	5,000	-	5,000	248	203	(44)	0.00	0.00	0.00
Fauji Cement Company Limited		-	5,000	5,000	-	-	-	-	0.00	0.00	0.00
Kohat Cement Company Limited		826,900	1,744,900	84,090	2,487,710	233,710	211,306	(22,404)	3.37	0.04	1.24
Lucky Cement Limited	5.4	276,100	346,456	219,158	403,398	194,861	175,345	(19,516)	2.79	0.03	0.12
Pioneer Cement Limited		7,700	452,500	460,200	-	-	-	-	0.00	0.00	0.00
						432,479	389,602	(42,876)	6.21	0.07	
AUTOMOBILE ASSEMBLER											
Honda Atlas Cars (Pakistan) Limited		204,250	72,000	153,864	122,386	37,596	21,606	(15,990)	0.34	0.00	0.09
Millat Tractors Limited		16,010	5,120	21,130	-	-	-	-	0.00	0.00	0.00
Pak Suzuki Motor Company Limited		4,400	67,500	71,900	-	-	-	-	0.00	0.00	0.00
						37,596	21,606	(15,990)	0.34	0.00	
PAPER AND BOARD											
Century Paper and Board Mills		875,200	605,083	440,211	1,040,072	66,271	57,526	(8,744)	0.92	0.01	0.71
Cherat Packaging limited		545	73	618	-	-	-	-	0.00	0.00	0.00
						66,271	57,526	(8,744)	0.92	0.01	
INSURANCE											
Adamjee Insurance Company Limited	-	4,834,500	55,985	4778515		222,783	200,793	(21,990)	3.20	0.03	1.37
						222,783	200,793	(21,990)	3.20	0.03	
COMMERICAL BANKS											
Bank Alfalah Limited		1,925,000	6,107,200	116,611	7,915,589	376,425	321,294	(55,131)	5.12	0.05	0.45
Habib Bank Limited		354,600	3,825,100	321,901	3,857,799	608,848	464,672	(144,176)	7.40	0.08	0.26
National Bank Of Pakistan		-	1,696,000	1,695,674	326	17	14	(3)	0.00	0.00	0.00
MCB Bank Limited		900	663,100	439,814	224,186	43,737	43,396	(341)	0.69	0.01	0.02
United Bank Limited		550,000	3,617,200	623,309	3,543,891	563,349	434,623	(128,726)	6.93	0.07	0.29
Faysal Bank Limited	5.5	3,197,400	2,425,550	5,578,586	44,364	1,153	1,068	(86)	0.02	0.00	0.00
Allied Bank Limited		1,759,400	2,266,500	56,174	3,969,726	410,110	426,626	16,516	6.80	0.07	0.35
Meezan Bank Limited		-	146,323	146,323	-	-	-	-	0.00	0.00	0.00
						2,003,638	1,691,692	(311,947)	26.96	0.29	
TEXTILE COMPOSITE											
Nishat Mills Limited		966,900	450,021	326,990	1,089,931	153,371	137,909	(15,462)	2.20	0.02	0.31
Gul Ahmed Textile Mills Limited		-	3,846,000	776,879	3,069,121	133,629	141,701	8,073	2.26	0.02	0.86
Kohinoor Textile Mills Limited	5.5	4,275	250,000	3,636	250,639	12,799	11,299	(1,501)	0.18	0.00	0.08
						299,800	290,909	(8,890)	4.64	0.05	
POWER GENERATION AND DISTRIBUTION											
The Hub Power Company Limited	5.4	1,894,300	3,105,589	404,080	4,595,809	424,132	394,274	(29,858)	6.28	0.07	0.40
Saif Power Limited		-	1,552,500	22,184	1,530,316	40,509	39,299	(1,211)	0.63	0.01	0.40
Lalpur Power limited		-	1,463,000	21,357	1,441,643	27,694	23,802	(3,892)	0.38	0.00	0.38
PakGen Power Limited		-	1,821,000	25,165	1,795,835	34,464	30,601	(3,863)	0.49	0.01	0.48
K-Electric Limited (Face value of Rs. 3.5 per share)		-	14,610,000	8,478,953	6,131,047	35,043	36,418	1,375	0.58	0.01	0.02
						561,842	524,394	(37,449)	8.36	0.09	
AUTOMOBILE PARTS AND ACCESSORIES											
Thal Limited (Face Value Rs. 5 per share)		269,300	67,284	42,464	294,120	139,001	125,783	(13,218)	2.00	0.02	0.36
						139,001	125,783	(13,218)	2.00	0.02	
GLASS & CERAMICS											
Shabbir Tiles & Ceramics Limited (Face Value Rs. 5 per share)	-	44,000	44,000	-		-	-	-	0.00	0.00	0.00
						-	-	-	0.00	0.00	
ENGINEERING											
Amreli Steels Limited		16,500	826,100	842,543	57	4	3	(1)	0.00	0.00	0.00
International Steels Limited		388,500	929,162	696,742	620,920	62,081	40,838	(21,243)	0.65	0.01	0.14
Mughal Iron And Steel Industries Limited		2,500	-	2,500	-	-	-	-	0.00	0.00	0.00
Aisha Steel Mills Limited		-	271,900	271,900	-	-	-	-	0.00	0.00	0.00
Ittefaq Iron Industries Limited		466,000	215,000	681,000	-	-	-	-	0.00	0.00	0.00
International Industries Limited		100	150,000	100	150,000	21,660	23,108	1,448	0.37	0.00	0.13
						83,745	63,948	(19,797)	1.02	0.01	
FOOD AND PERSONAL CARE PRODUCTS											
Al Shaheer Corporation	5.5	1,892,225	921,743	35,050	2,778,918	76,521	66,500	(10,022)	1.06	0.01	1.96
						76,521	66,500	(10,022)	1.06	0.01	
PHARMACEUTICALS											
The Searle Company Limited	5.5	46,228	6,316	4,118	48,426	14,296	11,893	(2,403)	0.19	0.00	0.02
						14,296	11,893	(2,403)	0.19	0.00	
TECHNOLOGY & COMMUNICATION											
Systems Limited		926,500	338,500	246,000	1,019,000	103,789	111,958	8,169	1.78	0.02	0.91
						103,789	111,958	8,169	1.78	0.02	
Total December 31, 2018 (Un-audited)											
					6,628,416	5,864,672	(763,743)				
Total June 30, 2018 (Audited)											
					3,331,321	2,909,511	(421,810)				

5.2 Equity Securites - At available for sale

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

Name of Security	As at July 1, 2018	Purchased/ bonus received during the period	Transfer out during the period (Refer Note 3.2)	Sold during the period	As at December 31, 2018	Total carrying value as at December 31, 2018	Total market value as at December 31, 2018	Appreciation/ (diminution) as at December 31, 2018	Market value of investment as a percentage of net assets	Market value of investment as a percentage of total investment	Investment as a percentage of investees' paid up capital
	(Number of shares)					(Rupees '000)			%		
Quoted investments											
TEXTILE COMPOSITE											
Nishat Mills Limited	85,400	-	85,400	-	-	-	-	-	-	-	-
Gul Ahmed Textile Mills Limited	1,988,000	-	1,988,000	-	-	-	-	-	-	-	-
						-	-	-	-	-	-
OIL & GAS MARKETING COMPANIES											
Sui Northern Gas Pipelines Limited	104,000	-	104,000	-	-	-	-	-	-	-	-
Pakistan State Oil Company Limited	284,600	-	284,600	-	-	-	-	-	-	-	-
						-	-	-	-	-	-
OIL & GAS EXPLORATION COMPANIES											
Oil & Gas Development Co. Limited	1,301,300	-	1,301,300	-	-	-	-	-	-	-	-
Mari Petroleum Company Limited	29,660	-	29,660	-	-	-	-	-	-	-	-
Pakistan Petroleum Limited	733,100	-	733,100	-	-	-	-	-	-	-	-
Pakistan Oilfields Limited	319,150	-	319,150	-	-	-	-	-	-	-	-
						-	-	-	-	-	-
PAPER & BOARD											
Century Paper & Board Mills Limited	38,500	-	38,500	-	-	-	-	-	-	-	-
Cherat Packaging Limited	73	-	73	-	-	-	-	-	-	-	-
						-	-	-	-	-	-
FERTILIZER											
Engro Corporation Limited	598,300	-	598,300	-	-	-	-	-	-	-	-
Engro Fertilizers Limited	363,500	-	363,500	-	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited	953,500	-	953,500	-	-	-	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	2,273,000	-	2,273,000	-	-	-	-	-	-	-	-
						-	-	-	-	-	-
CEMENT											
Pioneer Cement Limited	134,500	-	134,500	-	-	-	-	-	-	-	-
Fauji Cement Co. Limited	5,000	-	5,000	-	-	-	-	-	-	-	-
Cherat Cement Company Limited	447,600	-	447,600	-	-	-	-	-	-	-	-
Lucky Cement Company Limited	41,350	-	41,350	-	-	-	-	-	-	-	-
Attock Cement Company Limited	204,600	-	204,600	-	-	-	-	-	-	-	-
Kohat Cement Company Limited	791,700	-	791,700	-	-	-	-	-	-	-	-
D.G.Khan Cement Co. Limited	443,600	-	443,600	-	-	-	-	-	-	-	-
						-	-	-	-	-	-
POWER GENERATION & DISTRIBUTION											
Hub Power Company Limited	1,883,000	-	1,883,000	-	-	-	-	-	-	-	-
Pakgen Power Limited	1,751,000	-	1,751,000	-	-	-	-	-	-	-	-
Lalpir Power Limited	1,463,000	-	1,463,000	-	-	-	-	-	-	-	-
Saif Power Limited	1,279,000	-	1,279,000	-	-	-	-	-	-	-	-
K Electric Limited*	12,324,000	-	12,324,000	-	-	-	-	-	-	-	-
						-	-	-	-	-	-
ENGINEERING											
Amreli Steels Limited	826,100	-	826,100	-	-	-	-	-	-	-	-
Aisha Steel Limited	271,900	-	271,900	-	-	-	-	-	-	-	-
Ittefaq Iron Industries Limited	215,000	-	215,000	-	-	-	-	-	-	-	-
International Steels Limited	649,600	-	649,600	-	-	-	-	-	-	-	-
						-	-	-	-	-	-
COMMERCIAL BANKS											
Allied Bank Limited	1,886,000	-	1,886,000	-	-	-	-	-	-	-	-
Habib Bank Limited	2,336,000	-	2,336,000	-	-	-	-	-	-	-	-
MCB Bank Limited	292,000	-	292,000	-	-	-	-	-	-	-	-
Bank Alfalah Limited	5,345,500	-	5,345,500	-	-	-	-	-	-	-	-
Faysal Bank Limited	2,425,550	-	2,425,550	-	-	-	-	-	-	-	-
United Bank Limited	1,793,300	-	1,793,300	-	-	-	-	-	-	-	-
						-	-	-	-	-	-
AUTOMOBILE PARTS & ACCESSORIES											
Thal Limited	29,500	-	29,500	-	-	-	-	-	-	-	-
						-	-	-	-	-	-
AUTOMOBILE ASSEMBLER											
Honda Atlas Cars (Pakistan) Limited	53,300	-	53,300	-	-	-	-	-	-	-	-
Millat Tractors Limited	5,120	-	5,120	-	-	-	-	-	-	-	-
						-	-	-	-	-	-
TECHNOLOGY & COMMUNICATION											
Systems Limited	283,500	-	283,500	-	-	-	-	-	-	-	-
						-	-	-	-	-	-
CHEMICAL											
Engro Polymer and Chemicals Limited	1,140,000	-	1,140,000	-	-	-	-	-	-	-	-
Lotte Chemical Pakistan Limited	240,500	-	240,500	-	-	-	-	-	-	-	-
I.C.I Pakistan Limited	400	-	400	-	-	-	-	-	-	-	-
						-	-	-	-	-	-
Total December 31, 2018 (Un-audited)						-	-	-			
Total June 30, 2018 (Audited)						3,576,651	3,491,550	(85,101)			

*All shares have nominal face value of Rs.10 each except for the shares of Thal limited, K Electric Limited which have a face value of Rs. 5 and Rs. 3.5 each respectively.

5.3 Government securities

Issue Date	Tenor	Face value				Market value as at December 31, 2018	Market Value as a percentage of	
		As at July 01, 2018	Purchased during the period	Sold / matured during the period	As at December 31, 2018		Net assets	Market value of total investments

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

Market treasury bills

11-Oct-2018	3 months	-	500,000	500,000	-	-
06-Dec-2018	3 months	-	250,000	250,000	-	-
		-	750,000	750,000	-	-

Carrying value before marked to market as at 31 December 2018

-

5.3.1 The effective yield on market treasury bills is 8.71% & 10.27% (30 June 2018: Nil) per annum.

5.4 The above equity securities include 1.654 million shares (June 30, 2018: 1.654 million shares) pledged with National Clearing Company of Pakistan Limited having market value of Rs.127.253 million (June 30, 2018: Rs. 139.031 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.

5.5 The Finance Act, 2014 brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by a shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honourable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The honourable Sindh High Court has granted stay order till the final outcome of the case. Certain investee companies of the Fund, in pursuance of aforesaid amendment, withheld shares equivalent to 5% of bonus announcement of the Fund having fair market value of Rs. 13.91 million (June 30, 2018: Rs. 16.6 million) at year end. Such shares have not been deposited by the investee companies in CDC account of income tax department. The Fund has included in its investments the withheld shares and recorded them at fair market value at period end. Through Finance Act, 2018, the tax on bonus shares is withdrawn.

6. ADVANCE TAX

The income of the Fund is exempt under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 (ITO 2001). Further, the fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding 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" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO 2001 from Commissioner Inland Revenue (CIR). During the financial year ended June 30, 2016, prior to receiving tax exemption certificate(s) from CIR various withholding agents had deducted advance tax under section 150, 150A and 151 of ITO 2001. The Management Company has filed refund application and is confident that the same shall be refunded.

Note	(Unaudited) December 31, 2018	(Audited) June 30, 2018
	-----Rupees in '000-----	
7. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY		
Management fee (including Sindh sales tax there against)	12,767	13,367
Sales load and conversion charges	592	311
Allocated expenses	565	1,204
Selling and marketing expense	7,068	7,248
Other payable	17	17
	21,009	22,147

7.1 Allocated expense

As per regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.

11. EARNINGS PER UNIT

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

12. TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by the SECP, the Total Expense Ratio of the Fund is 1.62% as on December 31, 2018 (June 30, 2018: 3.13%) and this includes 0.20% (June 30, 2018: 0.37%) representing Sindh Workers' Welfare Fund and SECP fee.

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

(Un-audited)				
December 31, 2018				
Fair Value				
ASSETS	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Investment in securities - financial assets at fair value through profit or loss				
- Equity securities	5,864,672	-	-	5,864,672

(Audited)				
June 30, 2018				
Fair Value				
ASSETS	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Investment in securities - financial assets at fair value through				
Held for trading				
- Equity securities	2,909,511	-	-	2,909,511
- Letter of rights	12,156	-	-	12,156
Available for sale				
- Equity securities	3,491,550	-	-	3,491,550
	6,413,217	-	-	6,413,217

13.1 The Fund has not disclosed the fair values for other financial assets and financial liabilities, as their estimated fair value is considered not significantly different from the carrying value as the items are short term in nature.

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

14. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 14.1** Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of the Management Company.
- 14.2** Transactions with connected persons are in the normal course of business, at agreed / contracted rates.
- 14.3** 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.
- 14.4** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.
- 14.5** Details of transactions with related parties / connected persons during the period and balances held with them at the half year ended December 31, 2018 are as follows:

Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives***	Other connected persons / related parties

----- Half Year ended December 31, 2018 -----

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

Transactions during the period

Units issued	317	-	-	-	43	11,096
Units redeemed	678	26	-	-	56	-

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

Profit on bank deposits	-	2,037	-	-	-	-
Bank charges	-	22	-	-	-	-
Value of units issued	20,000	-	-	-	2,804	750,000
Value of units redeemed	45,209	1,850	-	-	3,566	-
Purchase of securities	-	270,460	-	-	-	-
Sale of securities	-	94,694	-	-	-	-
Dividend received	-	14,641	-	-	-	-
Remuneration (including sales tax)	82,543	-	4,697	-	-	-
Allocation of expenses	3,653	-	-	-	-	-
CDS expenses	-	-	206	-	-	-
Selling and marketing expense	14,610	-	-	-	-	-

Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives***	Other connected persons / related parties

----- Half Year ended December 31, 2017 -----

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

Transactions during the period

Units issued	-	-	-	-	30	4,579
Units redeemed	-	-	-	-	15	4,311

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

Profit on bank deposits	-	1,917	-	-	-	-
Bank charges	-	46	-	-	-	-
Value of units issued	-	-	-	-	2,023	150,744
Value of units redeemed	-	-	-	-	1,030	26,414
Purchase of securities	-	165,526	-	-	-	-
Sale of securities	-	108,440	-	-	-	-
Dividend received	-	9,078	-	-	-	-
Remuneration expense (including sales tax)	77,513	-	4,445	-	-	-
Allocation of expenses	3,430	-	-	-	-	-
CDS expenses	-	-	374	-	-	-
Selling And Marketing Expense	13,719	-	-	-	-	-

Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives***	Other connected persons / related parties

As at December 31, 2018

(Units in '000)

Balances held

Units held	3,370	42	-	-	189	11,096

(Rupees in '000)

Units held	207,469	2,610	-	-	11,658	683,089
Bank balances	-	15,289	-	-	-	-
Deposits	-	-	100	-	-	-
Investments	-	434,623	-	-	-	-
Profit receivable	-	83	-	-	-	-
Remuneration payable	12,767	-	735	-	-	-
Sales load payable	529	23	-	-	-	-
Conversion charges payable	62	-	-	-	-	-
Allocated expenses payable	565	-	-	-	-	-
Selling and marketing expense payable	7,068	-	-	-	-	-
Other Payable	17	-	-	-	-	-

Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives***	Other connected persons / related parties

As at June 30, 2018

(Units in '000)

Balances held

Units held	3,732	69	-	-	220	7,633

(Rupees in '000)

Units held	256	5	-	-	15	523
Bank balances	-	51,764	-	-	-	-
Deposits	-	-	100	-	-	-
Investments	-	395,974	-	-	-	-
Profit receivable	-	472	-	-	-	-
Remuneration payable	13,367	-	761	-	-	-
Sales load and conversion charges payable	311	3	-	-	-	-
Allocated expenses payable	1,204	-	-	-	-	-
Selling and marketing expense payable	7,248	-	-	-	-	-
Other Payable	17	-	-	-	-	-

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

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

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

15. GENERAL

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

15.2 This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2018 have not been reviewed.

16. DATE OF AUTHORISATION FOR ISSUE

16.1 This condensed interim financial information was authorised for issue on February 27, 2019 by the Board of Directors of the Management Company.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

UDEF

UBL Dedicated Equity Fund

INVESTMENT OBJECTIVE

The investment objective of the Fund is to provide other 'Fund of Funds' schemes an avenue for investing in Equities.

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	Ernst & Young Ford Rhodes Chartered Accountants
Bankers	United Bank Limited JS Bank Limited Soneri Bank Limited
Management Co. Rating	AM1(JCR-VIS)

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) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

UBL DEDICATED EQUITY 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 Dedicated Equity 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, 2018 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 22, 2019

AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of UBL Dedicated Equity Fund (the Fund) as at 31 December 2018, the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flow, condensed interim statement movement in unit holders' fund and notes to the accounts for the six month period then ended (here-in-after referred to as "interim financial statements"). Management Company is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended 31 December 2018 and 31 December 2017 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 2018.

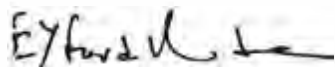
Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Statements 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 approved accounting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.



Chartered Accountants

Date: 27 February 2019

Karachi

UBL DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2018

		(Un-audited) December 31, 2018	(Audited) June 30, 2018
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	5	24,663	3,330
Investments	6	188,962	42,907
Dividend, mark-up and other receivable		402	95
Advance tax	7	42	29
Deposits and other receivables		2,509	2,500
Preliminary expenses and floatation costs	8	275	306
TOTAL ASSETS		216,853	49,167
LIABILITIES			
Payable to the Management Company	9	3,425	2,937
Payable to the Trustee		38	10
Payable against purchase of shares		2,352	-
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)		50	5
Accrued and other liabilities	12	817	405
TOTAL LIABILITIES		6,682	3,357
NET ASSETS		210,171	45,810
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		210,171	45,810
CONTINGENCIES AND COMMITMENTS			
	13		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		2,375,528	466,825
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		88.4734	98.1306

The annexed notes from 1 to 18 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL DEDICATED EQUITY FUND
CONDENSED INTERIM INCOME STATEMENT
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018 (UN-AUDITED)

	Half year ended December 31, 2018	Quarter ended December 31, 2018
Note	----- (Rupees in '000) -----	
INCOME		
Mark-up on bank account	411	342
Dividend income from investments classified as 'fair value through profit and loss'	2,164	1,561
Net unrealised loss on revaluation of investments classified as 'at fair value through profit or loss'	(10,979)	(10,954)
Net loss on sale of investments classified as 'fair value through profit and loss'	(795)	(172)
Total income	(9,199)	(9,223)
EXPENSES		
Remuneration of the Management Company	1,047	795
Sales tax on management fee	136	103
Allocated expenses by the Management Company	52	39
Selling and marketing expenses	209	159
Remuneration of the Trustee	104	79
Sales tax on remuneration of the Trustee	14	10
Annual fee to SECP	50	38
Amortization of preliminary expenses and floatation costs	31	16
Brokerage expenses	301	229
Auditors' remuneration	206	117
Custody and settlement charges	83	62
Bank charges and other expenses	119	57
Total expenses	2,352	1,705
Net operating loss for the period	(11,551)	(10,928)
Net loss for the period before taxation	(11,551)	(10,928)
Taxation	14	-
Net loss for the period after taxation	(11,551)	(10,928)
<i>Allocation of net income for the period:</i>		
Net income for the period after taxation	-	-
Income already paid on units redeemed *	-	-
<i>Accounting income available for distribution</i>		
- Relating to capital gains	-	-
- Excluding capital gains	-	-
Loss per unit	10	

The annexed notes from 1 to 18 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL DEDICATED EQUITY FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018 (UN-AUDITED)

	Half year ended December 31, 2018 ----- (Rupees in '000)	Quarter ended December 31, 2018 -----
Other comprehensive loss for the period:	(11,551)	(10,928)
To be reclassified to income statement in subsequent periods:		
Net unrealised diminution on re-measurement of investments classified as 'fair value'	-	-
Total comprehensive loss for the period	<u><u>(11,551)</u></u>	<u><u>(10,928)</u></u>

The annexed notes from 1 to 18 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL DEDICATED EQUITY FUND
STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UN-AUDITED)

	Half year ended December 31, 2018 <u>(Rupees in '000)</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Net income for the year before taxation	(11,551)
Adjustments for:	
Mark-up on bank account	(411)
Net unrealised loss on revaluation of investments classified as 'at fair value through profit or loss'	10,979
Dividend income from investments classified as 'at fair value through profit and loss'	(2,164)
Net loss on sale of investments classified as 'fair value through profit and loss'	795
Amortization of preliminary expenses and floatation costs	31
	9,230
Increase in assets	
Investments	(157,830)
Advance tax	(13)
Deposits and other receivable	(9)
	(157,852)
Increase in liabilities	
Payable to the Management Company	488
Payable to the Trustee	28
Annual fee payable to SECP	45
payable against purchase of investment	2,352
Accrued and other liabilities	413
	3,326
Mark-up and dividend received	2,268
Net cash used in operating activities	<u>(154,579)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Net receipt from issuance of units	258,549
Net payment against redemption of units	(82,637)
Net cash generated from financing activities	175,912
Net increase in cash and cash equivalents during the period	21,333
Cash and cash equivalents at beginning of the period	3,330
Cash and cash equivalents at end of the period	<u><u>24,663</u></u>
CASH AND CASH EQUIVALENTS	
Bank balances	<u><u>24,663</u></u>

The annexed notes from 1 to 18 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL DEDICATED EQUITY FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UN-AUDITED)

For the half year ended December 31, 2018				
	Capital value	Undistributed Income	Unrealised appreciation on investments classified as 'available for sale' - net	Total
	(Rupees in '000)			
Net assets at beginning of the period	46,598	-	(788)	45,810
Effect of change in accounting policy (see note 4.2)	-	(788)	788	-
Amount received on issuance of 2,782,374 units				
Capital value	273,036	-	-	273,036
Element of income during the period;				
- Relating to net income for the period after taxation	(14,487)	-	-	(14,487)
	258,549	-	-	258,549
Amount paid on redemption of 873,671 units				
Capital value	(85,734)	-	-	(85,734)
Element of income during the period;				
- Relating to income earned	3,097	-	-	3,097
	(82,637)	-	-	(82,637)
Total comprehensive (loss) / income for the period	-	(11,551)	-	(11,551)
Distribution during the period	-	-	-	-
Net (loss) / income for the period less distribution	-	(11,551)	-	(11,551)
Net assets at end of the period	222,510	(12,339)	-	210,171
Undistributed income brought forward:				
- Realised	-	-	-	-
- Unrealised	-	-	-	-
	-	-	-	-
Effect of change in accounting policy (see note 4.2)	-	(788)		(788)
Accounting income available for distribution:				
- Relating to capital gains	-	-	-	-
- Excluding capital gains	-	-	-	-
	-	-	-	-
Net loss for the period after taxation	-	(11,551)	-	(11,551)
Distribution during the period	-	-	-	-
Undistributed loss carried forward	-	(12,339)	-	(12,339)
Undistributed loss carried forward				
- Realised	-	(1,360)	-	(1,360)
- Unrealised	-	(10,979)	-	(10,979)
	-	(12,339)	-	(12,339)
				-- (Rupees) --
Net assets value per unit at beginning of the period				98.1306
Net assets value per unit at end of the period				88.4734

The annexed notes from 1 to 18 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

UBL DEDICATED EQUITY FUND
NOTES TO THE FINANCIAL INFORMATION
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018 (UN-AUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Dedicated Equity Fund, was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on April 10, 2018 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 02, 2018 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from May 29, 2018.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.3 The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for subscription on a continuous basis to the public. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.
- 1.4 The investment objective of the fund is to provide other 'Fund-of-Funds' schemes an avenue for investing in Equities.
- 1.5 JCR - VIS Credit Rating Company has reaffirmed management quality rating of AM1 on December 27, 2018.
- 1.6 As per the Offering Document approved by the SECP, the accounting period, in case of the first such period, shall commence from the date on which the trust property is first paid or transferred to the Trustee. Accordingly, the first financial statements were prepared from May 28, 2018 to June 30, 2018. Therefore no comparative figures are available for condensed interim income statement, condensed interim statement of comprehensive income and
- 1.7 Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as Trustee of the Fund.

2. STATEMENT OF COMPLIANCE

- 2.1 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Such standards comprise of:
 - International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
 - 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, Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of 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.

3. BASIS OF PREPARATION

- 3.1 This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.
- 3.2 Items included in the condensed interim financial information are measured using the currency of the primary economic environment in which the Fund operates. This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.

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

- 4.1** The accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2018 except as disclosed in note 4.2.

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.

- 4.2** IFRS 9 'Financial Instruments' was issued on July 24, 2017. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective for accounting periods beginning on or after July 01, 2018. A number of other new standards are effective from July 01, 2018 but they do not have a material effect on the Fund's financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

Classification and measurement of financial assets and financial liabilities

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

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 did not have a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below:

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

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

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

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

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

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

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

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

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

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Fund's financial assets as at July 01, 2018.

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	Revised carrying amount under IFRS 9
Note				(Rupees in '000)	
Equity securities	(a)	Available for sale	FVTPL	42,803	42,803
Right shares	(b)	Held for Trading	FVTPL	104	104
Bank balances	(c)	Loans and receivables	Amortised cost	3,330	3,330
Deposits and other receivables	(c)	Loans and receivables	Amortised cost	2,500	2,500
Dividend, mark-up and other receivable	(c)	Loans and receivables	Amortised cost	95	95

(a) These financial assets classified as 'Held for trading' have been classified as fair value through profit and loss (FVTPL)

(b) The Fund has not made an irrevocable election upon adoption of IFRS 9 to present in other comprehensive income subsequent changes in the fair value of investments in equity instruments under IFRS 9 and accordingly all investments in equity instruments have been classified as fair value through profit or loss (FVTPL).

(c) These financial assets classified as 'loans and receivables' have been classified as amortised cost.

Impairment of financial assets

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

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds.

Transition

The Fund has used the exemption not to restate comparative periods as allowed under IFRS 9 and the differences, if any, in the carrying amounts of financial assets resulting from the adoption of IFRS 9 are recognised in opening retained earnings as at July 01, 2018. Accordingly, the comparative information does not reflect the requirements of IFRS 9, but rather those of IAS 39.

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

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

4.3 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current period:

IFRS 9 - Financial Instruments
 IFRS 15 - Revenue from contracts with customers (Amendments)
 IFRS 2 - Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)
 IFRS 4 - Insurance Contracts - Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments)
 IAS 40 - Investment Property: Transfers of Investment Property (Amendments)

The adoption of the above amendments to accounting standards and interpretations did not have any effect on the condensed interim financial statements other than IFRS 9, the impact of which has been disclosed in note 4.2.

		(Un-audited) December 31, 2018	(Audited) June 30, 2018
	Note	----- (Rupees in '000) -----	
5. BANK BALANCES			
Bank account - saving account	5.1	<u>24,663</u>	<u>3,330</u>
5.1 These carry mark-up at the rates ranging from 3.75% to 11% (June 2018: 3.75%) per annum and include a balance of Rs.24.65 (June 2018: Rs.3.33) million held with United Bank Limited (a related party).			
6. INVESTMENTS			
Investments by Category			
At fair value through profit or loss			
- Equity securities - listed	6.1	188,962	-
- Right shares		-	104
Other comprehensive income			
- Equity securities - listed		-	42,803
		<u>188,962</u>	<u>42,907</u>

6.1 Equity securities classified as 'Fair value classified through Profit and loss'

Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise

Name of Investee Company	Note	Number of shares					Balance as at December 31, 2018			Market value as a % of net assets	Market value as a % of total investments	Par value as percentage of total paid up capital of the investee company
		As at July 01, 2018	Reclassification from OCI	Purchased during the period	Sold during the period	As at December 31, 2018	Carrying value	Market value	(Diminution) / appreciation			
----- (Rupees in '000) -----												
Cement												
D.G. Khan Cement Company Limited	-		3,000	2,400	5,400	-	-	-	-	0.00%	0.00%	0.00%
Kohat Cement Company Limited	-		16,000	48,440	2,500	61,940	5,445	5,261	(184)	2.50%	2.78%	0.03%
Lucky Cement Company Limited	-		2,100	18,408	4,600	15,908	7,131	6,915	(216)	3.29%	3.66%	0.01%
Pioneer Cement Limited	-		9,000	-	9,000	-	-	-	-	0.00%	0.00%	0.00%
Cherat Cement Company limited	-		-	845	-	845	48	59	11	0.03%	0.03%	0.00%
							12,624	12,235	(389)	5.82%	6.47%	0.04%
Oil and gas exploration companies												
Mari Petroleum Company Limited	-		2,500	9,418	720	11,198	15,612	13,839	(1,773)	6.58%	7.32%	0.01%
Oil & Gas Development Company Limited	6.1.1		14,400	55,168	8,200	61,368	9,125	7,855	(1,270)	3.74%	4.16%	0.00%
Pakistan Oilfields Limited	-		-	19,252	500	18,752	9,386	7,966	(1,420)	3.79%	4.22%	0.01%
Pakistan Petroleum Limited	-		12,900	65,063	16,200	61,763	10,479	9,243	(1,236)	4.40%	4.89%	0.00%
							44,602	38,904	(5,699)	18.51%	20.59%	0.02%
Oil and gas marketing companies												
Pakistan State Oil Company Limited	-		2,900	17,153	2,900	17,153	4,000	3,867	(133)	1.84%	2.05%	0.00%
							4,000	3,867	(133)	1.84%	2.05%	0.00%
Food and personal care products												
Al Shaheer Corporation Limited	-		20,000	40,050		60,050	1,523	1,437	(86)	0.68%	0.76%	0.04%
							1,523	1,437	(86)	0.68%	0.76%	0.04%
Fertilizer												
Engro Fertilizers Limited	6.1.1	-	21,500	48,818	15,000	55,318	4,216	3,820	(396)	1.82%	2.02%	0.00%
Engro Corporation Limited	-		10,600	40,658	13,500	37,758	11,367	10,991	(376)	5.23%	5.82%	0.01%
Fauji Fertilizer Company Limited	-		4,500	64,791	4,500	64,791	5,864	6,016	152	2.86%	3.18%	0.00%
Fauji Fertilizer Bin Qasim Limited	-		12,500	89,576	12,500	89,576	3,089	3,338	249	1.59%	1.77%	0.01%
							24,536	24,165	(371)	11.50%	12.79%	0.02%
Chemicals												
Engro Polymer & Chemicals Limited	-		20,000	98,613	9,000	109,613	3,503	4,071	568	1.94%	2.15%	0.01%
I. C. I. Pakistan Ltd	-		-	1,069	-	1,069	663	849	186	0.40%	0.45%	0.00%
Lotte Chemical Pakistan Limited	-		-	21,000	10,000	11,000	129	186	57	0.09%	0.10%	0.00%
Sitara Chemical Industries Limited	-		-	12,100	-	12,100	4,068	3,630	(438)	1.73%	1.92%	0.06%
							8,363	8,736	373	4.16%	4.62%	0.07%
Technology and communication												
Systems Limited	-		10,000	500		10,500	1,070	1,154	84	0.55%	0.61%	0.01%
							1,070	1,154	84	0.55%	0.61%	0.01%
Automobile parts and accessories												
Thal Limited *	-		600	4,014	600	4,014	1,657	1,717	60	0.82%	0.91%	0.00%
							1,657	1,717	60	0.82%	0.91%	0.00%
Leather and Tanneries												
Service Industries Limited	-		-	3,850	-	3,850	2,825	2,792	(33)	1.33%	1.48%	0.00%
							2,825	2,792	(33)	1.33%	1.48%	0.00%
Automobile assembler												
Honda Atlas Cars (Pakistan) Limited	-		-	6,164	500	5,664	1,141	1,000	(141)	0.48%	0.53%	0.00%
							1,141	1,000	(141)	0.48%	0.53%	0.00%
Engineering												
Aisha Steel Limited	-		21,000	-	21,000	-	-	-	-	0.00%	0.00%	0.00%
International Steels Limited	-		7,000	27,442	13,500	20,942	1,735	1,377	(358)	0.66%	0.73%	0.00%
International Industries Limited	-		-	11,300	1,000	10,300	1,812	1,587	(225)	0.75%	0.84%	0.01%
							3,547	2,964	(583)	1.41%	1.57%	0.01%

Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise

Name of Investee Company	Note	As at July 01, 2018	Number of shares				Balance as at December 31, 2018			Market value as a % of net assets	Market value as a % of total investments	Par Value as percentage of total paid up capital of the investee company
			Reclassification from OCI	Purchased during the period	Sold during the period	As at December 31, 2018	Carrying value	Market value	Appreciation / (diminution)			
----- (Rupees in '000) -----												
Insurance												
Adamjee Insurance Company Limited	-		23,500	129,985	-	153,485	6,620	6,449	(171)	3.07%	3.41%	0.04%
							6,620	6,449	(171)	3.07%	3.41%	0.04%
Commercial banks												
Allied Bank Limited	-		36,500	83,174	-	119,674	11,793	12,861	1,068	6.12%	6.81%	0.01%
Bank Alfalah Limited	-		44,000	204,461	60,500	187,961	8,887	7,629	(1,258)	3.63%	4.04%	0.01%
Faysal Bank Limited	-		35,000	16,586	51,500	86	2	2	-	0.00%	0.00%	0.00%
Habib Bank Limited	6.1.1	-	17,000	117,701	17,000	117,701	15,735	14,177	(1,558)	6.75%	7.50%	0.01%
United Bank Limited	-		13,000	110,009	26,500	96,509	13,733	11,836	(1,897)	5.63%	6.26%	0.01%
Bank AL Habib Limited	-		-	34,000	5,500	28,500	2,208	1,961	(247)	0.93%	1.04%	0.00%
MCB Bank Limited	-		-	15,714	-	15,714	2,855	3,042	187	1.45%	1.61%	0.00%
National Bank of Pakistan	-		-	37,174	36,000	1,174	56	49	(7)	0.02%	0.03%	0.00%
							55,269	51,557	(3,712)	24.53%	27.29%	0.04%
Textile composite												
Nishat Mills Limited	-		9,700	44,490	9,700	44,490	5,777	5,629	(148)	2.68%	2.98%	0.01%
Gul Ahmed Textile Mills Limited	-		20,000	107,879	22,500	105,379	4,871	4,865	(6)	2.31%	2.57%	0.03%
Kohinoor Textile Mills Limited	-		-	3,636	-	3,636	171	164	(7)	0.08%	0.09%	0.00%
							10,819	10,658	(161)	5.07%	5.64%	0.04%
Power generation and distribution												
The Hub Power Company Limited	-		39,500	145,080	54,000	130,580	11,208	11,202	(6)	5.33%	5.93%	0.01%
Pakgen Power Limited	-		25,000	121,165	-	146,165	2,496	2,491	(5)	1.19%	1.32%	0.04%
K-Electric Limited **	-		75,000	251,453	75,000	251,453	1,471	1,494	23	0.71%	0.79%	0.00%
Lalpir Power Limited	-		-	21,357	-	21,357	348	353	5	0.17%	0.19%	0.01%
Saif Power Limited	-		-	70,684	-	70,684	1,797	1,815	18	0.86%	0.96%	0.02%
							17,320	17,355	35	8.26%	9.19%	0.08%
Paper and board												
Century Paper & Board Mills	-		-	33,711	-	33,711	1,880	1,865	(15)	0.89%	0.99%	0.02%
Packages Limited	-		-	5,000	-	5,000	2,000	1,934	(66)	0.92%	1.02%	0.01%
							3,880	3,799	(81)	1.81%	2.01%	0.03%
Pharmaceuticals												
The Searle Company Limited	-		-	710	-	710	145	174	29	0.08%	0.09%	0.00%
							145	174	29	0.08%	0.09%	0.00%
Total as at December 31, 2018							199,941	188,962	(10,979)			

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

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

6.1.1 Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin:

	December 31, 2018	
	(Number of shares)	(Rupees in '000)
Oil & Gas Development Company Limited	14,400	1,843
Engro Fertilizers Limited	14,000	967
Habib Bank Limited	9,000	1,084
	37,400	3,894

7. 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 and 151 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the 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 150 and 151 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2019.

	Note	(Un-audited) December 31, 2018	(Audited) June 30, 2018
		----- (Rupees in '000) -----	
8. PRELIMINARY EXPENSES AND FLOATATION COSTS			
Preliminary expenses and floatation costs	8.1	306	312
Amortization during the period		(31)	(6)
		<u>275</u>	<u>306</u>

8.1 The Fund has recorded all expenses incurred in connection with the incorporation, registration, establishment and authorization of the Fund as preliminary expenses and floatation costs which are to be amortized by the Fund over a period of five years commencing from May 29, 2018 in accordance with the Trust Deed and the NBFC Regulations.

9. PAYABLE TO THE MANAGEMENT COMPANY

Remuneration payable	9.1	334	86
Sales tax on remuneration payable	9.2	43	11
Allocated expenses payable		17	5
Selling and marketing expenses payable		209	19
Others	9.3	2,822	2,816
		<u>3,425</u>	<u>2,937</u>

9.1 The Management Company is entitled to remuneration for services rendered to the Fund under the provisions of the amended NBFC Regulations dated November 25, 2015, of an amount not exceeding 2 percent of the average daily net assets of the Fund. The Management Company charged remuneration at the rate of 2 percent per annum of the average daily net assets of the Fund.

9.2 Sales tax at the rate of 13% on gross value of management fee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

9.3 This represents expenses incurred by the Management Company on behalf of the Fund relating to formation of the Fund.

10. LOSS PER UNIT

Loss 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.

11. TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund is 2.27% as on December 31, 2018 and this includes 0.25% representing Government Levy, Sindh Worker's Welfare Fund and SECP Fee. This ratio is within the maximum limit of 4% prescribed under the NBFC Regulation 60 (5) for a collective investment scheme categorised as an equity scheme.

12. ACCRUED AND OTHER LIABILITIES

Auditors' remuneration		178	232
Provision for Sindh Workers' Welfare Fund (SWWF)	12.1	13	13
Brokerage payable		372	160
Listing fee payable		20	-
Capital gains tax payable		177	-
Legal and professional fees payable		47	-
Other payables		9	-
		<u>817</u>	<u>405</u>

12.1 The status of Sindh Workers' Welfare Fund (SWWF) is same as disclosed in annual financial statements for the year ended June 30, 2018. However, MUFAP has also taken a legal opinion that SWWF, if applicable, can only be applied from the date of enactment of SWWF Act, 2014, i.e. May 21, 2015. Accordingly, on January 12, 2017, MUFAP as an abundant caution, has recommended its members to provide for SWWF on daily basis with effect from May 21, 2015. Going forward, the efforts to exclude mutual funds from SWWF continue. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re.0.01 (June 30, 2018: Re.0.03).

13. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2018.

14. 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 the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in cash. 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 Fund has incurred a net loss during the period, no provision for taxation has been made in these interim financial statements.

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

Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (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 with related parties / connected persons during the period and balances held with them at the half year ended December 31, 2018 are as follows:

	Management company	Associated companies	Trustee	Funds under common management (Rupees in '000)	Directors and key executives	Other connected persons / related parties
For the Half Yearly Ended December 31, 2018 (Un-audited)						
Transactions during the period						
Mark-up on bank account	-	411	-	-	-	-
Bank charges	-	14	-	-	-	-
Units issued	-	-	-	114,149	-	25,000
Units redeemed	-	-	-	26,427	-	-
Central Depository Service expenses (CDS)	-	-	-	-	-	-
Remuneration *	1,183	-	118	-	-	-
Allocated expenses by the Management Company	52	-	-	-	-	-
Selling and marketing expense	209	-	-	-	-	-
As at December 31, 2018 (Un-audited)						
Balances held						
Units held (units in '000)	-	-	-	1,403	-	269
Units held (Rupees in '000)	-	-	-	124,128	-	23,799
Bank balances	-	24,648	-	-	-	-
Remuneration payable	377	-	38	-	-	-
Other payable	2,822	-	-	-	-	-
Selling and marketing expenses payable	209	-	-	-	-	-
Mark-up receivable	-	402	-	-	-	-
Allocated expenses payable	17	-	-	-	-	-

* Remuneration for the period is inclusive of sales tax.

As at June 30, 2018 (Audited)						
Balances held						
Units held (units in '000)	-	-	-	467	-	-
Units held (Rupees in '000)	-	-	-	45,810	-	-
Bank balances	-	3,330	-	-	-	-
Remuneration payable	97	-	10	-	-	-
Other payable	2,816	-	-	-	-	-
Selling and marketing expenses payable	19	-	-	-	-	-
Mark-up receivable	-	37	-	-	-	-
Allocated expenses payable	5	-	-	-	-	-

* Remuneration for the period is inclusive of sales tax.

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 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 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.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

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

Level 3: Fair value measurement using 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
December 31, 2018 (Un-audited)	(Rupees in '000)			
Financial assets measured at fair value				
Equity securities - listed	188,962	-	-	188,962
	<u>188,962</u>	<u>-</u>	<u>-</u>	<u>188,962</u>
	Fair value			
	Level 1	Level 2	Level 3	Total
June 30, 2018 (Audited)	(Rupees in '000)			
Financial assets measured at fair value				
Equity securities - listed	42,907	-	-	42,907
	<u>42,907</u>	<u>-</u>	<u>-</u>	<u>42,907</u>

17. GENERAL

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

17.2 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 except for as note 4.2 disclosed in this condensed interim financial statement.

18. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information were authorised for issue on February 27, 2019 by the Board of Directors of the Management Company.

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

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

UFSF

UBL Financial Sector Fund

INVESTMENT OBJECTIVE

The objective is to provide investors long-term capital appreciation by investing primarily in a mix of actively managed portfolio of listed equities that offer capital gains and dividends yield potential preferably in the Financial Sector.

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 Allied Bank Limited Soneri Bank Limited
Management Co.Rating	AM1 (JCR-VIS)

Head Office

CDC House, 99-B, Block 'B'
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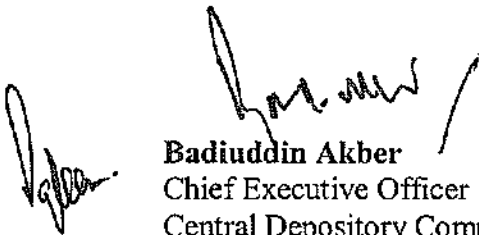
TRUSTEE REPORT TO THE UNIT HOLDERS

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, 2018 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 21, 2019

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS**Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **UBL FINANCIAL SECTOR FUND** ("the Fund") as at December 31, 2018 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 and notes to the accounts for the half year then ended (here-in-after referred to as "condensed interim financial information"). UBL Fund Managers Limited (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting 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, 2018 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures for the quarter ended December 31, 2018 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: 27 FEB 2019****CHARTERED ACCOUNTANTS**

Engagement Partner: Zulfikar Ali Causer

UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT DECEMBER 31, 2018

		December 31, 2018 (Unaudited)	June 30, 2018 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	17,831	112,287
Investments	5	351,224	295,416
Mark-up / interest receivable		1,106	357
Deposits, prepayments and other receivables		6,325	3,515
Preliminary expenses and floatation costs		1,020	1,141
Advance tax	6	39	-
TOTAL ASSETS		377,545	412,716
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company		5,944	6,309
Payable to Central Depository Company of Pakistan Limited - Trustee		77	39
Payable to Securities and Exchange Commission of Pakistan		215	40
Accrued expenses and other liabilities	7	4,310	34,175
TOTAL LIABILITIES		10,546	40,563
NET ASSETS		366,999	372,153
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		366,999	372,153
CONTINGENCIES AND COMMITMENTS	8		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		4,601,536	4,079,679
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		79.7557	91.2211

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

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

--SD--
CHIEF EXECUTIVE OFFICER

--SD--
CHIEF FINANCIAL OFFICER

--SD--
DIRECTOR

UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Half year ended December 31, 2018	Quarter ended December 31, 2018
Note	----- (Rupees in '000) -----	
INCOME		
Financial income	1,188	593
Dividend income	9,965	3,616
Capital loss on sale of investments - net	(7,828)	(7,928)
Unrealised loss on revaluation of investments classified as financial asset 'at fair value through profit or loss' - net	(52,222)	(37,098)
Other income	29	29
Total loss	<u>(48,868)</u>	<u>(40,788)</u>
EXPENSES		
Remuneration of UBL Fund Managers Limited - Management Company	4,529	2,240
Sindh Sales Tax on Management Company's remuneration	589	291
Allocated expenses	226	112
Remuneration of Central Depository Company of Pakistan Limited - Trustee	512	253
Annual fee of Securities and Exchange Commission of Pakistan	215	106
Bank charges	22	9
Auditors' remuneration	117	66
Brokerage and settlement expenses	938	388
Listing fee	14	7
Legal and professional charges	107	56
Amortization of preliminary expenses and floatation costs	121	60
Selling and marketing expenses	906	448
Other expenses	10	5
Total operating expenses	<u>8,306</u>	<u>4,041</u>
Operating loss for the period	<u>(57,174)</u>	<u>(44,829)</u>
Provision for Sindh Workers' Welfare Fund	7 -	-
Net loss for the period before taxation	<u>(57,174)</u>	<u>(44,829)</u>
Taxation	9 -	-
Net loss for the period after taxation	<u>(57,174)</u>	<u>(44,829)</u>
Allocation of net income for the period		
Income already paid on units redeemed	-	-
Net loss for the period	<u>(57,174)</u>	<u>(44,829)</u>
Income available for distribution:		
Relating to capital gains	-	-
Excluding capital gains	-	-
Earnings per unit	<u><u>-</u></u>	<u><u>-</u></u>

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The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

--SD--
CHIEF EXECUTIVE OFFICER

--SD--
CHIEF FINANCIAL OFFICER

--SD--
DIRECTOR

UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Half year ended December 31, 2018	Quarter ended December 31, 2018
	----- (Rupees in '000) -----	
Net loss for the period	(57,174)	(44,829)
Other comprehensive income		
Items that may be reclassified subsequently to income statement	-	-
Items that will not be reclassified subsequently to income statement	-	-
Total comprehensive loss for the period	<u>(57,174)</u>	<u>(44,829)</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

--SD--
CHIEF EXECUTIVE OFFICER

--SD--
CHIEF FINANCIAL OFFICER

--SD--
DIRECTOR

UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

Half year ended
December 31,
2018
(Rupees in '000)

CASH FLOWS FROM OPERATING ACTIVITIES

Net loss for the period before taxation (57,174)

Adjustments for:

Financial income	(1,188)
Dividend income	(9,965)
Capital loss on sale of investments - net	7,828
Unrealised loss on revaluation of investments classified as 'at fair value through profit or loss' - net	52,222
Amortization of preliminary expenses and floatation costs	121
	49,018
Cash used in operations before working capital changes	(8,156)

Working capital changes

(Increase) / decrease in assets

Investments - net	(115,858)
Advance tax	(39)
Deposits, prepayments and other receivables	(2,810)
	(118,707)

(Decrease) / increase in liabilities

Payable to UBL Fund Managers Limited - Management Company	(365)
Payable to Central Depository Company of Pakistan Limited - Trustee	38
Annual fee payable to Securities and Exchange Commission of Pakistan	175
Accrued expenses and other liabilities	(29,865)
	(30,017)
Profit received on bank balances	439
Dividend received	9,965
Net cash used in operating activities	(146,476)

CASH FLOWS FROM FINANCING ACTIVITIES

Receipts from issuance of units	315,487
Payment against redemption of units	(263,467)
Net cash generated from financing activities	52,020
Net decrease in cash and cash equivalents	(94,456)
Cash and cash equivalents at the beginning of the period	112,287
Cash and cash equivalents at the end of the period	17,831

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

--SD--
CHIEF EXECUTIVE OFFICER

--SD--
CHIEF FINANCIAL OFFICER

--SD--
DIRECTOR

UBL FINANCIAL SECTOR FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

-----Half year ended December 31, 2018-----				
	Capital value	Undistributed loss	Unrealised diminution on re-measurement of investments classified as 'fair value through other comprehensive income' (June 30, 2018: 'available for sale' - net	Total
	----- (Rupees in '000) -----			
Net assets at the beginning of the period	387,846	(119)	(15,574)	372,153
Transfer of unrealised diminution on re-measurement of investments classified as 'available for sale' - net to undistributed loss upon adoption of IFRS-9	-	(15,574)	15,574	-
Issuance of 3,543,105 units				
Capital value of units	323,206	-	-	323,206
Element of loss				
Due to net loss incurred	(7,719)	-	-	(7,719)
Total proceeds on issuance of units	315,487	-	-	315,487
Redemption of 3,021,248 units				
Capital value of units	(275,601)	-	-	(275,601)
Element of loss	-	-	-	-
Due to net loss incurred	12,134	-	-	12,134
Total payments on redemption of units	(263,467)	-	-	(263,467)
Total comprehensive loss for the period	-	(57,174)	-	(57,174)
Net assets at the end of the period	<u>439,866</u>	<u>(72,867)</u>	<u>-</u>	<u>366,999</u>
Undistributed loss / Unrealised diminution on re- measurement of investments classified as 'fair value through other comprehensive income' brought forward comprises of:				
Realised loss		(119)	-	(119)
Unrealised loss		-	(15,574)	(15,574)
Total undistributed loss brought forward		(119)	(15,574)	(15,693)
Transfer of unrealised diminution on re-measurement of investments classified as 'available for sale' - net to undistributed loss upon adoption of IFRS-9		(15,574)	15,574	-
Income available for distribution:				
Relating to capital gains	-	-	-	-
Excluding capital gains	-	-	-	-
Net loss for the period		(57,174)	-	(57,174)
Undistributed loss carried forward		<u>(72,867)</u>	<u>-</u>	<u>(72,867)</u>
Undistributed loss carried forward comprises of:				
Realised loss		(20,645)	-	(20,645)
Unrealised loss		(52,222)	-	(52,222)
Total undistributed loss carried forward		<u>(72,867)</u>	<u>-</u>	<u>(72,867)</u>
				(Rupees)
Net assets value per unit at the beginning of the period				<u>91.2211</u>
Net assets value per unit at the end of the period				<u>79.7557</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Management Company)

--SD--
CHIEF EXECUTIVE OFFICER

--SD--
CHIEF FINANCIAL OFFICER

--SD--
DIRECTOR

UBL FINANCIAL SECTOR FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Financial Sector Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-end mutual fund. It was constituted under the Trust Deed, dated February 21, 2018 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund has been registered as a notified entity on March 12, 2018 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 4th floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.
- 1.3 The Fund is an equity scheme (sector specific) and units of the Fund are listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units were initially offered to public on IPO dated April 05, 2018 and are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder. The Fund is categorised as an open-ended sector (equity) scheme in accordance with Circular 7 of 2009 issued by the SECP.
- 1.4 The principal activity of the Fund is to provide investors long term capital appreciation by investing primarily in a mix of actively managed portfolio of listed equities that offer capital gains and dividends yield potential, preferably in financial sector.
- 1.5 Title to the assets of the Fund are held in the name of the CDC as the Trustee of the Fund.
- 1.6 JCR-VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as on December 27, 2018. The Management Company is obliged to obtain a rating of the Fund, once the Fund becomes eligible for rating as per the criteria of the rating agency. However, criteria of rating agency requires a minimum performance history of one year for the funds to become eligible for ranking. Therefore, the Fund is not eligible for the rating.

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 published audited financial statements of the Fund for the period from April 6, 2018 to June 30, 2018.
- 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 period from April 6, 2018 to June 30, 2018. 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 for the period ended December 31, 2017 has not been presented as the Fund commenced its operations from April 6, 2018.
- 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, 2018 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, 2018.

2.2 Basis of measurement

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

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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

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

- 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 audited financial statements of the Fund for the period from April 6, 2018 to June 30, 2018 except as explained in note 3.6.
- 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 period from April 6, 2018 to June 30, 2018.
- 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, 2018. 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 except as disclosed in note 3.6.
- 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 period from April 6, 2018 to June 30, 2018.

- 3.6 IFRS 9 'Financial Instruments' was issued on July 24, 2017. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective for accounting periods beginning on or after July 1, 2018. A number of other new standards are effective from July 1, 2018 but they do not have a material effect on the Fund's condensed interim financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of IFRS 9 has not had a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

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

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

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

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

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

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

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

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

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

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

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

Financial assets	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
----- (Rupees in '000) -----				
Investment	(a) Available for sale	Fair value through profit or loss	295,416	295,416
Bank balances	(b) Loans and receivables	Amortised cost	112,287	112,287
Mark-up / interest receivable	(b) Loans and receivables	Amortised cost	357	357
Deposits and other receivables	(b) Loans and receivables	Amortised cost	3,515	3,515
			<u>411,575</u>	<u>411,575</u>

- (a) The Fund has not made an irrevocable election upon adoption of IFRS 9 to present in other comprehensive income subsequent changes in the fair value of investments in equity instruments under IFRS 9 and accordingly all investments in equity instruments have been reclassified as fair value through profit or loss (FVTPL).
- (b) These financial assets classified as 'loans and receivables' have been classified as amortised cost.

ii. Impairment of financial assets

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

iii. Transition

The Fund has used the exemption not to restate comparative periods. Differences, if any, in the carrying amounts of financial assets resulting from the adoption of IFRS 9 are recognised in net assets attributable to unit holders as at July 1, 2018. Accordingly, the comparative information does not reflect the requirements of IFRS 9, but rather those of IAS 39, therefore, the Fund transferred the balance of unrealised diminution on remeasurement of investments classified as 'available for sale - net' amounting to Rs. 15.574 million to undistributed income on July 1, 2018 in condensed interim statement of movement in unit holders' fund.

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

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

		December 31, 2018 (Unaudited) ----- (Rupees in '000) -----	June 30, 2018 (Audited) -----
		Note	
4	BANK BALANCES		
	Cash at bank		
	In savings accounts		<u>17,831</u> <u>112,287</u>
4.1	Profit rates on these savings accounts range between 3% to 11% per annum (June 30, 2018: 3% to 4%). This includes an amount held by a related party (United Bank Limited) amounting to Rs. 17.817 million (June 30, 2018: Rs. 112.287 million).		
5	INVESTMENTS IN EQUITY SHARES		
	Financial assets classified as at fair value through profit or loss	5.1	351,224 -
	Financial asset classified as at fair value through other comprehensive income (June 30, 2018: Available for sale)	5.2	<u>-</u> <u>295,416</u>
			<u>351,224</u> <u>295,416</u>

5.1 Financial asset classified as Fair value through profit or loss

Name of investee company	Number of shares						Balance as at December 31, 2018			As at December 31, 2018			
	As at July 1, 2018	Purchased during the period	Bonus / right shares received during the period	Sold during the period	Transferred in during the period due to adoption of IFRS 9	As at December 31, 2018	Carrying value as at December 31, 2018	Market value as at December 31, 2018	Unrealised gain / (loss) on revaluation of investments	Market value as at June 30, 2018	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	5.1.2	-	235,000	-	56,500	526,000	704,500	72,527	75,713	3,186	54,257	20.63%	21.56%	0.66%
Bank Al Falah Limited		-	674,500	120,900	275,000	869,500	1,389,900	67,272	56,416	(10,856)	45,466	15.37%	16.06%	0.32%
United Bank Limited		-	237,200	-	163,900	199,500	272,800	42,737	33,456	(9,281)	33,712	9.12%	9.53%	0.27%
Habib Bank Limited	5.1.1 & 5.1.2	-	320,900	-	117,100	408,000	611,800	98,502	73,691	(24,810)	67,908	20.07%	20.98%	0.50%
MCB Bank Limited		-	186,700	-	121,900	132,500	197,300	39,305	38,191	(1,114)	26,205	10.41%	10.87%	0.32%
Faysal Bank Limited		-	300,000	-	859,000	559,000	-	-	-	-	14,533	0.00%	0.00%	0.00%
Bank Al Habib Limited		-	141,000	-	77,000	-	64,000	5,169	4,403	(767)	-	1.20%	1.25%	0.04%
National Bank of Pakistan		-	600,000	-	600,000	-	-	-	-	-	-	0.00%	0.00%	0.00%
		-	2,695,300	120,900	2,270,400	2,694,500	3,240,300	325,512	281,870	(43,642)	242,081	76.79%	80.25%	
INSURANCE														
Adamjee Insurance Company Limited		-	678,000	-	122,000	1,094,500	1,650,500	77,934	69,354	(8,580)	53,335	18.90%	19.75%	1.98%
		-	678,000	-	122,000	1,094,500	1,650,500	77,934	69,354	(8,580)	53,335	18.90%	19.75%	
Total - December 31, 2018		-	3,373,300	120,900	2,392,400	3,789,000	4,890,800	403,446	351,224	(52,222)	295,416	95.70%	100.00%	

5.1.1 The above securities include 90,000 shares pledged with National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs. 10.841 million for guaranteeing settlement of the Fund's trade in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

5.1.2 As per Regulation 55(6) of the NBFC Regulations, exposure of a collective investment scheme to a single entity shall be lower than 20% of the net assets of the scheme. However, the Fund has made investments in the equity securities of the following entities which exceed the maximum exposure limit of its net assets as of the date of condensed interim statement of assets and liabilities:

Investee company	Maximum exposure limit	Fund's exposure
Allied Bank Limited	20%	20.63%
Habib Bank Limited	20%	20.07%

5.1.3 The Finance Act 2018 has brought an amendment in the Income Tax Ordinance 2001, whereby the 5% withholding tax on bonus shares has been withdrawn. Therefore, the bonus shares received during the half year ended December 31, 2018, are not liable to withholding of income tax.

5.2 Financial asset classified as at fair value through other comprehensive income (June 30, 2018: Available for sale)

Name of investee company	Number of shares						Balance as at December 31, 2018			As at December 31, 2018			
	As at July 1, 2018	Purchased during the period	Bonus / right shares issued during the period	Sold during the period	Transferred out during the period due to adoption of IFRS 9	As at December 31, 2018	Carrying value as at December 31, 2018	Market value as at December 31, 2018	Unrealised gain on revaluation of investments as at December 31, 2018	Market value as at June 30, 2018	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	526,000	-	-	-	(526,000)	-	-	-	-	54,257	0.00%	0.00%	0.00%
Bank Al Falah Limited	869,500	-	-	-	(869,500)	-	-	-	-	45,466	0.00%	0.00%	0.00%
United Bank Limited	199,500	-	-	-	(199,500)	-	-	-	-	33,712	0.00%	0.00%	0.00%
Habib Bank Limited	408,000	-	-	-	(408,000)	-	-	-	-	67,908	0.00%	0.00%	0.00%
MCB Bank Limited	132,500	-	-	-	(132,500)	-	-	-	-	26,205	0.00%	0.00%	0.00%
Faysal Bank Limited	559,000	-	-	-	(559,000)	-	-	-	-	14,533	0.00%	0.00%	0.00%
	2,694,500	-	-	-	(2,694,500)	-	-	-	-	242,081	0.00%	0.00%	
INSURANCE													
Adamjee Insurance Company Limited	1,094,500	-	-	-	(1,094,500)	-	-	-	-	53,335	0.00%	0.00%	0.00%
	1,094,500	-	-	-	(1,094,500)	-	-	-	-	53,335	0.00%	0.00%	
Total - December 31, 2018	3,789,000	-	-	-	(3,789,000)	-	-	-	-	295,416	0.00%	0.00%	

5.2.1 As mentioned in note 3.6 to this condensed interim financial information, after the adoption of IFRS 9, investments in equity securities held by the Fund as 'Available for sale' have been classified as financial assets at 'fair value through profit or loss' on July 1, 2018.

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, 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 Income Tax Ordinance, 2001 from Commissioner Inland Revenue (CIR). During the period, 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 Income Tax Return for Tax Year 2019.

7 ACCRUED EXPENSES AND OTHER LIABILITIES

7.1 Provision for Sindh Workers' Welfare Fund

There is no change in the status of the legal proceeding with respect to Sindh Workers Welfare Fund which has been fully disclosed in note 13.1 to the audited financial statements for the period from April 6, 2018 to June 30, 2018. Since the Fund has incurred net loss during the period, therefore no provision against Sindh Workers Welfare Fund has been made.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2018 and June 30, 2018.

9 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 the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in the form of cash. 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. The Management Company intends to distribute by way of cash dividend at least 90% of the income as reduced by capital gain whether realized or unrealized earned by the end of this year to the unit holders, Accordingly, no provision for current and deferred taxation has been recognised in this condensed interim financial information.

10 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.

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 1.85% as on December 31, 2018 and this includes 0.22% representing Government levy, Sindh Workers' Welfare Fund and SECP fee.

12 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 provision 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 year end are as follows:

	Management Company	Associated Companies	Trustee	Directors and Key Executives	Other Connected persons / related parties
(Rupees in '000)					
Transactions during the half year ended December 31, 2018					
Profit on savings accounts	-	1,188	-	-	-
Bank charges	-	21	-	-	-
Units issued	75,000	-	-	7,100	-
Units redeemed	75,604	-	-	1,863	-
Purchase of equity securities	-	36,215	-	-	-
Sale of equity securities	-	24,232	-	-	-
Sales load paid	3,008	-	-	-	-
Dividend received	-	1,350	-	-	-
Remuneration (including sales tax)	5,118	-	512	-	-
Allocated expenses	226	-	-	-	-
Selling and marketing expenses	906	-	-	-	-
Balances held as at December 31, 2018					
Units held (in Units '000)	1,499	-	-	78	-
Units held (in Rupees '000)	119,529	-	-	6,217	-
Bank balances	-	17,817	-	-	-
Profit receivable	-	1,106	-	-	-
Investments	-	33,456	-	-	-
Remuneration payable	774	-	77	-	-
Other payables	3,740	-	-	-	-
Allocated expenses payable	34	-	-	-	-
Selling and marketing expense payable	906	-	-	-	-
Sales load payable	487	-	-	-	-
Conversion charges payable	3	-	-	-	-
Balances held as at June 30, 2018					
Units held (in Units '000)	1,482	-	-	14	670
Units held (in Rupees '000)	135,179	-	-	1,249	61,130
Bank balances	-	112,287	-	-	-
Profit receivable	-	357	-	-	-
Investments	-	33,712	-	-	-
Remuneration payable	394	-	39	-	-
Other payables	3,735	-	-	-	-
Allocated expenses payable	32	-	-	-	-
Selling and marketing expense payable	169	-	-	-	-
Sales load payable	1,978	-	-	-	-
Conversion charges payable	1	-	-	-	-

13 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, 2018 -----			----- As at December 31, 2018 -----		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Level 1	Level 2	Level 3
----- Rupees in '000 -----						
Financial assets measured at fair value						
Investments	351,224	-	-	351,224	-	-
Financial assets not measured at fair value						
Bank balances	-	-	17,831	-	-	-
Mark-up / interest receivable	-	-	1,106	-	-	-
Deposits and other receivables	-	-	6,286	-	-	-
	-	-	25,223	-	-	-
	351,224	-	25,223	351,224	-	-
Financial liabilities not measured at fair value						
Payable to UBL Fund Managers Limited Management Company	-	-	5,855	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	68	-	-	-
Accrued expenses and other liabilities	-	-	4,304	-	-	-
	-	-	10,227	-	-	-

	Carrying Amount			Fair value		
	As at June 30, 2018			As at June 30, 2018		
	Available for sale	Loans and receivables	Other financial liabilities	Level 1	Level 2	Level 3
Rupees in '000						
Financial assets measured at fair value						
Investments	295,416	-	-	295,416	-	-
Financial liabilities not measured at fair value						
Bank balances	-	112,287	-	-	-	-
Mark-up / interest receivable	-	357	-	-	-	-
Deposits and other receivables	-	3,515	-	-	-	-
		116,159				
	295,416	116,159	-	295,416	-	-
Financial liabilities not measured at fair value						
Payable to UBL Fund Managers Limited Management Company	-	-	6,264	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	35	-	-	-
Accrued expenses and other liabilities	-	-	34,132	-	-	-
	-	-	40,431	-	-	-

- 13.2 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.

13.3 Transfers during the period

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

14 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.

15 GENERAL

- 15.1 Figures have been rounded off to the nearest thousand rupees.

16 DATE OF AUTHORIZATION FOR ISSUE

- 16.1 This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on February 27, 2019.

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

--SD--
CHIEF EXECUTIVE OFFICE

--SD--
CHIEF FINANCIAL OFFICER

--SD--
DIRECTOR

UCPF-III

UBL Capital Protected Fund - III

INVESTMENT OBJECTIVE

The Investment Objective of UBL Capital Protected Fund-III (UCPF-III) is to protect the principal investment of the investors upon maturity by placing a significant portion of the Trust Property as TDR with a minimum AA-rated Bank and remaining in equity market or any other SECP permitted investments to provide investors with better returns.

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	BDO Ebrahim & Co. Chartered Accountants
Bankers	Bank Alfalah Limited National Bank of Pakistan United Bank Limited
Management Co.Rating	AM1 (JCR-VIS)

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) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



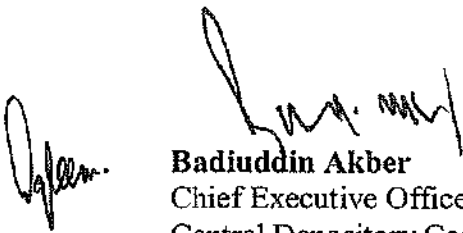
TRUSTEE REPORT TO THE UNIT HOLDERS

UBL CAPITAL PROTECTED FUND - III

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 Capital Protected Fund - III (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, 2018 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 20, 2019

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS**Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **UBL CAPITAL PROTECTED FUND III** ("the Fund") as at December 31, 2018 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 and notes to the accounts for the half year then ended (here-in-after referred to as "condensed interim financial information"). UBL Fund Managers Limited (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting 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, 2018 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures for the quarter ended December 31, 2018 and December 31, 2017 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: 27 FEB 2019****CHARTERED ACCOUNTANTS**

Engagement Partner: Zulfikar Ali Causer

UBL CAPITAL PROTECTED FUND III
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT DECEMBER 31, 2018

		December 31, 2018 (Unaudited)	June 30, 2018 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	4,874	221
Term deposit receipts	5	259,574	343,883
Investments	6	16,931	33,497
Mark-up / interest receivable		32,840	32,023
Dividend receivable		7	205
Deposits and prepayments		2,759	2,735
Advance tax	7	328	328
Preliminary expenses and floatation costs		796	1,178
TOTAL ASSETS		318,109	414,070
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company		272	374
Payable to Central Depository Company of Pakistan Limited - Trustee		40	50
Payable to Securities and Exchange Commission of Pakistan		124	315
Accrued expenses and other liabilities	8	661	510
TOTAL LIABILITIES		1,097	1,249
NET ASSETS		317,012	412,821
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		317,012	412,821
CONTINGENCIES AND COMMITMENTS	9		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		3,111,644	4,101,515
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		101.8793	100.6508

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

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

UBL CAPITAL PROTECTED FUND III
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Note	Half year ended		Quarter ended	
		December 31	December 31	December 31	December 31
		2018	2017	2018	2017
		----- (Rupees in '000) -----		----- (Rupees in '000) -----	
INCOME					
Financial income		9,120	11,911	4,396	5,936
Dividend income		315	905	177	326
Capital loss on sale of investment - net		(546)	(6,014)	(214)	(5,794)
Unrealised (loss) / gain on revaluation of investments classified at financial asset 'at fair value through profit or loss' - net		(3,620)	(7,663)	(2,716)	3,332
Other income		3,025	54	-	54
Total income		8,294	(807)	1,643	3,854
EXPENSES					
Remuneration of UBL Fund Managers Limited - Management Company		1,244	1,592	600	794
Sindh Sales tax on Management Company's remuneration		162	207	78	103
Remuneration of Central Depository Company of Pakistan Limited - Trustee		244	312	118	156
Annual fee of Securities and Exchange Commission of Pakistan		124	159	60	79
Allocated expenses		166	212	80	106
Bank charges		3	136	1	94
Auditors' remuneration		177	205	104	150
Brokerage expenses		18	13	1	6
Amortization of preliminary expenses and floatation costs		376	376	188	112
Legal and professional charges		101	41	50	11
Fees and subscription charges		14	14	7	7
Other expenses		242	177	119	98
Total operating expenses		2,871	3,444	1,406	1,716
Operating income / (loss) for the period		5,423	(4,251)	237	2,138
Provision for Sindh Workers' Welfare Fund	8.1	(107)	-	(5)	-
Net income for the period / (loss) before taxation		5,316	(4,251)	232	2,138
Taxation	10	-	-	-	-
Net income / (loss) for the period after taxation		5,316	(4,251)	232	2,138
Allocation of net income for the period					
Income already paid on units redeemed		(306)	-	-	-
Net income / (loss) for the period available for distribution		5,010	-	232	2,138
Relating to capital gains		-	-	-	-
Excluding capital gains		5,010	-	232	2,138
Earnings per unit	11	5,010	-	232	2,138

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

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

UBL CAPITAL PROTECTED FUND III
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Half year ended		Quarter ended	
	December 31,	December 31,	December 31,	December 31,
	2018	2017	2018	2017
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Net income / (loss) for the period after taxation	5,316	(4,251)	232	2,138
Other comprehensive income				
Items that may be reclassified subsequently to income statement				
Unrealized loss on revaluation of investments classified as 'available for sale' - net	-	(243)	-	(368)
Items that will not be reclassified subsequently to income statement	-	-	-	-
Total comprehensive income / (loss) for the period	<u>5,316</u>	<u>(4,494)</u>	<u>232</u>	<u>1,770</u>

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

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

UBL CAPITAL PROTECTED FUND III
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended	
	December 31, 2018	December 31, 2017
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the period before taxation	5,316	(4,251)
Adjustments for:		
Financial income	(9,120)	(11,911)
Dividend income	(315)	(905)
Unrealised loss on revaluation of investments classified as 'at fair value through profit or loss' - net	3,620	7,663
Capital loss on sale of investment - net	546	6,014
Provision for Sindh Workers' Welfare Fund	107	-
Amortization of preliminary expenses and floatation costs	382	376
	<u>(4,780)</u>	<u>1,237</u>
Cash generated from / (used in) operations before working capital changes	536	(3,014)
Working capital changes		
Decrease / (increase) in assets		
Investments - net	12,400	9,025
Term deposit receipts	84,309	843
Advance tax	-	(40)
Deposits and prepayments	(24)	29
	<u>96,685</u>	<u>9,857</u>
(Decrease) / increase in liabilities		
Payable to UBL Fund Managers Limited - Management Company	(102)	(4,873)
Payable to Central Depository Company of Pakistan Limited - Trustee	(10)	-
Annual fee payable to Securities and Exchange Commission of Pakistan	(191)	23
Accrued expenses and other liabilities	44	(567)
	<u>(259)</u>	<u>(5,417)</u>
Profit received on bank balances and term deposit receipts	8,303	86
Dividend received	513	896
Net cash generated from operating activities	105,778	2,408
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	1,733	78
Payment against redemption of units	(100,848)	(1,795)
Dividend paid	(2,010)	-
Net cash used in financing activities	(101,125)	(1,717)
Net increase in cash and cash equivalents	4,653	691
Cash and cash equivalents at the beginning of the period	221	1,692
Cash and cash equivalents at the end of the period	4,874	2,383

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

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

UBL CAPITAL PROTECTED FUND III
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended			December 31, 2017	
	December 31, 2018	Unrealised appreciation on re-measurement of investments classified as 'fair value through other comprehensive income' (June 30, 2018: 'available for sale')			December 31, 2017
	Capital value	Undistributed income		Total	Total
Note ----- (Rupees in '000) -----					
Net assets at the beginning of the period	410,162	2,604	55	412,821	427,205
Transfer of unrealised appreciation on re-measurement of investments classified as available for sale' - net to undistributed income upon adoption of IFRS-9	-	55	(55)	-	-
Issuance of 17,320 units (2017: 796 units)					
Capital value of units	1,735	-	-	1,735	80
Element of loss					
Due to net loss incurred	(2)	-	-	(2)	(2)
Total proceeds on issuance of units	1,733	-	-	1,733	78
Redemption of 1,007,191 units (2017: 18,203 units)					
Capital value of units	(100,881)	-	-	(100,881)	(1,823)
Element of loss					
Due to net loss incurred / net (income) earned	339	(306)	-	33	28
Total payments on redemption of units	(100,542)	(306)	-	(100,848)	(1,795)
Total comprehensive income / (loss) for the period	-	5,316	-	5,316	(4,251)
Unrealized loss on revaluation of investments classified as 'available for sale' - net	-	-	-	-	(243)
Distribution during the period:					
Re. 0.4900 per unit declared on July 2, 2018 as cash dividend	-	(2,010)	-	(2,010)	-
Net income for the period less distribution	-	3,306	-	3,306	(4,494)
Net assets at the end of the period	311,353	5,659	-	317,012	420,994
Undistributed income / Unrealised appreciation on re-measurement of investments classified as 'available for sale' brought forward comprises of:					
Realised gain		10,462	-	10,462	1,443
Unrealised loss		(7,858)	55	(7,803)	(755)
Total undistributed income brought forward		2,604	55	2,659	688
Transfer of unrealised appreciation on re-measurement of investments classified as available for sale' - net to undistributed income upon adoption of IFRS-9		55	(55)	-	-
Income / (loss) available for distribution:					
Relating to capital gains	-	-	-	-	-
Excluding capital gains	5,010	-	-	5,010	-
	5,010	-	-	5,010	(4,251)
Net loss for the period	-	-	-	-	(4,251)
Other comprehensive loss for the period	-	-	-	-	(243)
	-	-	-	-	(4,494)
Distribution during the period:					
Re. 0.4900 per unit declared on July 2, 2018 as cash dividend	(2,010)	-	-	(2,010)	-
Undistributed income / (loss) carried forward	5,659	-	-	5,659	(3,563)
Undistributed income / (loss) carried forward comprises of:					
Realised gain		9,279			4,100
Unrealised loss		(3,620)			(7,663)
Total undistributed income / (loss) carried forward	5,659				(3,563)
				(Rupees)	(Rupees)
Net assets value per unit at the beginning of the period				100.6508	100.1608
Net assets value per unit at the end of the period				101.8793	99.1091

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

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

UBL CAPITAL PROTECTED FUND III
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Capital Protected Fund III (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 October 21, 2016 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund has been registered as a notified entity on January 26, 2017 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 4th floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.
- 1.3 The Fund is a capital protected scheme and units of the Fund are listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder. The Fund is categorised as an open-ended capital protected scheme in accordance with Circular 7 of 2009 issued by the SECP.
- 1.4 The principal activity of the Fund is to protect the principal investment of investors upon maturity by placing the significant portion of trust property as TDR with a minimum AA- rated bank, and remaining in equity market or any other SECP permitted investments to provide investor with better return.
- 1.5 Title to the assets of the Fund are held in the name of the CDC as the Trustee of the Fund.
- 1.6 JCR-VIS Credit Rating Company has re-affirmed an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as on December 27, 2018.

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 published audited financial statements of the Fund for the year ended June 30, 2018.
- 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, 2018, 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, 2017.
- 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, 2018 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, 2018.

2.2 Basis of measurement

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

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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

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

- 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, 2018 except as explained in note 3.6.
- 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 annual audited financial statements as at and for the year ended June 30, 2018.
- 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, 2018. 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 except as disclosed in note 3.6.

- 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, 2018.
- 3.6 IFRS 9 'Financial Instruments' was issued on July 24, 2017. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective for accounting periods beginning on or after July 1, 2018. A number of other new standards are effective from July 1, 2018 but they do not have a material effect on the Fund's condensed interim financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below:

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of IFRS 9 has not had a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

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

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

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

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

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

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

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

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

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

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

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

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
	Note			----- (Rupees in '000) -----	
Financial assets					
Investments	(a)	Held for trading	Fair value through profit or loss	29,817	29,817
Investments	(b)	Available for sale	Fair value through profit or loss	3,680	3,680
Interest/ mark up receivable	(c)	Loans and receivables	Amortised cost	32,023	32,023
Bank balances	(c)	Loans and receivables	Amortised cost	221	221
Term Deposit Receipts (TDRs)	(c)	Loans and receivables	Amortised cost	343,883	343,883
Deposits	(c)	Loans and receivables	Amortised cost	2,735	2,735
				346,839	346,839

- (a) These financial assets classified as 'Held for trading' have been classified as fair value through profit and loss (FVTPL)
- (b) The Fund has not made an irrevocable election upon adoption of IFRS 9 to present in other comprehensive income subsequent changes in the fair value of investments in equity instruments under IFRS 9 and accordingly all investments in equity instruments have been classified as fair value through profit or loss (FVTPL).
- (c) These financial assets classified as 'loans and receivables' have been classified as amortised cost.

ii. **Impairment of financial assets**

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

iii. Transition

The Fund has used the exemption not to restate comparative periods. Differences, if any, in the carrying amounts of financial assets resulting from the adoption of IFRS 9 are recognised in net assets attributable to unit holders as at July 1, 2018. Accordingly, the comparative information does not reflect the requirements of IFRS 9, but rather those of IAS 39, therefore, the Fund transferred the balance of unrealised appreciation on remeasurement of investments classified as 'available for sale - net' amounting to Rs. 0.055 million to undistributed income on July 1, 2018 in condensed interim statement of movement in unit holders' fund.

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

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

	Note	December 31, 2018 (Unaudited) ----- (Rupees in '000) -----	June 30, 2018 (Audited)
4 BANK BALANCES			
Cash at bank			
In savings accounts		<u>4,874</u>	<u>221</u>
4.1 Profit rates on these savings accounts range between 3.75 % to 7.35% per annum (June 30, 2018: 4% to 5.3%). This includes an amount held by a related party (United Bank Limited) amounting to Rs. 1.283 million (June 30, 2018: Rs. Rs. 0.014 million).			
5 TERM DEPOSIT RECEIPTS			
Opening balance		343,883	356,949
Pre-matured during the period / year	5.1	<u>84,309</u>	<u>13,066</u>
Closing balance	5.2	<u>259,574</u>	<u>343,883</u>
5.1 These Term Deposit Receipts (TDRs) having face value of Rs. 84.000 million carrying interest rate ranging from 3.75% to 5.60% were pre-matured during the period.			
5.2 These Term Deposit Receipts (TDRs) carry profit of 6.60% having maturity till January 2020.			

		December 31, 2018 (Unaudited)	June 30, 2018 (Audited)
	Note	----- (Rupees in '000) -----	
6	INVESTMENTS		
Investment in equity shares			
Financial assets classified as at fair value through profit or loss	6.1	16,931	29,817
Financial assets classified as at fair value through other comprehensive income (June 30, 2018: Available for sale)	6.2	-	3,680
		<u>16,931</u>	<u>33,497</u>

6.1 Financial assets classified as at fair value through profit or loss

Name of investee company	Number of shares					Carrying value as at December 31, 2018	Market value as at December 31, 2018	Unrealised loss on revaluation of investments classified as at fair value through profit or loss - net	Market value as at June 30, 2018	Market value as a percentage of net assets	Market value as a percentage of total value of investments
	As at July 01, 2018	Purchased / bonus received during the period	Sold during the period	Transferred in during the period due to adoption of IFRS 9	As at December 31, 2018						
	-----Number of shares-----										
AUTOMOBILE SECTOR											
Honda Atlas Cars (Pakistan) Limited	-	-	500	9,000	8,500	2,689	1,501	(1,188)	-	0.47%	8.87%
	-	-	500	9,000	8,500	2,689	1,501	(1,188)	-	0.47%	8.87%
CEMENT											
Cherat Cement Company Limited	33,500	-	33,500	-	-	-	-	-	3,257	0.00%	0.00%
Lucky Cement Limited	5,000	-	1,500	-	3,500	1,778	1,521	(257)	2,540	0.48%	8.98%
	38,500	-	35,000	-	3,500	1,778	1,521	(257)	5,797	0.48%	8.98%
FERTILIZER											
Engro Fertilizers Limited	25,000	-	20,000	-	5,000	375	345	(30)	1,873	0.11%	2.04%
	25,000	-	20,000	-	5,000	375	345	(30)	1,873	0.11%	2.04%
PHARMACEUTICALS											
Highnoon Laboratories Limited	967	-	-	-	967	397	336	(61)	397	0.11%	1.98%
The Searle Company Limited	972	70	500	-	542	160	133	(27)	330	0.04%	0.79%
	1,939	70	500	-	1,509	557	469	(88)	727	0.15%	2.77%
POWER GENERATION & DISTRIBUTION											
The Hub Power Company Limited	6,400	-	-	-	6,400	590	549	(41)	590	0.17%	3.24%
	6,400	-	-	-	6,400	590	549	(41)	590	0.17%	3.24%
CHEMICALS											
I. C. I. Pakistan Limited	2,600	-	2,000	-	600	481	477	(4)	2,084	0.15%	2.82%
	2,600	-	2,000	-	600	481	477	(4)	2,084	0.15%	2.82%
ENGINEERING											
International Steels Limited	23,900	-	6,000	-	17,900	1,820	1,177	(643)	2,431	0.37%	6.95%
	23,900	-	6,000	-	17,900	1,820	1,177	(643)	2,431	0.37%	6.95%
OIL & GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited	4,500	450	-	-	4,950	6,778	6,118	(660)	6,778	1.93%	36.13%
	4,500	450	-	-	4,950	6,778	6,118	(660)	6,778	1.93%	36.13%
TEXTILE COMPOSITE											
Nishat Mills Limited	33,800	-	13,000	-	20,800	2,931	2,632	(299)	4,762	0.83%	15.55%
	33,800	-	13,000	-	20,800	2,931	2,632	(299)	4,762	0.83%	15.55%
BANKING SECTOR											
Habib Bank Limited	-	-	-	5,000	5,000	832	602	(230)	-	0.19%	3.56%
	-	-	-	5,000	5,000	832	602	(230)	-	0.19%	3.56%
AUTOMOBILE PARTS & ACCESSORIES											
Thal Limited *	10,000	-	6,400	-	3,600	1,720	1,540	(180)	4,775	0.49%	9.10%
	10,000	-	6,400	-	3,600	1,720	1,540	(180)	4,775	0.49%	9.10%
Total December 31, 2018	146,639	520	83,400	14,000	77,759	20,551	16,931	(3,620)	29,817	5%	100%

* Face value is Rs. 5 per share.

6.2 Financial assets classified as at fair value through other comprehensive income (June 30, 2018: Available for sale)

Name of investee company	Number of shares					Carrying value as at December 31, 2018	Market value as at December 31, 2018	Unrealised gain on re-measurement of investments as at December 31, 2018	Market value as at June 30, 2018	Market value as a percentage of net assets	Market value as a percentage of total value of investments
	As at July 01, 2018	Purchased / bonus received during the period	Sold during the period	Transferred out during the period due to adoption of IFRS 9	As at December 31, 2018						
	-----Number of shares-----										
Commercial Bank	5,000	-	-	(5,000)	-	-	-	-	832	0.00%	0.00%
Habib Bank Limited	5,000	-	-	(5,000)	-	-	-	-	832		
Automobile Assembler	9,000	-	-	(9,000)	-	-	-	-	2,848	0.00%	0.00%
Honda Atlas Cars (Pakistan) Limited	9,000	-	-	(9,000)	-	-	-	-	2,848		
	14,000	-	-	(14,000)	-	-	-	-	3,680		

- 6.1.1 The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable High Court of Sindh to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The Honorable High Court of Sindh has granted stay order till the final outcome of the case. In prior year, the investee companies of the Fund, in pursuance of the aforesaid amendment, withheld shares equivalent to 5 % of bonus entitlement of the Fund having fair market value of Rs. 0.031 million at period end. Such shares have not been deposited by the investee companies in CDC account of Income Tax department. The Fund has included in its investment the shares withheld and recorded these at fair market value at year end. Moreover, during the period, the requirement to deduct tax on bonus shares has been withdrawn through Finance Act, 2018.
- 6.1.2 The above securities include 18,100 shares pledged with the National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs. 2.150 million for guaranteeing settlement of the Fund's trade in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.
- 6.2 As mentioned in note 3.6 to this condensed interim financial information, after the adoption of IFRS 9, investments in equity securities held by the Fund as 'Available for sale' have been classified as financial assets at 'fair value through profit or loss' on July 1, 2018.

7 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, 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 Income Tax Ordinance, 2001 from Commissioner Inland Revenue (CIR). During the period, prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under sections 150 and 151 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2019.

8 ACCRUED EXPENSES AND OTHER LIABILITIES

8.1 Provision for Sindh Workers' Welfare Fund

Provision for Sindh Workers' Welfare Fund (SWWF) as at December 31, 2018 amounted to Rs. 0.290 million (June 30, 2018: Rs. 0.184 million). There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 15.1 to the annual audited financial statements of the Fund for the year ended June 30, 2018.

The Management Company, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis. Had the SWWF not been provided for, the net assets value per unit would have been higher by Re. 0.0933 per unit (June 30, 2018: Re. 0.0449 per unit).

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2018 and June 30, 2018.

10 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 the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in cash. 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. The Management Company intends to distribute by way of cash dividend at least 90% of the aforementioned net accounting income earned by the fund to the unit holders. Accordingly, no provision for current and deferred taxation has been recognised in this condensed interim financial information.

11 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.

12 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the half year ended December 31, 2018 is 0.91% (2017: 0.82%) which includes 0.13% (2017: 0.10%) representing Government Levy, Worker's Welfare Fund and SECP fee.

13 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 provision 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 period end are as follows:

	Management Company	Associated Companies	Trustee	Other Connected persons / related parties
	----- (Rupees in '000) -----			
Transactions during the half year ended December, 2018				
Profit on savings accounts	-	50	-	-
Profit on Term deposit receipts	-	8,971	-	-
Bank charges	-	1	-	-
Units issued	-	758	-	-
Remuneration (including Sindh sales tax)	1,406	-	244	-
Allocated expenses	166	-	-	-
CDS expense	-	-	4	-
Dividend paid	-	876	-	-
Transactions during the half year ended December 31, 2017				
Profit on savings accounts and TDRs	-	11,869	-	-
Bank charges	-	3	-	-
Remuneration (including sindh sales tax)	-	-	-	-
Allocated expenses	1,799	-	312	-
CDS expense	212	-	-	-
	-	-	5	-

	Management Company	Associated Companies	Trustee	Funds under Common Management
----- (Rupees in '000) -----				
Balances held as at December 31, 2018				
Units held (in Units '000)	-	1,795	-	-
Units held (in Rupees '000)	-	182,873	-	-
Bank balances	-	1,283	-	-
Deposits	-	-	100	-
Remuneration payable	228	-	40	-
Other payables	17	-	-	-
Profit receivable on saving account	-	7	-	-
Profit receivable on Term deposit receipts	-	32,808	-	-
Allocated expenses payable	27	-	-	-
Balances held as at June 30, 2018				
Units held (in Units '000)	-	1,706	-	1,003
Units held (in Rupees '000)	-	171,715	-	100,919
Bank balances	-	14	-	-
Deposits	-	-	100	-
Remuneration payable	288	-	50	-
Other payables	17	-	-	-
Term deposit receipts	-	343,882	-	-
Profit receivable on Term deposit receipts	-	32,017	-	-
Allocated expenses payable	69	-	-	-
Initial listing fee	-	-	-	110

14 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, 2018			As at December 31, 2018		
Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Level 1	Level 2	Level 3
Rupees in '000					

Financial assets measured at fair value

Investments	16,931	-	-	16,931	-	-

Financial assets not measured at fair value

Term deposit receipts	-	-	259,574	-	-	-
Bank balances	-	-	4,874	-	-	-
Mark-up / interest receivable	-	-	32,840	-	-	-
Dividend receivable	-	-	7	-	-	-
Deposits	-	-	2,600	-	-	-
	-	-	299,895			
	16,931	-	299,895	16,931	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited - Management Company	-	-	246	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	40	-	-	-
Accrued expenses and other liabilities	-	-	661	-	-	-
			947			

Carrying Amount				Fair value		
As at June 30, 2018				As at June 30, 2018		
Fair value through profit and loss	Available for sale	Loans and receivables	Other financial liabilities	Level 1	Level 2	Level 3
Rupees in '000						

Financial assets measured at fair value

Investments	29,817	3,680	-	-	33,497	

Financial liabilities not measured at fair value

Term deposit receipts	-	-	343,883	-	-	-
Bank balances	-	-	221	-	-	-
Mark-up / interest receivable	-	-	32,023	-	-	-
Dividend receivable	-	-	205	-	-	-
Deposits	-	-	2,600	-	-	-
	-	-	378,932	-	-	-
	29,817	3,680	378,932	-	33,497	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited - Management Company	-	-	-	331	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	44	-	-
Accrued expenses and other liabilities	-	-	-	219	-	-
	-	-	-	594	-	-

14.1 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.

14.2 Transfers during the period

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

15 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.

16 GENERAL

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

17 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on February 27, 2019.

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

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

UFPF

UBL Financial Planning Fund

INVESTMENT OBJECTIVE

The objective of the fund is to generate returns on investments as per the respective Allocation Plan by investing in Mutual Funds in line with the risk tolerance of the Investor

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	United Bank Limited
Management Co.Rating	AM1 (JCR-VIS)

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) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



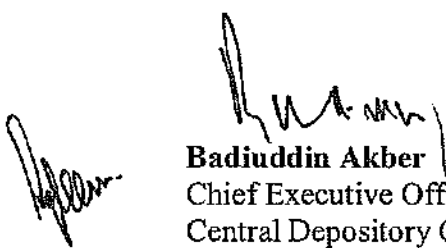
TRUSTEE REPORT TO THE UNIT HOLDERS

UBL FINANCIAL PLANNING 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 Planning 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, 2018 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 22, 2019

AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of UBL Financial Planning Fund (the Fund) as at 31 December 2018, the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flow, condensed interim statement movement in unit holders' fund and notes to the accounts for the six month period then ended (here-in-after referred to as "interim financial statements"). Management Company is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended 31 December 2018 and 31 December 2017 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 2018.

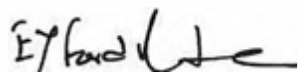
Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Statements 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 approved accounting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.



Chartered Accountants

Date: 27 February 2019

Karachi

UBL FINANCIAL PLANNING FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2018

		December 31, 2018 (Un-audited)				June 30, 2018 (Audited)		
		UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	Total
Note		(Rupees in '000)						
ASSETS								
Bank balances	4	987	366	944	2,297	749	80	829
Term Deposits Receipts		-	123,663	-	123,663	-	123,663	123,663
Investments	5	169,498	188,385	209,981	567,864	172,638	207,714	380,352
Mark-up and other receivables		26	4,940	4	4,970	87	713	800
Advance tax	6	1	-	-	1	-	-	-
Preliminary expenses and floatation costs		314	332	32	678	-	-	-
TOTAL ASSETS		170,826	317,686	210,961	699,473	173,474	332,170	505,644
LIABILITIES								
Payable to the Management Company	7	583	576	3,593	4,752	166	3,027	3,193
Payable to the Trustee		16	30	20	66	15	28	43
Annual fee payable to Securities and Exchange Commission of Pakistan (SECP)		65	122	29	216	46	21	67
Accrued and other liabilities	8	169	278	1,369	1,816	82	4,976	5,058
TOTAL LIABILITIES		833	1,006	5,011	6,850	309	8,052	8,361
NET ASSETS		169,993	316,680	205,950	692,623	173,165	324,118	497,283
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		169,993	316,680	205,950	692,623	173,165	324,118	497,283
CONTINGENCIES AND COMMITMENTS	9							
NUMBER OF UNITS IN ISSUE		1,674,530	3,085,063	2,064,672		1,716,552	3,220,804	
NET ASSETS VALUE PER UNIT (RUPEES)		101.5168	102.6494	99.7496		100.8796	100.6329	

The annexed notes from 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL FINANCIAL PLANNING FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2018

	For The Period Ended December 31, 2018		For the period from October 24, 2018 to December 31, 2018		For The Quarter Ended December 31, 2018	
	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II

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

INCOME						
Mark-up on bank accounts	111	35	12	158	16	9
Dividend income	74	670	-	744	-	230
Unrealised gain on re-measurement of investments classified as 'at fair value through profit or loss'	1,116	1,932	(623)	2,425	(479)	(357)
Income from term deposit receipt (TDR)	-	4,194	-	4,194		2,097
Net gain on sale of investments classified as classified as 'at fair value through profit or loss'	222	951	235	1,408	134	863
Other income	171	568	6	745	42	479
Total income	1,694	8,350	(370)	9,674	(287)	3,321

EXPENSES						
Remuneration of the Management Company	-	623	-	623	-	311
Sales tax on management fee	-	81	-	81	-	40
Allocated expenses by the Management Company	87	162	39	288	43	80
Remuneration of the Trustee	87	162	39	288	44	80
Sales tax on remuneration of the Trustee	11	21	5	37	5	10
Annual fee - Securities and Exchange Commission of Pakistan	65	122	29	216	32	60
Amortization of preliminary expenses and floatation costs	130	112	-	242	65	56
Auditors' remuneration	97	81	24	202	51	35
Legal and professional charges	53	34	10	97	15	15
Bank charges and other charges	17	17	4	38	5	12
Total expenses	547	1,415	150	2,112	260	699

Net operating income for the period	1,147	6,935	(520)	7,562	(547)	2,622
Provision for Sindh Workers' Welfare Fund (SWWF)	23	136	-	159	(10)	51
Net income for the period before taxation	1,124	6,799	(520)	7,403	(557)	2,571

Taxation	10	-	-	-		
Net income for the period after taxation	1,124	6,799	(520)	7,403	(557)	2,571

<i>Allocation of net income for the period:</i>						
Net income for the period after taxation	1,124	6,799	(520)	7,403	(557)	2,571
Income already paid on units redeemed *	(61)	(198)	-	(259)		
	1,063	6,601	(520)	7,144	(557)	2,571

<i>Accounting income available for distribution</i>						
- Relating to capital gains	1,273	2,749	-	3,502	(345)	506
- Excluding capital gains	(210)	3,852	-	3,642	(212)	2,065
	1,063	6,601	-	7,144	(557)	2,571

Earnings per unit						

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The annexed notes from 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

UBL FINANCIAL PLANNING FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2018

	For The Period Ended December 31, 2018		For the period from October 24, 2018 to December 31, 2018	
	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total
----- (Rupees in '000) -----				
Net income for the period after taxation	1,124	6,799	(520)	7,403
Other comprehensive income for the period	-	-		-
Total comprehensive income for the period	1,124	6,799	(520)	7,403

The annexed notes from 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL FINANCIAL PLANNING FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2018

	For The Period Ended December 31, 2018		For the period from October 24, 2018 to December 31, 2018	
	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total
----- (Rupees in '000) -----				
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the period before taxation	1,124	6,799	(520)	7,403
Adjustments for:				
Mark-up on bank accounts	(111)	(35)	(12)	(158)
Unrealised gain on re-measurement of investments classified as 'at fair value through profit or loss -	(1,116)	(1,932)	623	(2,425)
Income from term deposit receipt (TDR)	-	(4,194)	-	(4,194)
Dividend income	-	(670)	-	(670)
Net gain on sale of investments classified as classified as 'at fair value through profit or loss'	(222)	(951)	(235)	(1,408)
Amortization of preliminary expenses and floatation costs	130	112	-	242
Provision for Sindh Workers' Welfare Fund (SWWF)	23	136	-	159
	(1,296)	(7,534)	376	(8,454)
(Increase) / decrease in assets				
Investments	4,477	22,212	(210,369)	(183,680)
Term deposit receipt	-	-	-	-
Mark-up and other receivables	61	(4,227)	(4)	(4,170)
Advance tax	(1)	-	-	-
Preliminary expenses and floatation costs	(444)	(444)	(32)	(920)
	4,093	17,541	(210,405)	(188,770)
(Decrease) / Increase in liabilities				
Payable to the Management Company	417	(2,451)	3,593	1,559
Payable to the Trustee	1	2	20	23
Annual fee payable to SECP	19	101	29	149
Accrued and other liabilities	65	(4,834)	1,369	(3,400)
	502	(7,182)	5,011	(1,669)
Mark-up received	111	4,229	12	4,352
Dividend income received	-	670	-	670
Net cash flows generated from operating activities	4,534	14,523	(205,526)	(186,468)
CASH FLOWS FROM FINANCING ACTIVITIES				
Net receipt from issuance of units	-	362	211,004	211,367
Cash dividend paid to unit holders	-	(405)	-	(405)
Net payment against redemption of units	(4,296)	(14,194)	(4,534)	(23,024)
Net cash flows generated from financing activities	(4,296)	(14,237)	206,470	187,937
Net increase in cash and cash equivalent during the period	238	286	944	1,469
Cash and cash equivalents at beginning of the period	749	80	-	829
Cash and cash equivalents at end of the period	987	366	944	2,297
Cash and cash equivalents				
Bank balances	987	366	944	2,297

The annexed notes from 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

UBL FINANCIAL PLANNING FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2018

	For The Period Ended December 31, 2018						For the period from October 24, 2018 to December 31, 2018			
	UBL Active Principal Preservation Plan I			UBL Active Principal Preservation Plan II			UBL Active Principal Preservation Plan III			
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Total
	(Rupees in '000)									
Net assets at beginning of the period	171,657	1,508	173,165	322,086	2,032	324,118	-	-	-	497,283
Issuance of units:										
UBL Active Principal Preservation Plan I (Nil UNITS)										
- Capital value	-	-	-	-	-	-	-	-	-	-
- Element relating to the income for the year after taxation	-	-	-	-	-	-	-	-	-	-
UBL Active Principal Preservation Plan II (3,606 units)										
- Capital value	-	-	-	362	-	362	-	-	-	362
- Element relating to the income for the year after taxation	-	-	-	-	-	-	-	-	-	-
UBL Active Principal Preservation Plan III (2,110,001 units)										
- Capital value	-	-	-	-	-	-	211,000	-	211,000	211,000
- Element relating to the income for the year after taxation	-	-	-	-	-	-	4	-	4	4
	-	-	-	362	-	362	211,004	-	211,004	211,366
Redemption of units										
UBL Active Principal Preservation Plan I (42,023 units)										
- Capital value	(4,239)	-	(4,239)	-	-	-	-	-	-	(4,239)
- Element relating to the income for the year after taxation	4	(61)	(57)	-	-	-	-	-	-	(57)
UBL Active Principal Preservation Plan II (139,346 units)										
- Capital value	-	-	-	(14,005)	-	(14,005)	-	-	-	(14,005)
- Element relating to the income for the year after taxation	-	-	-	9	(198)	(189)	-	-	-	(189)
UBL Active Principal Preservation Plan III (45,330 units)										
- Capital value	-	-	-	-	-	-	(4,533)	-	(4,533)	(4,533)
- Element relating to the income for the year after taxation	-	-	-	-	-	-	(1)	-	(1)	(1)
	(4,235)	(61)	(4,296)	(13,996)	(198)	(14,194)	(4,534)	-	(4,534)	(23,024)
Total comprehensive income for the period	-	1,124	1,124	-	6,799	6,799	-	(520)	(520)	7,403
Distribution during the period	-	-	-	-	(405)	(405)	-	-	-	(405)
Net income for the period less distribution	-	1,124	1,124	-	6,394	6,394	-	(520)	(520)	6,998
Net assets at end of the period	167,422	2,571	169,993	308,452	8,228	316,680	206,470	(520)	205,950	692,623
Undistributed income brought forward:										
- Realised	-	330	330	-	1,509	1,509	-	-	-	1,839
- Unrealised	-	1,178	1,178	-	523	523	-	-	-	1,701
	-	1,508	1,508	-	2,032	2,032	-	-	-	3,540
Accounting income available for distribution:										
- Relating to capital gains	-	1,273	1,273	-	2,749	2,749	-	-	-	4,022
- Excluding capital gains	-	(210)	(210)	-	3,852	3,852	-	(520)	(520)	3,122
	-	1,063	1,063	-	6,601	6,601	-	(520)	(520)	7,144
Distribution during the period	-	-	-	-	(405)	(405)	-	-	-	(405)
Undistributed income carried forward	-	2,571	2,571	-	8,228	8,228	-	(520)	(520)	10,279
Undistributed income carried forward										
- Realised	-	1,455	1,455	-	6,296	6,296	-	103	103	7,854
- Unrealised	-	1,116	1,116	-	1,932	1,932	-	(623)	(623)	2,425
	-	2,571	2,571	-	8,228	8,228	-	(520)	(520)	10,279
	-- (Rupees) --			-- (Rupees) --			-- (Rupees) --			
Net assets value per unit at end of the period	101.5168			102.6494			99.7496			

The annexed notes from 1 to 16 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL FINANCIAL PLANNING FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2018 (UN-AUDITED)

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Financial Planning Fund (the Fund) was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on August 07, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 29, 2017 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from September 28, 2017.

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

The objective of the Fund is to generate returns on Investments as per respective Allocation Plans by investing in Mutual Funds in line with the risk tolerance of the Investor. The duration of the Fund and Allocation Plans initially launched therein is perpetual, however, additional Allocation Plans may have a set time frame. Presently, the fund offers only UBL Active Principal Preservation Plan I, UBL Active Principal Preservation Plan II and UBL Active Principal Preservation Plan III

JCR - VIS Credit Rating Company has reaffirmed management quality rating of AM1 on December 27, 2018.

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

2.1.1 This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Boards are 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") and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

2.1.3 The comparative statement of asset 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, 2018, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended December 31, 2017.

2.1.4 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, 2018.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

3.1 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN

- 3.1 The accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2018 except as disclosed in note 3.2.

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.2 Change in accounting policy

3.2.1 IFRS 9 Financial Instruments

IFRS 9 'Financial Instruments' was issued on July 24, 2017. This standard is adopted locally by the Securities and Exchange Commission of Pakistan and is effective for accounting periods beginning on or after July 1, 2018. A number of other new standards are effective from July 01, 2018 but they do not have a material effect on the Fund's financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

Classification and measurement of financial assets and financial liabilities

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

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 did not have a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below:

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

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

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

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

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

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

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

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

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

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Fund's financial assets as at July 01, 2018.

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	Revised carrying amount under IFRS 9
	Note			---- (Rupees in '000) ----	
Units of mutual funds	(a)	Held for trading	FVTPL	380,352	380,352
Bank balances	(c)	Loans and receivables	Amortised cost	829	829
Mark-up and other receivables	(c)	Loans and receivables	Amortised cost	800	800

(a) These financial assets classified as 'held for trading' have been classified as fair value through profit and loss (FVTPL). Units of mutual funds are puttable instruments as per the definition given under International Accounting Standard 32 - Financial Instruments: Presentation (IAS -32) and do not meet the definition of equity instrument under IAS 32. Accordingly, such instruments are classified as FVTPL as they do not meet the contractual cash flow characteristics criterion.

(b) The Fund has not made an irrevocable election upon adoption of IFRS 9 to present in other comprehensive income subsequent changes in the fair value of investments in equity instruments under IFRS 9 and accordingly all investments in equity instruments have been classified as fair value through profit or loss (FVTPL).

(c) These financial assets classified as 'loans and receivables' have been classified as amortised cost.

Impairment of financial assets

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

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds.

Transition

The Fund has used the exemption not to restate comparative periods as allowed under IFRS 9 and the differences, if any, in the carrying amounts of financial assets resulting from the adoption of IFRS 9 are recognised in opening retained earnings as at July 01, 2018. Accordingly, the comparative information does not reflect the requirements of IFRS 9, but rather those of IAS 39.

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

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

3.2 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following standards and amendment to IFRSs which became effective for the current period:

Standard or Interpretation

IFRS 2 Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)

IFRS 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 'Insurance Contracts – (Amendments)

IAS 40 Investment Property: Transfers of Investment Property (Amendments)

IFRIC 22 Foreign Currency Transactions and Advance Consideration

Improvements to Accounting Standards Issued by the IASB in December 2016

IFRS 1 First-time Adoption of International Financial Reporting Standards - Deletion of short-term exemptions for first-time

IFRS 28 Investments in Associates and Joint Ventures - Clarification that measuring investees at fair value through profit or loss is an investment - by - investment choice

The adoption of the above amendments, improvements to accounting standards and interpretations did not have any effect on the condensed interim financial statements, other than IFRS 9, the impact of which has been disclosed in note 3.2 above.

		December 31, 2018 (Un-audited)				June 30, 2018 (Audited)			
		UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	Total	
Note		(Rupees in '000)							
4.	BANK BALANCES								
	Bank accounts - savings	4.1	987	366	944	2,297	749	80	829
4.1 Profit rates on profit and loss savings accounts range between 4.5% to 11% (June 30, 2018: 4.5%) per annum and these include a balance of Rs.2,297 (June 30, 2018: Rs.0.84) million held with United Bank Limited (a related party).									
5.	INVESTMENTS								
Investments by Category									
At fair value through profit or loss									
	Units of mutual funds	5.1	169,498	188,385	209,981	567,864	172,638	207,714	380,352
			169,498	188,385	209,981	567,864	172,638	207,714	380,352

5.1 Units of mutual funds classified as 'at fair value through profit or loss'

	Number of Units				Balance as at December 31, 2018				
Name of investee Fund (funds under common management)	As at July 01, 2018	Purchased during the period	Sold / Redeemed during the period	As at December 31, 2018	Carrying Value	Market Value	Appreciation	Market value as a % of net assets of each plan	Market value as a % of total value of Investment
	Number of units				(Rupees in '000)			(%)	
Held by UBL Active Principal Preservation Plan I									
UBL Liquidity Planning Fund	680,188	127,706	807,894	-	-	-	-	0.00%	0.00%
UBL Dedicated Equity Fund	286,760	429,175	302,348	413,587	39,815	36,592	(3,223)	21.53%	21.59%
UBL Money Market Fund	684,201	934,659	341,942	1,276,918	128,567	132,906	4,339	78.18%	78.41%
					168,382	169,498	1,116	99.71%	100.00%
Held by UBL Active Principal Preservation Plan II									
UBL Liquidity Planning Fund	987,865	216,842	1,093,041	111,666	11,255	11,246	(9)	3.55%	5.97%
UBL Dedicated Equity Fund	180,065	350,682	81,097	449,650	42,390	39,782	(2,608)	12.56%	21.12%
UBL Money Market Fund	806,077	1,018,721	505,117	1,319,681	132,810	137,357	4,547	43.37%	72.91%
					186,455	188,385	1,930	59.49%	100.00%
Held by UBL Active Principal Preservation Plan III									
UBL Dedicated Equity Fund	-	599,558	59,895	539,663	50,979	47,746	(3,233)	23.18%	22.74%
UBL Money Market Fund	-	3,599,967	2,041,264	1,558,703	159,625	162,235	2,610	78.77%	77.26%
As at December 31, 2018					210,604	209,981	(623)	101.96%	100.00%
Total as at June 30, 2018					366,573	370,457	3,884		

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 and 151 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the 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 150 and 151 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2019.

		December 31, 2018 (Un-audited)				
		UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	Total	
		----- (Rupees in '000) -----				
7.	PAYABLE TO MANAGEMENT COMPANY	Note				
	Remuneration payable	7.1	-	105	-	105
	Sales tax on remuneration payable	7.2	-	14	-	14
	Sales load payable		120	-	3,545	3,665
	Allocated expenses payable		15	27	18	60
	Other payable		448	430	30	908
			583	576	3,593	4,752
June 30, 2018 (Audited)						
		UBL Conservative Allocation Plan	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	Total	
		----- (Rupees in '000) -----				
	Remuneration payable	-	-	81	81	
	Sales tax on remuneration payable	-	-	11	11	
	Sales load payable	-	113	2,902	3,015	
	Allocated expenses payable	99	29	28	156	
	Other payable	1,087	24	5	1,116	
		1,186	166	3,027	4,379	

7.1 As per the Offering Document of the Plans, no management fee shall be charged if the investment is made in the underlying Scheme of the Management Company. However, 1% management fee shall be charged if the investment is made in saving accounts and term deposits. Accordingly, the Management Company has charged 1% per annum of the term deposit receipt placed only in case of UBL Active Principal Preservation Plan II.

- 7.2 Sales tax at the rate of 13% on gross value of management fee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

Note	December 31, 2018 (Un-audited)			Total
	UBL Active Principal Preservation Plan I	UBL Active Principal Preservation Plan II	UBL Active Principal Preservation Plan III	
	----- (Rupees in '000) -----			
8. ACCRUED EXPENSES AND OTHER LIABILITIES				
Auditors' remuneration	82	67	24	173
Provision for Sindh Workers' Welfare Fund (SWWF)	53	177	0	230
Legal and professional fees payable	29	29	37	95
Other payable	5	5	1,308	1,318
	169	278	1,369	1,816

- 8.1 The status of Sindh Workers' Welfare Fund (SWWF) is same as disclosed in annual financial statements for the year ended June 30, 2018. However, MUFAP has also taken a legal opinion that SWWF, if applicable, can only be applied from the date of enactment of SWWF Act, 2014, i.e. May 21, 2015. Accordingly, on January 12, 2017, MUFAP as an abundant caution, has recommended its members to provide for SWWF on daily basis with effect from May 21, 2015. Going forward, the efforts to exclude mutual funds from SWWF continue. Had the SWWF not been provided for, the net assets value per unit would have been higher by Rs.0.03 (June 30, 2018: Rs.0.02) in UBL Active Principal Preservation Plan I, Rs.0.06 (June 30, 2018: Rs.0.01) in UBL Active Principal Preservation Plan II.

9. CONTINGENCIES AND COMMITMENTS

As at December 31, 2018, there are no contingencies and commitments.

10. 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 the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in cash. 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.

As the management company has distributed through cash atleast 90% of the funds net accounting income as reduced by capital gain whether realised or unrealised by the year-end to the unit holders, accordingly, no provision for taxation has been recognized in this condensed interim financial information.

11. EARNINGS PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

12. TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the Total Expense Ratio of the UBL Active Principal Preservation Plan I, UBL Active Principal Preservation Plan II and UBL Active Principal Preservation Plan III is 0.33%, 0.48% and 0.07% as on December 31, 2018 and this includes 0.06%, 0.11% and 0.02% representing government levy, worker's welfare fund and SECP fee respectively.

13. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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

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

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

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

13.5 Details of transactions with related parties / connected persons during the period and balances held with them at the year ended December 31, 2018 are as follows:

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
UBL Active Principal Preservation Plan I	(Rupees in '000)					
Transactions for the period ended December 31, 2018						
Mark-up on bank accounts	-	111	-	-	-	-
Bank and other charges	-	5	-	-	-	-
Remuneration (Inclusive of SST)	-	-	98	-	-	-
Units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-
Purchase of Investment	-	-	-	141,152	-	-
Sale of Investment	-	-	-	145,447	-	-
Allocated Expenses	87	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Dividend received	-	-	-	74	-	-
Balances as at December 31, 2018						
Bank balance	-	987	-	-	-	-
Remuneration payable	-	-	16	-	-	-
Sales load payable	120	-	-	-	-	-
Allocated expenses payable	15	-	-	-	-	-
Other payable	449	-	-	-	-	-
Mark-up receivable	-	27	-	-	-	-
Units held (in Units '000)	-	-	-	-	-	535
Units held (in Rupees '000)	-	-	-	-	-	54,311
Units of mutual funds held	-	-	-	169,498	-	-

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
UBL Active Principal Preservation Plan II	(Rupees in '000)					
Transactions for the period ended December 31, 2018						
Income from term deposit receipt (TDR)	-	4,194	-	-	-	-
Mark-up on bank accounts	-	35	-	-	-	-
Bank and other charges	-	5	-	-	-	-
Remuneration (Inclusive of SST)	704	-	183	-	-	-
Units issued	-	-	-	-	-	69
Units redeemed	-	-	-	-	-	-
Purchase of Investment	-	-	-	165,230	-	-
Sale of Investment	-	-	-	187,246	-	-
Allocated Expenses	162	-	-	-	-	-
Dividend paid	-	-	-	-	-	78
Dividend received	-	-	-	670	-	-
Balances as at December 31, 2018						
Bank balance	-	366	-	-	-	-
Term deposit receipt (TDR)	-	123,663	-	-	-	-
Remuneration payable	119	-	30	-	-	-
Sales load payable	-	-	-	-	-	-
Allocated expenses payable	27	-	-	-	-	-
Other payable	430	-	-	-	-	-
Mark-up receivable	-	32	-	-	-	-
Units held (in Units '000)	-	-	-	-	-	624
Units held (in Rupees '000)	-	-	-	-	-	64,053
Units of mutual funds held	-	-	-	188,385	-	-
Mark-up receivable on term deposit receipt (	-	4,742	-	-	-	-

**UBL Active Principal Preservation
Plan III**

**Transactions for the period
from October 24, 2018
to December 31, 2018**

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
	(Rupees in '000)					
Mark-up on bank accounts	-	12	-	-	-	-
Bank and other charges	-	2	-	-	-	-
Remuneration (Inclusive of SST)	-	-	44	-	-	-
Units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-
Purchase of Investment	-	-	-	432,297	-	-
Sale of Investment	-	-	-	222,260	-	-
Allocated Expenses	39	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Dividend received	-	-	-	-	-	-

Balances as at December 31, 2018

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
Bank balance	-	944	-	-	-	-
Remuneration payable	-	-	20	-	-	-
Sales load payable	3,571	1,300	-	-	-	-
Allocated expenses payable	18	-	-	-	-	-
Other payable	5	-	-	-	-	-
Mark-up receivable	-	4	-	-	-	-
Units held (in Units '000)	-	-	-	-	-	-
Units held (in Rupees '000)	-	-	-	-	-	-
Units of mutual funds held	-	-	-	209,981	-	-

**UBL Active Principal Preservation
Plan I**

Balances as at June 30, 2018

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
Bank balance	-	749	-	-	-	-
Remuneration payable	-	-	15	-	-	-
Sales load payable	113	-	-	-	-	-
Allocated expenses payable	29	-	-	-	-	-
Other payable	24	-	-	-	-	-
Mark-up receivable	-	88	-	-	-	-
Units held (in Units '000)	-	-	-	-	-	535
Units held (in Rupees '000)	-	-	-	-	-	53,971
Units of mutual funds held	-	-	-	172,638	-	-

**UBL Active Principal Preservation
Plan II**

Balances as at June 30, 2018

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected Persons / Related Parties
Bank balance	-	80	-	-	-	-
Term deposit receipt	-	123,662	-	-	-	-
Remuneration payable	81	-	28	-	-	-
Sales load payable	2,902	4,927	-	-	-	-
Allocated expenses payable	28	-	-	-	-	-
Other payable	5	-	-	-	-	-
Mark-up receivable	-	-	-	-	-	-
Units held (in Units '000)	-	-	-	-	-	623
Units held (in Rupees '000)	-	-	-	-	-	62,694
Units of mutual funds held	-	-	-	207,715	-	-
Mark-up receivable on term deposit receipt (TDR)	-	-	-	547	-	-

14. Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between

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 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.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

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

The table below analyse financial instruments measured at the end of the reporting half year 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) -----			
As at December 31, 2018 (Un-audited)				
Financial assets measured at fair value				
Units of mutual fund	567,864	-	-	567,864

	Fair Value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
As at June 30, 2018 (Audited)				
Financial assets measured at fair value				
Units of mutual fund	408,373	-	-	408,373

15. GENERAL

- 15.1** This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.
- 15.2** 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.

16. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information were authorised for issue on February 27, 2019 by the Board of Directors of the Management Company.

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

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

USSP I

UBL Special Savings Plan

INVESTMENT OBJECTIVE

UBL Special Savings Fund shall be an open-end Capital Protected Fund that aims to not only provide its unit-holders capital preservation but competitive regular returns from a portfolio of fixed income investments in line with the risk tolerance of the Investor.

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	KPMG - Taseer Hadi & Co
Bankers	JS Bank Limited Soneri Bank Limited
Management Co. Rating	AM 1 (JCR-VIS)

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
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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 period from November 9, 2018 to December 31, 2018 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 22, 2019



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

Independent Auditors' 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 31 December 2018 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the accounts for the period from 9 November 2018 to 31 December 2018 (here-in-after referred to as the "interim financial information"). Management Company is responsible for the preparation and presentation of this 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 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 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 is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the engagement resulting in this independent auditor's review report is Mazhar Saleem.

Date: 27 February 2019

Karachi


KPMG Taseer Hadi & Co.
Chartered Accountants

UBL Special Savings Fund
Condensed Interim Statement of Assets and Liabilities
As at 31 December 2018

		31 December 2018 (Unaudited) USSP-I (Rupees in '000)
	<i>Note</i>	
Assets		
Bank balances	5	515,328
Profits receivable on bank balances		4,091
Prepayments and other receivables	6	653
Preliminary expenses and floatation cost	7	1,077
Total assets		521,149
Liabilities		
Payable to the Management Company	8	2,596
Payable to Central Depository Company of Pakistan Limited - Trustee	9	46
Payable to Securities and Exchange Commission of Pakistan	10	42
Accrued expense and other payables	11	1,150
Total liabilities		3,834
Net assets		517,315
Unit holders' fund (as per the statement attached)		517,315
Contingency	12	(Number of units)
Number of units in issue		5,161,241
		(Rupees in '000)
Net assets value per unit (face value of Rs. 100 each)		100.2307

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

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

---SD---
Chief Executive Officer

---SD---
Chief Financial Officer

---SD---
Director

UBL Special Savings Fund

Condensed Interim Income Statement (Unaudited)

For the period from 9 November 2018 to 31 December 2018

For the period from
9 November 2018 to
31 December 2018

USSP-I

(Rupees in '000)

Note

Income

Profit on bank deposits calculated using the effective interest method

5,375

Expenses

Remuneration of the Management Company

8.1 555

Sindh Sales tax on the Management Company's remuneration

72

Allocation of expenses relating to the Fund

8.2 55

Remuneration of Central Depository Company of Pakistan Limited - Trustee

9 63

Annual fee of Securities and Exchange Commission of Pakistan

10 42

Auditors' remuneration

132

Formation cost

54

Total operating expenses

973

Net income from operating activities

4,402

Provision for Sindh Workers' Welfare Fund

11.1 (87)

Net income for the period before taxation

4,315

Taxation

15 -

Net income for the period after taxation

4,315

Allocation of net income for the period after taxation

Net income for the period after taxation

4,315

Income already paid on units redeemed

-

4,315

Accounting income available for distribution

- Relating to capital gains

-

- Excluding capital gains

4,315

4,315

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

For UBL Fund Managers Limited
(Management Company)

---SD---

Chief Executive Officer

---SD---

Chief Financial Officer

---SD---

Director

UBL Special Savings Fund

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the period from 9 November 2018 to 31 December 2018

**For the period from
9 November 2018 to
31 December 2018**

**USSP-I
(Rupees in '000)**

Net income for the period after taxation	4,315
Other comprehensive income for the period	-
Total comprehensive income for the period	4,315

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

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

---SD---

Chief Executive Officer

---SD---

Chief Financial Officer

---SD---

Director

UBL Special Savings Fund

Condensed Interim Statement of Movement in Unit Holders' Fund (Unaudited)

For the period from 9 November 2018 to 31 December 2018

For the period from 9 November 2018 to
31 December 2018

	Capital value	Undistributed income	Total
	-----USSP-I-----		
	(Rupees in '000)		
Issuance of 7,176,217 units			
- Capital value	717,622	-	717,622
- Element of income	2,079	-	2,079
Total proceeds on issuance of units	719,701	-	719,701
Redemption of 2,014,976 units			
- Capital value	(201,498)	-	(201,498)
- Element of loss	-	-	-
Total payments on redemption of units	(201,498)	-	(201,498)
Total comprehensive income for the period	-	4,315	4,315
Interim distribution for the period : Rs. 0.8513 per unit	(2,079)	(3,124)	(5,203)
Net income for the period less distribution	(2,079)	1,191	(888)
Net assets at end of the period	516,124	1,191	517,315
Accounting income available for distribution :			
- Relating to capital gains		-	
- Excluding capital gains		4,315	
		4,315	
Interim distribution for the period : Rs. 0.8513 per unit		(3,124)	
Undistributed income carried forward		1,191	
Undistributed income carried forward comprise of :			
- Realised income		1,191	
- Unrealised income		-	
		1,191	
			(Rupees)
Net assets value per unit at end of the period			100.2307

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

For UBL Fund Managers Limited
(Management Company)

---SD---

Chief Executive Officer

---SD---

Chief Financial Officer

---SD---

Director

UBL Special Savings Fund
Condensed Interim Cash Flow Statement (Unaudited)
For the period from 9 November 2018 to 31 December 2018

**For the period from
9 November 2018 to
31 December 2018**

USSP-I

Note **(Rupees in '000)**

CASH FLOWS FROM OPERATING ACTIVITIES

Net income for the period before taxation 4,315

Adjustments for non cash and other items:

Profit on bank deposits calculated using the effective interest method

(5,375)

Provision for Sindh Workers' Welfare Fund

87

(5,288)

Net cash used in operations before working capital changes

(973)

Working capital changes

Movement in working capital

Prepayments and other receivables

(53)

Preliminary expenses and floatation cost

(1,077)

Payable to the Management Company

2,596

Payable to Central Depository Company of Pakistan Limited - Trustee

46

Payable to Securities and Exchange Commission of Pakistan

42

Accrued expenses and other payables

1,063

2,617

Profits received during the period

1,284

Net cash generated from operating activities

2,928

CASH FLOWS FROM FINANCING ACTIVITIES

13

Proceeds from issuance of units

719,101

Payments on redemption of units

(201,498)

Total distribution to unit holders

(5,203)

Net cash generated from financing activities

512,400

Cash and cash equivalents at end of the period.

515,328

CASH AND CASH EQUIVALENTS

Bank balances

515,328

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

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

---SD---

Chief Executive Officer

---SD---

Chief Financial Officer

---SD---

Director

UBL Special Savings Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the period from 9 November 2018 to 31 December 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Special Savings 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 19 October 2018 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company and Central Depository Company of Pakistan Limited ("CDC") as the Trustee. The registered office of the Management Company is situated at 4th Floor STSM Building, Beaumont Road, Civil Lines Karachi. The Fund commenced its operations from 9 November 2018.

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

JCR-VIS Credit Rating Company has re-affirmed quality rating of 'AM1' (stable outlook) to the Management Company as on 27 December 2018.

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.

UBL Special Savings Fund shall be an open-end Capital Protected Fund that aims to not only provide its unit-holders capital preservation but competitive regular returns from a portfolio of fixed income investments in line with the risk tolerance of the investor. The Fund has been categorized by the Management Company as Capital protected fund.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations 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 and the NBFC Regulations have been followed.

2.1.2 These condensed interim financial information are unaudited and are being submitted to the unit holders as required under Regulation 38(2)(f) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). However, a limited scope review has been carried out by the auditors in accordance with the requirements of clause (xix) of the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan.

2.1.3 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of the Fund's affairs as at 31 December 2018.

3 BASIS OF PREPARATION

3.1 Basis of measurement

These financial statements have been prepared on the basis of historical cost convention, except those financial assets that have been carried at fair values in accordance with the requirements of International Accounting Standard IFRS 9.

3.2 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the functional and presentation currency of the Fund. All amounts have been rounded to the nearest thousand, unless otherwise stated.

3.3 Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in the application of accounting policies are given below:

a) Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in note 4.1.1 - Regarding the classification of investments.

b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the year ending 31December 2018 is included in the following notes:

- Notes 4.1.5 Impairment of financial instruments and other assets

3.4 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

There are certain amendments which are effective from annual period beginning on or after 1 July 2019. These amendments are not likely to have an impact on the Fund's financial position. Therefore these are not stated in this condensed interim financial information.

4 SIGNIFICANT ACCOUNTING POLICIES

The management has adopted the following significant policies for the preparation of these financial statements:

4.1 Financial assets

4.1.1 Classification

The management determines the appropriate classification of the financial assets of the Fund in accordance with the requirements of International Financial Reporting standard Standard IFRS 9, "Financial Instruments: Recognition and Measurement" at the time of purchase of financial assets and re-evaluates this classification on a regular basis. The following assessment have been made on the basis of the facts and circumstances that existed at the date of initial application:

- The determination of business model within which a financial asset is held.

The Fund classifies its financial assets in the following categories:

a) Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at Fair value through Profit or Loss (FVTPL):

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

b) Fair value through other comprehensive income (FVOCI)

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

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

c) Fair value through profit or loss

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

4.1.2 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.

4.1.3 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.

4.1.4 Subsequent measurement

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

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Profit / markup income, foreign exchange gains and losses and impairment are recognised in income statement.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Profit / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.

4.1.5 Impairment

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

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated 21 November 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds.

4.1.6 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.

4.2 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.

4.3 Derecognition

The Fund derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and does not retained control of the financial asset.

The Fund derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

4.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount 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 to realize the assets and settle the liabilities simultaneously.

4.5 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 over a period of three years (effective from 9 November 2018).

4.6 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.

4.7 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.

4.8 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.

4.9 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.

4.10 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.

4.11 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.

4.12 Expenses

All expenses including Management fee, Trustee fee and Securities and Exchange Commission of Pakistan fee are recognised in the Income Statement on accrual basis.

4.13 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.

4.14 Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Assets and Liabilities at cost. These comprise of deposits with banks and highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short term cash commitments rather than for investments for other purposes.

4.15 Distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

4.16 Other assets

Other assets are stated at cost less impairment losses, if any.

5. BANK BALANCES

These carry profit rates ranging from 9.15% to 10.72% per annum.

6. PREPAYMENTS AND OTHER RECEIVABLES

**31 December
2018
(Unaudited)
(Rupees in '000)**

Prepaid expenses	53
Receivable against issuance of units	600
	<u>653</u>

7. PRELIMINARY EXPENSES AND FLOATATION COST

Deferred formation cost	1,131
Amortization during the period	(54)
Unamortised formation cost at end of the period	<u>1,077</u>

- 7.1 As per the offering documents all preliminary and floatation expenses of the Fund including expenses incurred in connection with the establishment and authorization of the Fund, including execution and registration of the Constitutive Documents, issue, legal costs, printing, circulation and publication of the Offering Document, and all expenses incurred for announcing the Fund and other expenses during and up to the Initial Offering Period (IOP), shall be borne and reimbursed by the Fund to the Management Company subject to the audit of expenses. Deferred formation cost shall be borne by the fund and amortised within the maturity of plan which is 36 months.

8. PAYABLE TO THE MANAGEMENT COMPANY

Note **31 December
2018
(Unaudited)
(Rupees in '000)**

Management remuneration payable	8.1	627
Payable against allocation of expenses relating to the Fund	8.2	41
Payable against formation cost		1,136
Sales load and other payables		792
		2,596

8.1 As per regulation 61 of amended Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), the Management Company of the Fund is entitled to remuneration equal to an amount not exceeding 1% of average annual net assets in case of Income Scheme. The Management Company has charged remuneration at the rate of 1% per annum of the average daily net assets of the Fund. The remuneration is paid to the Management Company on monthly basis in arrears.

8.2 As a result of amendments in the NBFC Regulations vide statutory notification (SRO No. 1160 / (I) dated 25 November 2015), the Management Company may charge fee and expenses related to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) upto a maximum of 0.1% per annum of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average net assets, being lower.

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

The Trustee is entitled to a monthly 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 on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the trustee fee for the period ended from 9 November 2018 to 31 December 2018 is as follows:

Net Assets	Tariff
- Upto Rs. 1 billion	0.1% per annum of net assets.
- Above Rs.1 billion to Rs.5 billion	Rs. 1 million plus 0.06% per annum of net assets exceeding Rs 1 billion.

10. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

The Fund is required to pay SECP an annual fee at the rate of 0.075 % of the average daily net assets of the Fund in accordance with regulation 62 of the NBFC regulations, 2008.

11. ACCRUED EXPENSES AND OTHER PAYABLES

Note **31 December
2018
(Unaudited)
(Rupees in '000)**

Provision for Sindh Workers' Welfare Fund	11.1	87
Auditors' remuneration payable		127
Withholding tax payable		398
Other payables		538
		1,150

11.1 Provision for Sindh Workers Welfare Fund is being made on a daily basis pursuant to MUFAP's recommendation to all its members on 12 January 2017 against the backdrop of the Sindh Revenue Board (SRB) going forward letter to certain mutual funds in January 2016 whereby SRB directed the mutual funds to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after 31 December 2013. This is on the premise that mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001 and hence SWWF is payable by them. Though MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF but as a matter of abundant caution the Management has recorded SWWF. Had the provision not been made, Net Asset Value per unit of the Fund as at 30 June 2018 would have been higher by Rs. 0.0168 per unit.

12. CONTINGENCY

As at 31 December 2018, there is no contingency.

13. RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

	Receivable against sale of units -----	Payable against redemption of units (Rupees in '000)	Total -----
Receivable against issuance of units	719,701	-	719,701
Payable against redemption of units	-	(201,498)	(201,498)
	719,701	(201,498)	518,203
Amount received on issuance of units	719,101	-	719,101
Amount paid on redemption of units	-	(201,498)	(201,498)
	719,101	(201,498)	517,603
Closing balance as at 31 December 2018	600	-	600

14. TOTAL EXPENSE RATIO

The Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/18/2016 dated 20 July 2016, requires that collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the year ended 31 December 2018 is 0.28% which include 0.05% representing government levy, Sindh Workers' Welfare Fund and SECP fee.

15. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule of 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 in the form of cash amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealized capital gains to the unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause II of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute in cash form at least 90% of the income earned for the year by the Fund to the unit holders, accordingly no provision has been made in this condensed interim financial information.

16. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Financial Services (Private) Limited, Entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the Fund, the directors and officer of the Management Company.

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	Funds under common management	Directors and key executives	Other connected persons / related parties

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

For the period from 9 November 2018 to 31 December 2018 (Unaudited)

Transactions during the period

Units issued	201,498	-	-	-	-
Units redeemed	201,498	-	-	-	-
Dividend paid	1,703				
Allocated expenses	55	-	-	-	-
Remuneration*	627	-	63	-	-

As at 31 December 2018 (Unaudited)

Balances held

Units held (units in '000)	-	-	-	-	-
Units held (Rupees in '000)	-	-	-	-	-
Remuneration payable*	627	-	46	-	-
Sales load and other payables	792	482	-	-	-
Allocated expense payable to the management company	41	-	-	-	-
Formation cost payable	1,136				

* This balance is inclusive of Sindh Sales Tax.

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 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 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 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 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 (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).

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

		31 December 2018 (Unaudited)						
		Carrying amount			Fair value			
		At fair value through profit or loss	At fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3
<i>Note</i>		----- (Rupees in '000) -----						
Financial assets not measured at fair value	17.1							
Bank balances		-	-	515,328	515,328			
Profits receivable on bank balances		-	-	4,091	4,091			
Prepayments and other receivables		-	-	600	600			
		<u>-</u>	<u>-</u>	<u>520,019</u>	<u>520,019</u>			
Financial liabilities not measured at fair value	17.1							
Payable to the Management Company		-	-	2,596	2,596			
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	46	46			
Accrued expense and other payables		-	-	1,063	1,063			
		<u>-</u>	<u>-</u>	<u>3,705</u>	<u>3,705</u>			

- 17.1** 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 a reasonable approximation of fair value.

18. FINANCIAL RISK MANAGEMENT

The Fund's objective in managing risks is the creation and protection of Unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to credit risk, liquidity risk and market risk arising from the financial instruments it holds.

18.1 Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation. The Fund's policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines, offering document and regulatory requirements.

Management of credit risk

The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of NBFC rules and regulations and guidelines given by SECP from time to time.

Credit risk is managed and controlled by the management company of the Fund in the following manner:

- The fund limits its exposure to credit risk by only investing in instruments and bank deposits that have a minimum "AA-" from a credit rating agency duly approved by the SECP.
- Investment transactions are carried out with large number of brokers, whose credit rating is taken into account so as to minimize the risk of default and transactions are settled or paid for only upon deliveries.
- The risk of counter party exposure due to failed trade causing a loss to the Fund is mitigated by a periodic review of trade reports, credit ratings and financial statements on a regular basis.
- Cash is held only with reputable banks (including related party).

The table below analyses the Fund's maximum exposure to credit risk:

Financial assets exposed to credit risk	31 December 2018 (Unaudited) (Rupees in '000)
Bank balances	515,328
Profit receivable	4,091
Receivable against issuance of units	600
	520,019

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. Further, all transactions in securities are executed through approved brokers, thus the risk of default is considered to be minimal. For Debt instruments settlement, Delivery versus Payment (DvP) mechanism applied by Trustee of the Fund minimize the credit risk. In accordance with the risk management policy of the Fund, the Investment Committee monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The analysis below summarizes the credit quality of the Fund's portfolio in total as on 31 December 2018:

Rating by category	31 December 2018 (Unaudited) -----%-----
A+	100
	100

Concentration of credit risk exists when changes in economic or industry factors affect the group of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial assets is broadly diversified and transactions are entered into with diverse credit worthy counterparties thereby mitigating any significant concentration of credit risk.

The Fund's activities may give rise to settlement risk. 'Settlement risk' is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For the majority of transactions, the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

18.2 Liquidity risk

'Liquidity risk' is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's offering document provides for the daily creation and cancellation of units and it is therefore exposed to the liquidity risk of meeting unitholder's redemptions at any time. The Fund manages the liquidity risk by maintaining maturities of financial liabilities and investing a major portion of the Fund's assets in highly liquid financial assets. The Fund's investments are considered to be readily realisable as they are all invested in government securities and saving accounts. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

In accordance with the risk management policy of the Fund, the Fund manager monitors the liquidity position on a daily basis, which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

In accordance with regulation 58(1)(k) of the NBFC Regulations, 2008, the Fund has the ability to borrow funds for meeting the redemption requests, with the approval of the Trustee, for a period not exceeding three months to the extent of fifteen percent of the net assets. However, no such borrowing has been obtained during the year.

Further, the Fund is also allowed in accordance with regulation 57 (10) of the NBFC Regulations, 2008, to defer redemption requests to the next dealing day, had such requests exceed ten percent of the total number of units in issue.

In addition to unitholders' fund, the analysis below summarizes the Fund's financial liabilities into relevant maturity grouping as at 31 December 2018:

	31 December 2018			
	Maturity Upto			
	Three months	Six months	One Year	More than one year
Financial Liabilities	(Rupees in '000)			
Payable to Management Company	2,596	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	46	-	-	-
Accrued expenses and other payables	666	-	-	-
Total Liabilities	3,308	-	-	-

18.3 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and debt security prices.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in the market interest rates. The Fund's interest rate risk is monitored on a daily basis by the board of directors.

As at 31 December 2018, the balances that may be exposed to interest rate risk are as follows:

	31 December 2018 (Unaudited) (Rupees in '000)
Variable rate instruments	
Bank balances	515,328

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the year end would have increased / (decreased) the net assets and net income by Rs. 5.153 million, assuming all other variables held constant.

ii) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

iii) Price risk

Price risk is the risk of volatility in prices of financial instruments resulting from their dependence on market sentiments, speculative activities, supply and demand for financial instruments and liquidity in the market. The value of investments may fluctuate due to change in business cycles affecting the business of the Fund in which the investment is made, change in business circumstances of the Fund, industry environment and / or the economy in general. The Fund is not exposed to the risk as its constitutive documents prohibit it from investing in equity securities.

18.4 Unit holders' fund risk management (Capital risk Management)

The Fund's objective when managing unit holder's funds is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders and to ensure reasonable safety of capital. The Fund manages its investment portfolio and other assets by monitoring return on net assets and makes adjustments to it in the light of changes in market conditions. Under the NBFC regulations 2008, the minimum size of an open end scheme shall be one hundred million rupees at all the times during the life of the scheme. The Fund size depends on the issuance and redemption of units.

In order to maintain or adjust the capital structure, the Fund's policy is to perform the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to unit holders;
- Redeem and issue units in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions and require certain minimum holdings and issuance; and
- The Fund Manager / Investment Committee members and Chief Executive of the Fund critically track the movement of 'Assets under Management'. The Board of Directors is updated about the fund yield and movement of NAV and total fund size at the end of each quarter.

19. GENERAL

- 19.1** This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.
- 19.2** This condensed interim financial information was authorised for issue by the board of directors of the Management Company on February 27, 2019.

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

---SD---

Chief Executive Officer

---SD---

Chief Financial Officer

---SD---

Director



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